

# General Provisions for Payment Services Offered by Kaiser Ritter Partner Privatbank AG

*German version is binding.*

These „General Provisions for Payment Services“ apply to the execution of transactions carried out by Kaiser Ritter Privatbank AG (hereinafter referred to as „the Bank“) via a payment account.

The provisions in part 1 apply to the provision of payment services. Part 2 applies to the provision of domestic and cross-border payment services, i.e. payment transactions from or within the countries of the European Economic Area (EEA) in euros or in the currency of an EEA member state outside the eurozone. Part 2 does not apply to payment transactions from or to Switzerland or other third countries.

The provisions form a framework agreement for consumers within the meaning of Liechtenstein law on payment services.

The following sections only apply to consumers within the meaning of the law on payment services: 1.8, 2.6 para. 2, 2.7.3, 2.7.5, 2.7.6, 2.7.7, 2.7.9 and 2.9.

*The „General Provisions for Payment Services“ substantiate/ supplement the Bank’s General Terms and Conditions (GTC) with regard to payment transactions and form an integral part thereof. In the event of any discrepancies between the „General Provisions for Payment Services“ and the Bank’s GTC, the former shall take priority.*

Further information can be requested from the Bank or viewed at the Bank’s premises.

## Information on the Bank and the supervisory authorities

Kaiser Ritter Partner Privatbank AG is headquartered at Herren-gasse 23, LI-9490 Vaduz.

It is registered as a bank in the legal form of a company limited by shares in the Public Registry of the Principality of Liechtenstein. For its activities as a bank, it holds a licence under the Liechtenstein Banking Act and is subject to the supervision of the Liechtenstein Financial Market Authority (FMA), Heiligkreuz 8, P.O. Box 684, LI-9490 Vaduz.

## 1. General provisions

### 1.1 Terms

The following terms apply within the meaning of the following contractual provisions:

#### **Unique identifier:**

A combination of letters, numbers or symbols specified to the payment service user by the payment service provider and to be provided by the payment service user to identify unambiguously the other payment service user and/or his/her payment account for a payment transaction (e.g. IBAN = International Bank Account Number).

#### **Consumer:**

A natural person, who in payment service contracts covered by this law is acting for purposes other than his/her trade, business or profession.

#### **Payer:**

A natural or legal person who holds a payment account and allows a payment order from that account or, where there is no payment account, a natural or legal person who gives a payment order.

#### **Payee:**

A natural or legal person who is the intended recipient of funds which have been the subject of a payment transaction.

#### **Payment service user:**

A natural or legal person making use of a payment service in the capacity of either payer or payee, or both.

#### **Payment service provider:**

The bank of the payer or the payee.

#### **Payment instrument:**

Any personalised device(s) and/or set of procedures agreed between the payment service user and the payment service provider and used by the payment service user to initiate a payment order.

## 1.2. Key features of payment services

For a description of the key features of payment services, please refer to the brochure „Fees, Charges & Commissions“.

## 1.3 Execution and rejection of payment orders

### 1.3.1 Execution of payment orders

The Bank exercises due care when processing payment orders. Should the Bank require additional information or instructions to execute a client order and cannot obtain this information from the client within the allotted time, whether because the payment service user does not wish to be contacted by the Bank or because he/she cannot be reached, the Bank reserves the right in cases of doubt to refrain from executing the payment order, for the protection of the payment service user.

Payment service users must issue orders that have a specific execution date in due time.

### 1.3.2 Information required for the correct execution of payment orders

In order to execute a payment order correctly, the Bank requires the following information from the payer:

1. Last name and first name or company name with home address/registered office of the payee,
2. Unique identifier (IBAN),
3. Information on the payee's (company's) payment service provider or the payer for direct debit orders (BIC Bank Identifier Code),
4. Date of execution,
5. Single payment or recurring,
6. Currency and amount,
7. Date and signature.

### 1.3.3 Rejection or delayed execution of orders

The Bank is not obliged to execute orders for which there are insufficient funds or credit limit. Where the payment service user has issued a series of orders, the total amount of which exceeds his/her available credit balance or any credit facilities that may have been granted, the Bank may decide at its own discretion which of the orders are to be executed, in whole or in part, under consideration of the order date and when the order was received.

The Bank reserves the right to reject a payment order or execute it at a later date if the required information has not been correctly

provided or other legal or regulatory reasons mitigate against the execution of the order. The Bank shall inform the client of the reasons for the rejection provided this does not breach other legal regulations and/or official or court orders. The information does not have to be provided in any particular form.

The Bank is authorised, but not required, to execute a payment order despite inadequate or missing details provided the Bank can supplement or amend the details with certainty.

The Bank accepts no liability for any delays in the execution of orders connected to the fulfilment of legal requirements (in particular pursuant to the Lichtenstein Due Diligence Act). Upon receiving unusual amounts or payments, the Bank is authorised, after clarification of the specific circumstances, to decide at its own discretion whether to credit the amount to the client account or refund the incoming payment. The Bank also reserves the right to refund assets to the ordering bank that have already been credited if it does not receive sufficient information regarding the background and origin of the assets within a reasonable period of time.

Finally, the Bank is not obliged to execute orders issued electronically if a corresponding special agreement has not been concluded.

The Bank may charge the client any costs for the provision of information concerning the refused payment orders if the rejection was justified.

## 1.4 Collective order

For a collective order, all requirements for the execution of each individual payment order must be met. Otherwise, the entire collective order may be returned unprocessed by the Bank.

## 1.5 Issuing orders, cut-off deadlines and revocation

A payment transaction is considered to be authorised only if the payer has given consent to execute the payment transaction. The payer generally issues the payment order in writing. The order is authorised by means of a legally binding signature. Special provisions apply to the use of electronic and other means of communication.

The payment service user may revoke the payment order at any time prior to the instruction being received by the payer's bank. The time of receipt is deemed to be the time at which the payment order arrives at the payer's bank. If the payment order does not arrive on a bank business day, the order is deemed to have been received on the next following bank business day.

Clients are informed of the cut-off deadlines in an appropriate manner. If the payment order is delivered by the client after the relevant cut-off deadline, the payment can generally only be executed on the following business day. The Bank, however, also reserves the right to immediately execute orders that are received after the cut-off deadline.

If the payer wishes for the order to be executed at a later date, this date is deemed to be the date of receipt. In this case, the payer can revoke the payment order at any time before the end of the business day preceding the agreed date.

In the case of a direct debit order, the payer can revoke the payment order without prejudice to any reimbursement rights at any time before the end of the business day preceding an agreed debit date.

The Bank may charge the revocation of a payment order to the client.

## 1.6 Charges for payments

Fees can be charged for the payment service. The fees and any breakdown thereof can be viewed in the brochure „Fees, Charges & Commissions“.

The Bank reserves the right to charge additional fees in accordance with these „General Provisions for Payment Services“ (in particular sections 1.3.3, 1.5 and 2.7.8).

The Bank can levy charges for the fulfilment of other obligations. These charges shall be based on the actual costs.

## 1.7 Foreign currency conversion

Payments are made in the currency requested by the client. Amounts denominated in foreign currencies are credited and debited in Swiss francs using the applicable daily rate on the

date when the amount is booked by the Bank. This is subject to special client instructions (e.g. rate fixed with Bank in advance) or the existence of a corresponding foreign currency account. If the client only holds accounts in foreign currencies, the Bank may credit or debit the amount in one of these currencies.

## 1.8 Changes to and termination of this framework contract

### 1.8.1 Changes to the framework contract

The Bank reserves the right to amend the framework contract at any time. Changes to the framework contract shall be proposed in writing at least 2 months prior to their planned implementation. Changes to the framework contract shall be deemed to have been accepted unless the payment service user notifies the Bank that he/she does not accept them before the date of their proposed entry into force. In this case, the client has the right to terminate the framework contract without prior notice and at no cost before the proposed date for the implementation of the changes.

The Bank can change interest or exchange rates at any time. Clients shall be informed of such changes in an appropriate manner.

### 1.8.2 Duration of contract

This framework contract shall be of unlimited duration.

### 1.8.3 Notice periods and termination possibilities

The payment service user can terminate the framework contract at any time without notice.

The framework contract may be terminated by the payment service user at no cost after 12 months. In all other cases, charges may be levied. These charges shall be appropriate and based on the actual costs.

The Bank shall be entitled to terminate the unlimited framework contract by giving 2 months' notice. The Bank may terminate the framework contract at any time where good cause exists. In particular, this applies if the client terminates the banking relationship.

## 1.9 Language and means of communication

The authoritative language for the contractual relationship between the Bank and our clients is German. The client may also,

however, communicate with the Bank in English at any time or, upon prior agreement, in another language. In general, contractual materials and other documents are provided in German, unless otherwise agreed between the Bank and the client.

As a rule, the Bank will communicate with the client in writing. Orders and notifications sent via other communication channels shall only be accepted on the basis of a separate written agreement. If such an agreement exists and the client contacts the Bank via one of these communication channels, the Bank shall reserve the right to contact the client in the same way.

Electronic services are subject to the special agreements in place for these services.

### **1.10 Complaint and redress procedures for the settlement of disputes**

For the settlement of disputes between the Bank and the payment service users, either the arbitration body specified by the government by decree or the responsible intermediary office must be contacted prior to taking legal action before the regional court.

## **2. Payments in Liechtenstein and within the EEA**

### **2.1 Limits of the use of the payment instrument**

For certain payment instruments, spending limits and conditions for blocks may be specified.

The Bank retains the right to block a payment instrument for objectively justified reasons related to the security of the payment instruments, the suspicion of unauthorised or fraudulent use of the payment instrument or, in the case of a payment instrument with a credit line, a significantly increased risk that the payer may be unable to fulfil his/her liability to pay.

In such cases, the Bank shall inform the payer of the blocking of the payment instrument and the reasons for it in an agreed manner, where possible, before the payment instrument is blocked and at the latest immediately thereafter, unless giving such information would objectively compromise security or be prohibited by the relevant legislation of the member states of the EEA and/or official or court orders.

### **2.2 Amounts transferred and amounts received**

The payee's bank may deduct its charges from the amount transferred before crediting it to the payee. In such a case, the full amount of the payment transaction and charges shall be shown separately in the information given to the payee.

### **2.3 Execution time and value date**

For payments in euros, payment transactions in CHF within Liechtenstein and for cross-border payment transactions within the EEA involving the conversion an EEA member state currency into euros, the maximum execution time shall be three business days until 31 December 2011. The execution time is the period within which the amount is credited to the payee.

From 1 January 2012, this period will be reduced to one day. For payment orders issued in paper form, these periods will be extended by an additional business day.

For other payments within the EEA, a maximum execution period of four days shall apply.

### **2.4 Value date and availability of funds**

The credit value date for the payee's payment account is no later than the business day on which the amount of the payment transaction is credited to the payee's bank's account.

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

### **2.5 No data reconciliation for incoming payments/refunds**

The Bank only credits incoming payments on the basis of the unique identifier stated in the payment order. The Bank therefore points out that there is normally no check carried out to ascertain whether the payee's name and address match the unique identifier.

However, the Bank reserves the right, at its own discretion, to carry out this reconciliation check and to reject the payment order if there are inconsistencies. In the event of a payment order

being rejected, the Bank is entitled to inform the payer's financial institution of the inconsistencies.

Incoming payments that do not contain a valid or any IBAN will normally not be executed at the payer's bank. The same shall apply should there be other reasons preventing a payment being credited (e.g. statutory or regulatory provisions, official decrees, suspended account). In this context, the Bank is entitled, but not obliged, to disclose the reason why the credit was not made to all parties involved in the transaction (including the payer).

## 2.6 Charges

Where a payment transaction does not require currency exchange, the payee and the payer must bear the charges levied by their respective payment services providers.

The Bank shall provide the payment service user with the General Provisions for Payment Services and the information specified therein at any time and free of charge either on paper or another durable medium.

The Bank may levy a charge for information required by the client that goes beyond this or for the more frequent provision of this information or its transmission via means of communication other than those specified.

## 2.7 Protective measures/liability and reimbursement

### 2.7.1 Obligations of the payment service user

The payment service user entitled to use a payment instrument has the following obligations:

1. To use the payment instrument in question in accordance with the special agreements for the issue and use of the payment instrument.
2. To notify the Bank, or another specified entity, without undue delay on becoming aware of the loss, theft, misappropriation or any unauthorised use of the payment instrument.

The payment service provider shall, in particular, as soon as he/she receives the payment instrument, take all reasonable steps to keep its personalised security features safe.

### 2.7.2 Notification of unauthorised or incorrectly executed payment transactions

The client must inform the Bank in writing without delay on becoming aware of any unauthorised or incorrectly executed payment transactions giving rise to a claim, including those under sections 2.7.6, 2.7.7 and 2.7.9 no later than 13 months after the debit date.

For clients who are not consumers, a period of 30 days after the debit date applies.

### 2.7.3 Evidence of authentication and execution of payment transactions

If a client denies having authorised an executed payment transaction or claims that the payment transaction was not correctly executed, it is for the Bank to prove that the payment transaction was authenticated, accurately recorded, entered in the accounts and not affected by a technical breakdown or some other deficiency.

### 2.7.4 Bank's liability for unauthorised payment transactions

In the case of an unauthorised payment transaction, the payer's bank shall refund to the payer the amount of the unauthorised payment transaction and, where applicable, restore the applicable payment account to the state in which it would have been had the unauthorised payment transaction not taken place. The provisions of section 2.7.2 shall apply.

### 2.7.5 Payer's liability for unauthorised payment transactions

By way of derogation from section 2.7.4 the payer shall bear the losses relating to any unauthorised payment transactions, up to a maximum of EUR 150, resulting from the use of a lost or stolen payment instrument or, if the payer has failed to keep the personalised security features safe, from the misappropriation of a payment instrument.

The payer shall bear all losses relating to any unauthorised payment transactions if he/she incurred them by acting fraudulently or by failing to fulfil one or more of his/her obligations under section 2.7.1 with intent or gross negligence. In such cases, paragraph 1 of this section shall not apply.

The payer shall not bear any financial consequences from the use of the lost, stolen or misappropriated payment instrument after notification in accordance with section 2.7.1, except where he/she has acted fraudulently.

### **2.7.6 Errors during execution of a payment transaction initiated by the payer**

Where a payment order is initiated by the payer, his/her Bank shall, without prejudice to section 2.7.2, 2.7.8 para. 2 – 4 and 2.8, be liable to the payer for the correct execution of the payment transaction, unless the Bank can prove to the payer and, where relevant, to the payee's bank that the payee's bank received the amount of the payment transaction in accordance with section 2.3, in which case the payee's bank shall be liable to the payee for the correct execution of the payment transaction.

### **2.7.7 Errors during execution of a payment order initiated by the payee**

Where a payment order is initiated by or through the payee, his/her bank shall, without prejudice to sections 2.7.2, 2.7.8 para. 2 – 4 and 2.8, be liable to the payee:

1. for the correct transmission of the payment order to the payer's bank; and
2. for processing the payment transaction in accordance with its obligations under section 2.4.

### **2.7.8 Incorrect unique identifier**

If a payment order is executed in accordance with the unique identifier, the payment order shall be deemed to have been executed correctly with regard to the payee specified by the unique identifier (also see section 1.3.3).

If the unique identifier provided by the payment service user is incorrect, the Bank shall not be liable under sections 2.7.6, 2.7.7 and 2.7.9 for the non-execution or defective execution of the payment transaction.

However, the payer's bank shall make all reasonable efforts to recover the funds involved in the payment transaction. The Bank may charge the payment service user for the recovery.

If the payment service user provides information additional to that specified in section 1.3.2, the Bank shall be liable only for the execution of payment transactions in accordance with the unique identifier provided by the payment service user.

### **2.7.9 Additional compensation**

Further claims may arise from legal or special contractual regulations.

## **2.8 Exclusion of liability**

Liability in connection with the authorisation and execution of payment transactions shall be excluded in exceptional and unforeseeable circumstances, the consequences of which would have been unavoidable despite all efforts to the contrary, or where the Bank is bound by other legal obligations covered by national or Community legislation.

### **2.9 Refunds for payment transactions initiated by or through a payee**

The payer is entitled to a refund from the Bank of an authorised payment transaction initiated by or through a payee which has already been executed, if:

1. the authorisation did not specify the exact amount when the authorisation was given; and
2. the amount of the payment transaction exceeded the amount the payer could reasonably have expected taking into account his/her previous spending pattern and the relevant circumstances of the case.

At the Bank's request, the payer shall provide factual evidence relating to such conditions. The refund is for the full amount of the executed payment transaction.

The payer has no right to a refund where he/she has given his/her consent directly to the Bank to execute the payment transaction and, where applicable, information on the future payment transaction was provided or made available in a suitable/agreed manner to the payer at least four weeks before the due date by the Bank.

The payer must request the refund of an authorised payment transaction initiated by or through a payee for a period of eight weeks from the date on which the funds were debited.

Within ten working days of receiving a request for a refund, the Bank shall either refund the full amount of the payment transaction or provide justification for refusing the refund, indicating the bodies to which the payer may refer the matter if he/she does not accept the justification provided.