

Conditions of e-invoice standing order agreement

Valid from
14.04.2017

1. TERMS AND DEFINITIONS

- 1.1 **An e-invoice standing order** (hereinafter **the standing order**) constitutes the Customer's Payment Order which is issued to the Bank for the execution of regular payments from the Customer's Account pursuant to the procedure provided in the e-invoice standing order agreement (hereinafter the **Agreement**).
- 1.2 **Service ID.** The service-based identifier in the Seller's system (customer code, customer number, reference number, etc.). The Service ID is required for establishing the maximum limit for the payment order subject to execution upon entry into the E-invoice Standing Order Agreement, applicable to the payment of any invoice presented by the same Seller for various goods and services.
- 1.2 **Payment Date.** The payment date chosen by the Customer, amongst the options provided by the Bank, for payment of the e-invoice.
- 1.3 **Payment Due Date.** The term of payment specified on the e-invoice.
- 1.4 **Seller.** The issuer of the e-invoice; a party to the service or sales agreement underlying the e-invoice. The Bank shall have the right to forward to the Seller any information related to the standing order or execution of the standing order.
- 1.5 **Operator.** A person who forwards the Seller's e-invoices to the Bank. Banks or third-party service providers may act as operators. The Bank shall have the right to forward to the Operator any information related to the standing order or execution of the standing order.
- 1.6 **Standing Order Limit.** The maximum monthly amount allocated by the Customer, upon entry into the Agreement, for payment of e-invoices bearing a specific Service ID. In order to set a maximum limit for the standing order, the Standing Order Limit shall be established as a fixed amount. If the Customer sets the status of the Standing Order Limit to "unspecified" upon entry into the Agreement, no limit shall be established for the standing order.

2. GENERAL PROVISIONS

- 2.1 Standing order shall be tied with the Customer's specific account (hereinafter the **Account**), which can be used by the Bank for executing standing orders.
- 2.2 These conditions of the Agreement (hereinafter the **Conditions**) shall form an integral part of the Agreement, and shall be applicable to the Agreement, unless otherwise agreed between the Bank and the Customer.
- 2.3 In addition to the terms and definitions set forth in the Conditions, the terms and definitions provided in the Bank's General Conditions and the Payment Services Agreement shall apply.

- 2.4 In issues not regulated by the Agreement, the Bank and the Customer shall be governed, in addition to the Conditions, by the Bank's General Conditions and the Conditions of Payment Services Agreement, including other documents referred to therein, insofar as these are not in conflict with the Conditions or other terms and conditions of the Agreement. The Customer has accessed the General Conditions and is aware of the Customer's duties and the Bank's rights arising therefrom.

- 2.5 The Agreement shall be governed by the laws of the Republic of Estonia.

3. CONDITIONS OF THE STANDING ORDER

- 3.1 The following conditions shall be met prior to the conclusion of the Agreement:
 - 3.1.1 The Seller has concluded an agreement with the Operator and the Operator forwards the Seller's e-invoices bearing the Service ID to the Bank under the agreement concluded between the Operator and the Seller.
 - 3.1.2 The Customer has submitted an application to the Seller, Operator or Bank in order for the e-invoice with the designated Service ID to be delivered to the Bank.
 - 3.1.3 A bilateral agreement has been concluded between the Operator (or Seller) and the Bank, under which the Seller's e-invoice bearing the specific Service ID is forwarded to the Bank.
- 3.2 By entering into the Agreement, the Customer shall give the Bank the order to pay, on behalf of the Customer, the amount indicated on the Seller's e-invoice which bears the specific Service ID and has been submitted to the Bank during the validity of the Agreement, at the time specified by the Customer (hereinafter the Payment Date), in view of the Standing Order Limit and other terms and conditions of the Agreement. With the conclusion of the Agreement, any standing orders executed on the basis of the Agreement shall be considered as authorised in the meaning of the Law of Obligations Act.
- 3.3 The Customer shall specify the Payment Date in the Agreement as follows:
 - 3.3.1 Where the Customer designates the day of presentation of the e-invoice as the Payment Date, the Bank shall pay the e-invoice as soon as possible after the receipt of the e-invoice.
 - 3.3.2 Where the Customer designates the Payment Due Date as the Payment Date, the Bank shall pay the e-invoice on the Payment Due Date.
 - 3.3.3 Where the Customer chooses, amongst the options provided by the Seller, another date as the Payment Date, the Bank shall pay the e-invoice on the date designated by the Customer.
- 3.4 The Customer may designate a calendar-month-based Standing Order Limit in the Agreement, establishing the maximum amount within which the Bank shall have the right to pay e-invoices.

- 3.5 The Customer shall pay the Bank a service fee for the standing order in accordance with the Bank's price list.
- 3.6 The Customer shall have the right to examine the e-invoice for a period of at least twelve (12) months after submission of the e-invoice to the Bank.

4. EXECUTION OF PAYMENTS

- 4.1 The Bank shall execute the standing order by transferring the amount specified on the e-invoice to the bank account designated by the Seller.
- 4.2 The Customer shall be responsible for the availability of sufficient funds for the execution of the standing order and for the adequacy of the Standing Order Limit.
- 4.3 If there are insufficient funds on the Account for the execution of the standing order or for the payment of the Bank's service fees on the Payment Date, or if the Limit or Standing Order Limit has been exceeded or would be exceeded (even if only partially) with the standing order, the Bank shall refrain from execution of the standing order. The Bank shall not convert other currencies available on the Account, or check the availability of funds on the Customer's other accounts.
- 4.3.1 If the standing order cannot be executed on the Payment Date, the Bank shall check the Account until the Payment Due Date and if the Account holds sufficient funds for execution of the standing order and payment of the Bank's service fee, the Bank shall execute the standing order.
- 4.3.2 The Bank shall not check the Account for availability of funds after the Payment Due Date, and the Customer will have to execute the payment manually, unless the Customer has determined a later Payment Date than the Payment Due Date, in which case the Bank shall check the availability of funds until the Payment Date.
- 4.4 The Seller may forward to the Bank several e-invoices bearing the same Service ID within one calendar month. In this case, the Bank shall execute all standing orders related to the e-invoices bearing the particular Service ID, provided that the funds available on the Account are sufficient for the execution of all standing orders, and the total amount of e-invoices does not exceed the Standing Order Limit established by the Customer.
- 4.5 If the Customer issues several standing orders with the same Payment Date, but the funds available on the Account are insufficient for execution of all standing orders, the Bank shall decide on the order of the execution of the standing orders at its own discretion.
- 4.6 The Bank shall have the right to suspend the execution of standing order(s) during the period when the Customer's account is blocked or seized.

5. LIABILITY

- 5.1 The Bank shall be liable for the correct and complete execution of standing orders in accordance with the conditions of the Agreement. The Bank shall not be held liable for failure to execute standing orders, if the failure or partial execution was conditioned by the lack of sufficient funds on the Account, or the limitations established by the Customer in the Agreement.

- 5.2 The Bank shall execute the standing order only if the Seller forwards to the Bank the e-invoice bearing the corresponding Service ID. The Bank shall not be held liable for failure to fulfil the Customer's contractual obligations, if the Seller has failed, due to technical or other reasons, to timely submit to the Bank the e-invoice bearing the Service ID.
- 5.3 The Bank shall not be held liable for the correctness of the data forming the basis for the standing order specified on the e-invoice (including the Service ID).

6. ENTRY INTO FORCE, AMENDMENT AND TERMINATION OF THE AGREEMENT

- 6.1 The Agreement shall enter into force upon its conclusion, and may be concluded without a term, or for a fixed term.
- 6.2 The Customer shall have the right to change the data which serves as the basis for the payments to be effected under the standing order by issuing a corresponding order to the Bank.
- 6.3 The Bank shall have the right to unilaterally amend the Conditions by notifying the Customer thereof at least 2 (two) months in advance. The Customer shall have the right to immediately cancel the Agreement free of charge within the above term of 2 (two) months. If the Customer fails to cancel the Agreement within the above term, it shall be considered that the Customer has accepted the amendments.
- 6.4 The Customer shall have the right to cancel the Agreement at any time.
- 6.5 The Bank shall have the right to terminate the Agreement by giving the Customer an advance notice of at least 2 (two) months.
- 6.6 In case of a Customer who is a legal person, the Bank shall have the right to terminate the Agreement by adhering to the term of advance notification stipulated in the General Conditions.