OpenPayd

# OpenPayd Service Specific Terms

# About

The OpenPayd services will be provided to you by one of the following entities, depending on the entity you contract with, as set out in your Pricing Agreement:

**SettleGo Solutions Limited, trading as OpenPayd is:**

contactable by email at operations@openpayd.com, phone at +44 (0) 208 194 5050 or post at OpenPayd, The Bower, 207-211 Old Street, London, EC1V 9NR

incorporated in England and Wales (Company registration number 09570221), with registered office at The Bower, 207-211 Old Street, London, England, EC1V 9NR

registered with the Information Commissioner (No. ZA548790)

authorised by the Financial Conduct Authority under the Electronic Money Regulations 2011 (with firm reference number 900483) for the issuing of electronic money

**OpenPayd Financial Services Malta Limited, trading as OpenPayd is:**

contactable by email at operations@openpayd.com, phone at +365 2703 4054 or post at OpenPayd, 122 – 123 Pangea, Level 5 , Triq San Gorg, St. Julians STJ 3204, Malta

incorporated in Malta (Company registration number C75880), with registered office at 122 – 123 Pangea, Level 5, Triq San Gorg, St. Julians STJ 3204, Malta

authorised by the Malta Financial Services Authority as a financial institution licenced to issue electronic money and undertake payment services under the Financial Institutions Act, Chapter 376 of the laws of Malta

**OpenPayd Financial Services Malta Limited, French Branch, trading as OpenPayd is:**

contactable by email at operations@openpayd.com, or post at OpenPayd Financial Services Malta, French Branch, 49 Boulevard de Courcelles 75008 Paris, France

established in France by virtue of a Branch which is registered with the Paris commercial and companies register (RCS) under number 914 212 360 and whose registered office is located at 49 Boulevard de Courcelles 75008 Paris, France

authorised by the Malta Financial Services Authority which is located at Triq l-Imdina, Zone 1, Central Business District, Birkirkara, CBD 1010, Malta (www.mfsa.mt) as a financial institution licensed to issue electronic money and undertake payment services under the Financial Institutions Act, Chapter 376 of the laws of Malta

authorised and supervised by the Malta Financial Services Authority in Malta and supervised by the ACPR (Autorité de contrôle prudentiel et de resolution) in France which is located at 4 place de Budapest, 75009 PARIS cedex 9, France (www.acpr.banque-france.fr) to issue electronic money and undertake payment services in France under the freedom of establishment

**OP Digital Services Limited, trading as OpenPayd is:**

contactable by email at support@openpayd.com, phone at +33 1 89 71 17 96 or post at 122 – 123 Pangea, Level 5, Triq San Gorg, St. Julians STJ 3204, Malta

incorporated in Malta (Company registration number C110012), with registered office at 122 – 123 Pangea, Level 5, Triq San Gorg, St. Julians STJ 3204, Malta

authorised by the Malta Financial Services Authority under the Virtual Financial Assets Act as a VFA Service Provider, facilitating a range of regulated crypto-asset services, including the provision of custodial or nominee services, dealing on its own account, and the execution of orders on behalf of clients

**OpenPayd Canada Inc., trading as OpenPayd is:**

contactable by email at support@openpayd.com, phone at +1 289 803 0972 or post at 333 Bay Street, Suite 2400, Toronto, Ontario, Canada, M5H 2T6

incorporated in Canada (Company registration number 1159152-5), with registered office at 333 Bay Street, Suite 2400, Toronto, Ontario, Canada, M5H 2T6

registered with the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) as a money services business (registration number M19528814)

# Service Specific Terms

We may offer the following services to you, as set out in the Pricing Agreement which you have signed. If we have agreed that we will provide you with a specific service, the following additional terms as set out in that section will apply:

**1. Additional Terms – FX**

1.1. If you make or receive payments in supported currencies other than the currency of your OpenPayd Account, our then current reference exchange rate (which is subject to change with market exchange rates) and any applicable charges set out in your Pricing Agreement will apply.

1.2. If you send money in a different currency to the currency of your OpenPayd Account, we will convert the amount of the payment into the currency of your OpenPayd Account before sending the money. The reference exchange rate and any applicable charges will be confirmed to you when you instruct the payment.

1.3. If a converted payment is returned to your OpenPayd Account, we will convert it back to the currency of your OpenPayd Account. This means the amount you receive may differ from the original amount you sent. OpenPayd will not be liable for any losses if we properly processed the original payment as instructed by you.

1.4. If you receive money in a different currency than the currency of your OpenPayd Account, then depending on how the funds arrive in your account, either:

1.4.1. We will convert the funds into the currency of your OpenPayd Account and credit your account for the converted amount (the reference exchange rate and any applicable charges will be applied to such conversion); or

1.4.2. The funds will be converted by our banking partner into the currency of your OpenPayd Account. We have no control over the charges that will be applied by the bank.

1.5. There may be times that we or our banking partner rejects payments sent to your OpenPayd Account, for example if the funds are received by us in a currency that we do not support, in that case, we may contact you for further information on how you want us to handle the payment.

1.6. You agree that changes in exchange rates may be applied immediately and without notice, provided that the change in the rates is based on the reference exchange rate. Changes in rates which are more favourable to you may be applied without notice. Any other changes in exchange rate used by us shall be made and calculated in a neutral manner that does not discriminate against you.

**2. Additional Terms – SEPA Direct Debit Service**

2.1. If we enable you to use the Direct Debit service, these additional terms will apply. If there is any conflict or inconsistency between the General Terms and these additional terms, these additional terms shall apply. These terms will apply when you use SEPA Direct Debit as a payment method for single and/or recurring payments, to be enabled by OpenPayd and received into your OpenPayd Account. Your fees and any reserve or other specific terms applicable to your use of the service shall be set out in your Pricing Agreement.

2.2. Definitions for SEPA Direct Debit Service

- Chargeback: means any claim by a Customer that reverses a payment made by them, such that funds collected by Direct Debit are deducted from your OpenPayd account, including refunds
- Creditor: has the meaning set out in the Scheme Rules
- Customer: means the customer to whom you supply goods or services in return for payment by Direct Debit
- Direct Debit: means a payment, the amount of which is set by you and initiated by you as payee, and deducted from the Customer's account with their payment service provider
- Direct Debit Scheme: means the SEPA core Direct Debit scheme governed by the Scheme Rules and enabling the collection and payment of Direct Debits in EUR within SEPA;
- Mandate: has the meaning set out in section 4.2 of these additional terms
- Payment Scheme Timings: as set out below, as amended from time to time by OpenPayd:

**Scheme Rules:** means the SEPA Core Direct Debit Scheme Rulebook issued by the European Payments Council.

| EVENT | TIMING |
|---|---|
| LATEST TIME BY WHICH CUSTOMER MAY CANCEL MANDATE OR COLLECTION (AS NOTIFIED BY YOU OR BY CUSTOMER TO THEIR PAYMENT SERVICE PROVIDER) | 4PM<br>2 BUSINESS DAYS BEFORE PAYMENT DATE |
| TIME BY WHICH YOU MUST PRESENT COLLECTION | 2 BUSINESS DAYS IN ADVANCE OF PAYMENT DATE (AND NO MORE THAN 14 DAYS IN<br>ADVANCE OF PAYMENT DATE) |

**Direct Debit Service:** You may accept payments by Direct Debit from your Customers in return for goods or services you supply to them. We will use reasonable endeavours to collect funds via Direct Debit on receipt of collection instructions from you, provided that you present such instructions on time, such instructions include all required information, and you comply with your obligations under our agreement.

2.3 Your Additional obligations when using the SEPA Direct Debit Service

a. You agree to perform all tasks allocated to Creditors under the Scheme Rules.

b. Before seeking to collect funds via Direct Debit from any Customer, you must obtain your Customer's agreement to pay by Direct Debit via a Direct Debit mandate ("Mandate"). You must ensure that the Mandate contains all required information and is properly signed by your Customer, in compliance with the Scheme Rules. We may assist by providing a template Mandate to you.

c. You must notify your Customer no later than 14 calendar days before the due date of a Direct Debit, unless otherwise agreed with your Customer. For recurrent Direct Debits for the same amounts, you are only required to notify the Customer in advance of the first Direct Debit collection and to inform them of the dates when subsequent recurring payments are due.

d. You must initiate any payments via Direct Debit by presenting a collection order to us within the periods specified in the Payment Scheme Timings, via the means agreed between the Parties and including all data required by the Scheme Rules.

e. You are responsible for using the correct unique identifiers, including obtaining and using a Creditor identifier under the Scheme Rules. We are entitled to collect the Direct Debits solely on the basis of the unique identifiers provided to us.

f. You agree to collect, process and store data related to your Mandates in accordance with the relevant Scheme Rules.

g. You must provide information relating to your collections and Mandates and/or copies of Mandates to us within 7 working days on our request.

h. You must store copies of all Mandates received from your Customers, including any changes to the Mandates, for at least 14 months after the date of the last Direct Debit collection. Mandates must be kept in the form required by the Scheme Rules.

i. You agree to comply with the Mandates agreed with your Customers and with your obligations under the Scheme Rules, including with any guidance issued for Creditors issued in relation to risk management.

j. You are fully responsible for your relationship and contractual agreements with Customers and you must resolve any complaint or dispute with your Customers. If a Customer cancels their Direct Debit you must seek payment directly from the Customer for any goods or services provided.

2.4. Settlement timings and Reserve

a. All payments collected via the Direct Debit Service will be settled by us to your OpenPayd Account at agreed intervals, provided that we may:

- suspend or delay payments to your OpenPayd Account;
- and/or require you to maintain a reserve account,
- if in our reasonable opinion such suspension, delay and/or reserve is or are required or necessary, including under section 15 of the General Terms.

b. The percentage of payments affected by any delay, the length of the delay and/or the amount of any reserve will be subject to increase or other change by us if required in our reasonable opinion, including for any of the reasons specified in section 15.1 of the General Terms. We will notify you in writing prior to such increase.

2.5. Refunds, Cancellations and Chargebacks. You must actively monitor the volume of Chargebacks and keep Chargebacks below the threshold notified to you from time to time. If the amount of Chargebacks exceeds the threshold in any one month during the Term, we will notify you and within 10 working days you must provide to us in writing a plan for how you will reduce the amount of Chargebacks below the threshold and by when.

a. We shall be entitled to terminate the Direct Debit Service and/or the Agreement immediately on notice to you if the amount of Chargebacks exceeds:

- the threshold for longer than 60 days; and/or
- 7% of the total value of Direct Debits processed by us under the Direct Debit Service within any one calendar month.

b. You agree that we will process payments, refunds, cancellations and Chargebacks in accordance with applicable Scheme Rules, and you grant to us an express right to set off any Chargebacks against the reserve and/or any funds in your OpenPayd Account.

c. You agree that you will manage all refunds, rejected and returned payments in accordance with the Scheme Rules. You may only process genuine refunds up to the amount originally paid by the Customer by Direct Debit.

d. You must notify us of every cancellation of a Mandate (including if the Customer cancels their contract with you) in accordance with the Payment Scheme Timings, by contacting us at operations@openpayd.com. If we are informed that your Customer has cancelled its Mandate via their payment service provider in accordance with the Payment Scheme Timings, we will notify you and will have no obligation to pay you in respect of the funds that were due to be collected under that Mandate. We will not process any subsequent payments via Direct Debit for that Customer unless a new Mandate is obtained. If the Mandate has not been cancelled in time and payment was collected, you must process a refund to the Customer. You must resolve any dispute for payment of goods or services with your Customer directly.

e. You acknowledge that we cannot recover any Chargeback that has been submitted correctly. If this results in a dispute between you and the Customer for non-payment by the customer for goods or services, such dispute will need to be resolved by you directly with your customer.

f. If you do not present any Direct Debit under a Mandate within a period of 36 months from the due date of the last Direct Debit presented, you must cease collecting Direct Debits under that Mandate and obtain a new Mandate to collect future Direct Debits from the Customer. We are not obliged to verify your compliance with this section.

g. You agree that we shall have no responsibility for any Direct Debits (and related Chargebacks) initiated by your previous Direct Debit service provider.

2.6. Term and termination of the Direct Debit Services- on termination of the Direct Debit Services:

a. We will use reasonable endeavours to assist you in promptly moving to another Direct Debit supplier. Such assistance shall include but not be limited to the following actions (unless to do so would breach applicable law or the Scheme Rules):

b. Entering into a bulk change deed, or similar document required by the relevant Payment Scheme in order to facilitate a bulk transfer to another Direct Debit supplier; and

c. Once we have received confirmation from our sponsor bank that the bulk change transfer has been approved, providing you with a machine-readable list of each of your Customers and their Mandate details via a secure transfer mechanism.

d. You will follow our reasonable instructions to manage the orderly winding down of the Direct Debit Services, including, for example, any communication to your Customers, outstanding settlements, Chargeback handling, complaints handling, release of securities and any other actions necessary to fulfil any requirements under applicable laws and/or the Scheme Rules.

**3. Additional Terms – Direct Debit Payouts**

3.1. If we enable you to make Direct Debit payouts to your suppliers, these additional terms shall apply to your use of the service. If there is a conflict or inconsistency between the General Terms and these additional terms, these additional terms shall apply.

a. To set up a Direct Debit from your OpenPayd Account, you must contact the business or person you are paying.

b. Usually you cannot cancel or revoke authorisation for a payment, but you can cancel a recurring Direct Debit by notifying us before the end of the working day before the payment is due to be debited. We will not be responsible for informing the business or person that you are cancelling the Direct Debit and we may charge a fee for cancellation if previously agreed with you.

c. Usually we will treat a payment order as having been received at the time we receive your instructions through the OpenPayd platform, but for Direct Debits we will treat your order for a Direct Debit payout as having been received on the day the payment is due to be debited from your OpenPayd Account.

d. If an error is made in a Direct Debit, you may be entitled to a refund from the beneficiary or us under the Direct Debit Guarantee.

e. We may charge for processing refunds if previously agreed with you. If your supplier reverses a Direct Debit or it is rejected, we may charge you a fee if previously agreed with you.

**4. Additional Terms – Linked vIBAN Service**

4.1 If we enable you to use the Linked vIBAN service, these additional terms shall apply to your use of the service. If there is a conflict or inconsistency between the General Terms and these additional terms, these additional terms shall apply.

4.2 Your use of the Linked vIBANS

a. We will provide you with an OpenPayd Account, the “OpenPayd Master Account”. This may be an additional e-money account to another OpenPayd Account you hold with us. You will be able to allocate Linked vIBANs that are linked to this OpenPayd Master Account. You can allocate each Linked vIBAN to one of your end users (the same vIBAN cannot be allocated to more than one end user). You must not allocate a Linked VIBAN to any person that you do not have a legal relationship with.

b. A Linked vIBAN is an internal reference number linked to your OpenPayd Master Account and is not a payment or e-money account provided by OpenPayd. As such, no Linked vIBAN itself can or will:

.1. constitute an OpenPayd Account or a sub-account.

.2. give you or your end users a bank account with any of our underlying bank service providers.

.3. be used by you or an end user to satisfy any 'client money' or 'safeguarding' type requirements under any applicable law or regulation.

c. You are our customer in connection with each Linked vIBAN, and we only provide OpenPayd services to you. We do not have a contract with or provide any service to any of your end users. You must only use each Linked vIBAN for your own internal reconciliation processes and must not represent or claim that we are providing any Linked vIBAN or any kind of service to your end users or any other third-party.

d. You are exclusively responsible for reconciling the data relating to payment transactions involving Linked vIBANs with your records relating to any of your end users.

e. You will not outsource to us any of your obligations under the Agreement or applicable law in relation to your use of the Linked vIBAN service, including but not limited to customer service, compliance or complaints handling obligations.

4.3 Receiving and Initiating Payments Quoting VIBANs **–** When you receive funds using a Linked vIBAN, we will issue the corresponding amount of e-money to your OpenPayd Master Account. When you make a payment using a Linked vIBAN, we will deduct the corresponding amount of e-money from your OpenPayd Master Account and transfer the relevant amount as instructed by you.

4.4 Suspension or Termination **–** We may suspend or terminate your use of the Linked vIBAN service, including your ability to allocate new Linked vIBANs to your end users, for any of the reasons set out in the General Terms or for breach of any of these additional terms.

4.5 Your Additional Obligations

a. You must comply with any and all restrictions on the use of Linked vIBANS of which we notify you from time to time.

b. If you are a UK FCA regulated firm and you service consumers, micro-enterprises or small charities (as described in section 12 of the General Terms), you confirm that you comply with the FCA's Consumer Duty set out in the FCA Handbook, chapter PRIN 2A, and have processes in place to meet the outcomes and cross-cutting obligations throughout the customer journey, including requirements for setting target markets, following product and sales approval processes prior to launch or material changes to products, completing and implementing fair value assessments, communication, customer understanding and customer support policies, risk assessments, governance and controls, monitoring, review and redress, and adapting the same for customers with characteristics of vulnerability. You and we agree to share available information or data on reasonable request to support both our compliance with the Consumer Duty.

c. You shall bear the sole responsibility to perform any compliance checks and screening in relation to your end users/customers using the Linked vIBANs, and adhere to your compliance obligations. You undertake to provide us upon request due diligence information and documentation in relation to an end user, which we may decide that became necessary in the course of transaction monitoring or in any other situation where it may be required to comply with: (i) any other obligation under the applicable anti-money laundering and terrorist financing regimes and regulations; or (ii) a request from a regulator, bank or payment partner.