

# Payee Verification Service Terms

## 1. Scope

1.1. These Terms set out how the service for verifying whether the payee's name (full name or legal name) matches the account number (IBAN) indicated by the Client is provided before authorising a SEPA or SEPA instant credit transfer.

## 2. Definitions

2.1. Payee Verification Service – a service that allows, before authorising a Payment Transaction, to verify whether the account number (IBAN) specified by the Client belongs to the Payee indicated in the same order, based on the information provided by the Payee's payment service provider. The service applies to transfers to accounts held with other payment service providers in those countries where such service is available and provided by the Payee's payment service provider.

## 3. Provision of the Service

3.1. Before the Client finally authorises the payment, NEO Finance, where technically feasible, provides the result: match, partial match, no match, or verification not possible. In the case of a partial match, the Client is shown the correct Payee full name or business name associated with the indicated IBAN so the Client can assess the risk. In the case of a complete mismatch, the Client is clearly informed prior to authorisation that the holder of the specified account number (IBAN) does not correspond to the Payee name provided.

3.2. Where, due to technical reasons or other reasons beyond NEO Finance's control, the service is temporarily unavailable, the Client is informed that the check has not been performed, and, if the payment is continued, all related risk rests with the Client.

3.3. When setting up a standing/recurring payment arrangement, the Client is given a one-time opportunity to verify the payee's details under these Terms. Once the standing/recurring payment arrangement is confirmed, the payee's details are deemed confirmed for all subsequent payments under that arrangement and no repeat checks are carried out.

3.4. Where a payment order is submitted to NEO Finance via a payment initiation service provider (MIPT), the obligation to perform the payee data check and to inform the Client of its result lies with that provider. NEO Finance does not re-perform such a check. By confirming a payment via the MIPT, the Client also confirms the correctness of the payee's data.

3.5. Where a client of another payment service provider wishes to transfer funds to the Client, that provider may query NEO Finance as to whether the information provided about the Client (IBAN and name) is correct. In the case of a partial match, NEO Finance may disclose the correct name of the Client to the payer's payment service provider.

## **4. Submission of Payment Orders in a Package (Single File)**

4.1. The Payee Verification Service does not apply where payment orders are submitted to NEO Finance in a single package (single consolidated file).

4.2. By submitting a package (single file), the Client assumes responsibility for the accuracy of all payees' data. Transfers are executed solely on the basis of the IBANs indicated by the Client.

## **5. Consequences and Liability**

5.1. The final decision to authorise a payment rests with the Client. If the Client confirms a payment despite a warning from NEO Finance about a full or partial mismatch of the payee's data, the Client is deemed to unconditionally assume the related risk.

5.2. If it turns out that funds were transferred to the wrong recipient, the Client has no legal basis to require NEO Finance to compensate losses or return the funds.

5.3. Notwithstanding any other provisions of these Terms, NEO Finance is not liable for the Client's losses arising from funds being credited to an account whose holder's details did not match the payee's details indicated by the Client, or where the service was not provided, in the following cases:

5.3.1. the Client, having received a clear notice from NEO Finance about a full or partial mismatch of the payee's data, voluntarily confirmed the payment order.

5.3.2. the service was temporarily unavailable due to technical or other reasons beyond NEO Finance's control, and the Client, having been so informed, proceeded with the payment transaction.

5.3.3. the payment order was initiated via a payment initiation service provider (MIPT).

5.3.4. the transfer is executed to a payee whose payment service provider is established in a European Economic Area state in which, under applicable law, the mandatory provision of the payee verification service has not yet been implemented.

5.3.5. the payment order was submitted in a package (single file) to which, under these Terms, the payee verification service does not apply; transfers are executed solely on the basis of the account numbers (IBANs) indicated by the Client.

5.4. NEO Finance will promptly refund the Client's funds or restore the account balance to what it would have been had the transaction not occurred if NEO Finance improperly provided the Payee Verification Service by failing to comply with the requirements set out in these Terms.

5.5. In matters not regulated by these Terms, the requirements set out in the agreements concluded between the Client and NEO Finance and in other applicable documents (including order submission, consent, cancellation, information, liability and dispute resolution) shall apply.