

Direct Debit Agreement Form

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DIRECT DEBIT AGREEMENT

Between

(Originator's name) a (limited liability) company established under the laws of the United Arab Emirates, whose head office is located at (insert address) United Arab Emirates (the Originator).

And

Commercial Bank of Dubai PJSC, P.O. Box 2668, Dubai, UAE.

Bank acting through its branch in the Emirates of Dubai and having its head office in the UAE at Each a "party" and together the "parties"

Whereas:

The parties have entered into this Agreement in order for the Originator to receive proceeds from Direct Debits (as defined below) from their customers to its account (as defined below) held with.

The parties agree as follows:

1. Interpretation

1.1 In this Agreement, except where the content otherwise requires, the following terms shall have the following meanings:

Account means the account the Originator holds with that will be used for the collection of Direct Debit proceeds.

AED means the lawful currency for the time being of the UAE.

Business Day means a day (other than a Friday or Saturday) on which banks are open for the general business in the UAE.

Central Bank shall mean the central bank of the UAE established under the Union law (10) of 1980.

Confidential Information means all information relating to the payers, a Party, any entity controlled by a Party or any entity a Party controls which a Party becomes aware of, or receives in whatever form but excludes information that:

- a) Is or becoming public information other than as a direct or indirect result of any breach by either Party of this Agreement, or
- b) Is identified in writing at the time of delivery as non – confidential by either Party or any of its advisers, or
- c) Is known by either Party before the date the information is disclosed to it in accordance with paragraphs (a) or (b) above or is lawfully obtained by either Party after that date, from a source which is, as far as that Party is aware, unconnected with the other Party and which, in either case, as far as that Party is aware, has not been obtained in breach of, and is not otherwise subject to, any obligation of confidentiality.

Direct Debit means a particular transaction where a debit is made for a specified amount according to the Direct Debit Authority, based on a request from the Originator through.

Direct Debit Authority means a documented form signed by the Payer authorizing the Paying Bank to Direct Debit its Account for payment(s) to the Originator.

Effective Date means the date upon which the last Party to sign the Agreement.

Fees means the normal processing fees related to a Direct Debit which are to be paid to by the Originator as set out in Schedule 1 and as amended from time to time at discretion.

Initial Term shall have the meaning ascribed to it in Clause 2.1

Authorised signatory: _____

Intellectual Property Rights means patents, rights to inventions, copyright and related rights, trademarks and service marks, trade names and domain names, rights in get – up, rights to goodwill or to sue for passing off or unfair competition, rights in design, rights in computer software, database rights, rights in confidential information (including know – how and trade secrets) and any other Intellectual property rights, in each case whether registered or unregistered and including all applications (or rights to apply) for, and renewals or extensions of, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world.

Mandated Turnaround Times means the time periods stipulated in UAEDDS document AUX 002 – UAEDDS MANDATED TATS document (as amended, supplemented or replaced from time to time) for relevant action to be taken under the UAEDDS.

OIC means the Originator identification code assigned by the Central Bank that uniquely identifies the Originator to all of the UAEDDS particulars.

Originator Indemnity means the indemnity provided by the Originator to and all UAEDDS particulars.

Payer shall mean the person authorizing the Direct Debit by way of a Direct Debit Authority.

Paying Bank means the bank where the payer holds its account and is authorized to carry out the Direct Debit arrangement.

The Rule Book means the body of rules governing the UAEDDS set out in the “Rules of the UAE Direct Debit System document (RB001) provided by the Central Bank” (as amended, supplemented or replaced from time to time).

UAE shall mean the United Arab Emirates.

UAEDDS means the UAE direct debit system operated by the Central Bank.

1.2 Unless the content otherwise requires:

1.2.1 Word importing the singular include the plural and vice – versa and words importing a gender include any gender.

1.2.2 The words “including” and “includes” shall mean including without limitation and include without limitation respectively,

1.2.3 A reference to a clause or a schedule is a reference to a clause or, or a schedule to, this agreement.

1.2.4 The headings and the table of contents are for convenience only and shall not affect the construction of this Agreement.

1.2.5 Any reference to time of day is to UAE time.

1.2.6 Reference to a party to this Agreement include references to the successors and assigns (immediate or otherwise) of that party.

1.2.7 Any reference to a document is to that document as amended, varied or negated from time to time otherwise that in breach of this Agreement or that document, and

1.2.8 Any reference to a person includes a body corporate, unincorporated association of persons (including a partnership or joint venture) government, state, agency, organization and any other entity whether or not having a separate legal personality and an individual, his estate and personal representatives.

1.3 Clause 1.2 applies unless the contrary intention appears.

1.4 Any schedules or appendices to this Agreement form part of this Agreement.

2. Term

2.1 Subject to Clause 14.3:

2.1.1 The initial term of this Agreement shall be period of one (1) year from the effective Date unless the Agreement is terminated earlier in accordance with the term of this Agreement (the “initial term”).

2.1.2 Upon expiry of the Initial Term, this Agreement shall be automatically extended for a further period of one (1) year unless: (1) it is terminated in accordance with the terms of this Agreement, or (2) either party notifies the other party in writing of its intention not to extend the term of this Agreement at least one (1) month prior to expiry of the Initial Term.

3. Representations and Warranties of the Parties

3.1 Each Party represents, warrants and undertakes to the other party that:

Authorised signatory: _____

- 3.1.1 It has been duly incorporated, organized and / or established and validly exists under the laws of the UAE.
- 3.1.2 The Agreement has been duly authorized by, and upon execution will constitute a valid and legally binding agreement of both parties.
- 3.1.3 It shall maintain all necessary licenses, consents and permissions necessary to perform its obligations under this Agreement, and
- 3.1.4 It shall not infringe any third party Intellectual Property Rights.

4. Obligations of

- 4.1 Shall comply at all times with The Rule Book and any other document issued by the Central Bank in connection with the UAEDDS from time to time.
- 4.2 Shall comply with the Mandated Turnaround Times for all actions undertaken in connection with the UAEDDS.
- 4.3 Shall provide to the Originator (on or before the Effective Date) a copy of the following UAEDDS documents: (1) the Rule Book and (2) the AUX 002 – UAEDDS MANDATED TATs.
- 4.4 Unless requested otherwise by the Originator, shall provide the Originator with a statement of account every month, provided at least one (1) Direct Debit related transaction has been posted to the Account of the Originator.
- 4.5 Shall provide to the Originator an automated report of returned unpaid Direct Debits (on the day of their receipt by) which relate to the Originator.
- 4.6 Shall apply to the Central Bank for an OIC on behalf of the originator.

5. Obligations of the Originator

- 5.1 The Originator shall comply at all times with The Rule Book and any other document issued by the Central Bank in connection with UAEDDS from time to time.
- 5.2 The originator shall provide to (1) at least a year of audited financials, (2) its trade license, (4) a copy of its constitutional documents, (5) a written statement setting out the administrative controls it has in place in relation to the UAEDDS and (6) its account details.
- 5.3 The Originator shall permit to undertaken whatever due diligence it deems necessary to determine that the Originator is in compliance with this Agreement and the Rule Book.
- 5.4 The Originator shall provide to the dully executed Original Indemnity.
- 5.5 The Originator shall comply with the Mandated Turnaround Times for all actions undertaken in connection with UAEDDS.
- 5.5 The Originator shall ensure that it has a registered office in the UAE and that its Account is held with a financial institution licensed and regulated by the Central Bank.
- 5.6 The Originator shall maintain a readily accessible archive of documents relevant to Payers for at least the minimum period required by applicable UEA law or any specific period as stipulated by Central Bank.
- 5.7 The Originator shall ensure that at all times it uses the correct UAEDDS forms and complies with the terms and conditions set out therein.
- 5.8 The Originator shall not submit any UAEDDS transactions to it knows or should know to be fraudulent.
- 5.9 The Originator shall take full responsibility to resolve any disputes between the Originator and a Payer. Shall have no responsibility or role in the dispute resolution process between the Originator and a Payer.
- 5.10 The Originator shall provide with data in the specified format and shall ensure that its data file formats are compatible with data file formats.

6. Fees

- 6.1 The Originator shall pay to the Fees in the amount and at the times set out in schedule 1.
- 6.2 Reserve the right to modify the fees as and when it deems appropriate based on its business policy and market conditions.

Authorised signatory: _____

7. Account Statement and Reporting

- 7.1 A statement of account shall be provided by the Originator in real time through the online bank platform. Shall provide one statement of account free of charge per month. The receipt or acceptance by the Originator of any statement of account furnished pursuant to this Agreement shall not preclude Originator from questioning their accuracy at any time. If any inconsistencies or mistakes are discovered in such statement, the Parties shall make appropriate adjustments within thirty (30) Business Days.
- 7.2 During the term of the Agreement and for two (2) years thereafter (or such other longer period of time as may be required by applicable UAE law), shall keep full and accurate books of account and copies of all documents and other material relating to this Agreement.

8. Data Retention

Both Parties shall maintain a readily accessible archive of documents relevant to payers and other relevant UAEDDS participants for at least the minimum period required by applicable UAE law. To the extent that a Party holds an original Direct Debit Authority, an Originator Indemnity or any original executed form it must ensure safe custody of such documents for the minimum required by applicable UAE law and submit them to court of law and any other competent authorities in the UAE as requested and provide copies of such documentation if required by the Central Bank or the Parties (if such request is a bona fide request).

9. No Partnership or Agency

- 9.1 The Parties acknowledge and agree that this Agreement is entered into on a principal to principal basis and that nothing in this Agreement shall constitute, or be deemed to constitute, a joint venture, partnership or employment relationship between the Parties.
- 9.2 Neither Party, nor any of its officers, directors, employees, representatives, sub – contractors, advisers and agents) shall have any authority (and shall not hold itself out as having authority) to:
- 9.2.1 Represent or act for and on behalf of the other Party (as representative, agent or in any capacity whatsoever), or
- 9.2.2 Incur any expenditure in the name or for the account of the other Party.

10. Non exclusivity

- 10.1 Nothing in this Agreement shall preclude a Party from entering into relationship with any other company which is similar to the relationship between the parties.

11. Liability and Indemnity

- 11.1 The Originator shall promptly indemnify and its affiliates, officers, directors, employees and representatives against all losses, claims, costs, liabilities, damages and expenses (including legal expenses) arising from any breach of this Agreement by the Originator or fraud, negligence or willful omissions on the part of the Originator, its employees or representatives or the infringement of any third party intellectual Property Rights by the Originator.

12. Confidentiality

- 12.1 Each acknowledge and agrees that, prior to, and during, the term of this Agreement, it shall have access to Confidential information and that it shall not use the confidential information other than for the purpose of carrying out its obligations under this Agreement (the “Permitted Purpose”).
- 12.2 Each Party may only disclose Confidential Information to those of its employees, officers, representatives or advisors who need to know such Confidential Information for the Permitted Propose, provided that:
- 12.2.1 It informs such persons of the confidential nature of the confidential information, and
- 12.2.2 At all times, it is responsible for such persons’ compliance with the confidentiality obligations set out in this Agreement
- 12.3 Unless expressly provided under this Agreement or required by law or regulation, applicable regulator or governmental authority, the Parties shall not disclose (and shall insofar as reasonably practicable prevent any disclosure of) any Confidential Information to any third party without the prior written consent of the other Party.
- 12.4 Each Party shall use the same degree of care to avoid disclosure of the Confidential Information:
- 12.4.1 As it employs with respect to its own confidential information, or

Authorised signatory: _____

12.4.2 As may be reasonably expected of a company in the same industry as the Party whichever is the highest.

13. Intellectual Property Rights

- 13.1 All Intellectual Property Rights and Information, supplied or developed by either Party shall be and remain the sole and exclusive property of the Party who supplied or developed the same, and that latter shall assume all liabilities in this respect (including third parties' claim) and shall keep the other Party harmless and fully indemnified thereof. Upon termination of this Agreement for whatever cause, the Party in receipt of the other Party's Intellectual Property Rights and/or information pursuant to this Agreement shall return such right and/or information to the other Party.
- 13.2 During the term of this Agreement, each Party hereby authorizes the other to use, at no cost to the other, its name, logo and trade mark in any advertising or marketing materials as reasonably required by the other Party for the purposes of this Agreement provided always that the other Party gives its prior written approval to the same.
- 13.3 Neither Party shall without the prior written consent of the other Party (such consent shall not be unreasonably withheld), alter or make any addition to the other Party's name, logo and trade mark.

14. Termination

- 14.1 Either Party shall, without prejudice to its other rights and remedies, be entitled to terminate this Agreement forthwith immediately upon written notice to the other Party if:
- 14.1.1 An order is made or a resolution is passed for the winding up of the other Party (other than for the purposes of a bona fide reconstruction or amalgamation) or an order is made for the appointment of an administrator to manage the other Party's affairs, business and property or if an administrator or other receiver or manager is appointed over all or substantially all of the other Party's assets or undertaking or if the other Party enters into any composition or arrangement with its creditors generally, or
- 14.1.2 There is a change of control of either Party and the new controlling entity of either Party is an existing or potential competitor of the other Party.
- 14.2 If believes that the Originator has committed a material breach of this Agreement or the Rule Book, may elect to terminate this Agreement, with immediate effect, by serving written notice on the Originator.
- 14.3 This Agreement will automatically terminate, with immediate effect, in the event that:
- 14.3.1 The Central Bank suspends or terminates either Party from UAEDDS, or
- 14.3.2 The Originator's Account is closed.
- 14.4 The termination of this Agreement shall not affect any rights of any Party which:
- 14.4.1 Accrued prior to the time at which such termination occurred, or
- 14.4.2 Otherwise relate to or may arise at any future time from any breach or non observance of obligations under this Agreement which arise prior to the time at which such termination occurred.
- 14.5 In the event of termination of this Agreement each Party shall be entitled to receive from the other all arrears of charges (including the fees) and amounts payable under this Agreement.
- 14.6 Notwithstanding termination of this Agreement, any liabilities or obligations of a Party for acts or omissions prior to the termination of the Agreement, which by their terms, are contemplated to survive, or to be adhered to or performed after termination of this Agreement, shall survive after termination thereof.

15. Force Majeure

The parties shall use its best efforts to adhere to their respective obligations under this Agreement. However, neither Party shall be liable for any act or failure to act caused by events beyond the control of each of the Parties. Such events include, but are not limited to, natural disasters and acts of war.

16. Assignment

Neither Party may assign or transfer any of its rights or obligations without the prior written consent of the other Party.

Authorised signatory: _____

17. Notices

17.1 Any notice or other communication in respect of this Agreement shall be given in English and may be delivered in any manner described below to the address or number provided in clause 17.3 and will be deemed effective as indicated:

17.1.1 If in writing and delivered in person or by courier, on the date it is delivered, or

17.1.2 If sent by facsimile transmission, on the date it is transmitted as evidenced by the transmission report.

17.2 In the case of notice given after 4 PM on Business day or in a day which is not a Business Day, the date of service shall be deemed to be next Business Day.

17.3 Addresses for notices:

17.3.1 All notices shall be sent to the following address:

Payments & Cash Management
Commercial Bank of Dubai
Head Office Building, Deira
P.O. Box: 2668
Dubai, United Arab Emirates

17.3.2 All notices to the Originator shall be sent to the following address:

(Originator) _____

(Address) _____

P.O.Box _____

Fax: +971 _____

17.4 Either Party may by notice to the other change the address or facsimile number details at which notices or other communications are to be given to it.

18. Entire Agreement

18.1 Subject to clause 18.2, this Agreement constitutes the whole agreement between the Parties and supersedes all previous agreements between the Parties relating to its subject matter.

18.2 The terms and conditions applicable to the Account and corporate internet banking will also apply in addition to the terms stipulated in this Agreement.

18.3 Each Party acknowledge that, in entering into this Agreement, it has not relied on, and shall have no right or remedy in respect of, any statement, representation, assurance or warranty (whether made negligently or incorrectly) other than as expressly set out in this Agreement.

18.4 Nothing in this clause 18 shall limit or exclude any liability of a Party for Fraud.

19. Amendments

Any amendment, modification or waiver in respect of this Agreement will only be effective if in writing and executed by both parties.

20. Counterparts

This Agreement may be executed in any number of counterparts and this has the same effects as if the signatures on the counterparts were on a single copy of this Agreement.

21. Remedies And Waivers

No failure to exercise, nor any delay in exercising, on the part of either Party, any right or remedy under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Agreement are cumulative and exclusive of any rights or remedies provided by law.

Authorised signatory: _____

22. Partial Invalidity

If, at any time, any provision of this Agreement is or becomes illegal, invalid, or unenforceable in any respect, neither the legality, validity or enforceability of the remaining provisions will in any way be affected or impaired.

23. Survival

The provisions of clauses 12 and 13 shall continue to apply notwithstanding termination of this Agreement.

24. Governing Law and Jurisdiction

This Agreement will be governed by and construed in accordance with the laws of the Emirate of registration and the federal laws of the United Arab Emirates.

25. Disputes

25.1 Each of the Parties agrees to attempt to resolve amicably any dispute arising out, or in connection with, this Agreement (a "dispute") within a period of thirty (30) days from such Dispute coming to existence. If following such period, the parties are unable to resolve such Dispute. the Parties hereby agree to approach the Central Bank (and fully co- operate in a timely manner with the Central Bank and other UAEDDS participants) to commence the dispute resolution process in accordance with the UAEDDS document AUX006 Dispute resolution Process (as amended, supplemented or replaced from time to time).

25.2 In instances where a Dispute is referred to the Central Bank, the decision of the Central Bank will be binding on each party.

In witness whereof the Parties hereto have caused this Agreement to be executed by their duly authorized representatives on

_____ of _____

Signed By:

For and on behalf of Bank Plc

(Name) _____

(Position) _____

Signed by:

For and on behalf of (Originator)

(Name) _____

(Position) _____

Authorised signatory: _____

Schedule 1 – The Fees

1. The Originator agrees to pay the fees to set out in the table below during the term of this Agreement.

ITEM	FEE
Originator registration request	
Originator conformity registration	
Collection file processing	
Processing of Direct Debit request	
Lodgment of Direct Debit Authority request	
Confirmation of Direct Debit Authority	
Direct Debit Authority cancelation	
Payer amendment	

2. Such fees shall be debited by from the Originator's Account from time to time at the discretion of
3. The Originator agrees to accept any other charges that might be imposed by the Central Bank.

Authorised signatory: _____

