Payments party data combinations for different use cases
Use case 2: PSP's Client Payment

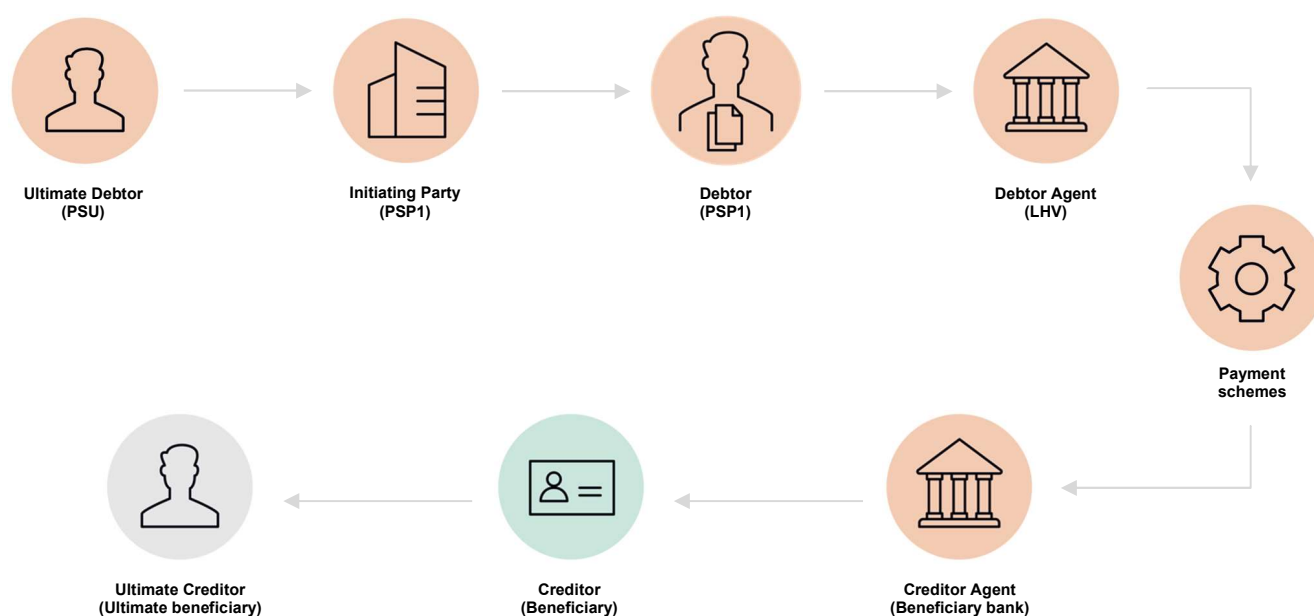Payment Service Provider (PSP1) is the customer of LHV.

Payment account (i.e., safeguarding account / operational account) is opened with LHV and belongs to the PSP1.

Funds belong to the end customer (PSP1's client).

Use case:

PSP1 initiates the payments of the end customer (PSP1's client).

PSP Payments

Ultimate Debtor (PSU) → Initiating Party (PSP1) → Debtor (PSP1) → Debtor Agent (LHV) → Payment schemes → Creditor Agent (Beneficiary bank) → Creditor (Beneficiary) → Ultimate Creditor (Ultimate beneficiary)

Actors and parties:

PSU – Payment Service User – PSP1's client acts as the actual **payer**, the originator of the payment. PSP1's client is the ultimate party (Ultimate Debtor) that owes an amount of money to the beneficiary (Creditor) / ultimate beneficiary (Ultimate Creditor). The payer's name and address (or other options) must be provided in the Ultimate Debtor block of the payment initiation message. It is recommended to provide the payer's address and/or additional data so that the payments with a partial match do not

get stuck in AML controls. It is mandatory to provide the payer's name and address if one of the payment servicing parties (PSP1 or Creditor Agent) is located outside the EU/EEA (EU Regulation 2015/847).

PSP1 – Payment Service Provider – the customer of LHV and the account owner. PSP1 acts as the **payer's payment service provider** and forwards the payment order to LHV. LHV debits the account that belongs to the PSP1. PSP1 data must be provided both in the Initiating Party and Debtor block of the payment initiation message, referring to the same party. BIC is the preferred option to be used in the Initiating Party block, if BIC is not available then the name and address of the PSP1.

LHV – LHV Pank AS – acts as the **payment service intermediary**, debits the account of the PSP1 and forwards the payment orders (depending on the interface type) to the corresponding payment scheme or SWIFT.