

The SEPA Direct Debit Mandate Form – Explained

The introduction of the SEPA Scheme brings a number of changes to the management of mandates, namely:

- How mandates are handled between the creditor and debtor.
- The rights of debtors.
- The information provided to banks as part of SEPA Direct Debit payment files.

This information sheet focuses on the mandate form itself and the key pieces of mandatory information that are to be gathered by the creditor and provided to the debtor via the mandate form.

Note that the mandate must be contained on a single page and clearly delineated from any other additional information or text.

More information on the SEPA mandate management process and file specifications that detail all the fields that need to be submitted as part of a direct debit bulk payment file can be found in the brochures section on www.aib.ie/sepa.

SEPA Direct Debit Mandate Mandatory Fields

SEPA Direct Debit Mandate

SEPA Direct Debit Mandate Unique Mandate Reference (UMR) - to be completed by (NAME OF CREDITOR)

By signing this mandate form, you authorise (A) (NAME OF CREDITOR) to send instructions to your bank to debit your account and (B) your bank to debit your account in accordance with the instructions from (NAME OF CREDITOR). As part of your rights, you are entitled to a refund from your bank under the terms and conditions of your agreement with your bank. A refund must be claimed within 8 weeks starting from the date on which your account was debited. Your rights are explained in a statement that you can obtain from your bank.

Please complete all the fields marked *.

CREDITOR NAME
CREDITOR I.D.
CREDITOR ADDRESS
CITY
POST CODE
COUNTRY
COUNTRY

Type of payment * Recurrent payment or One-off payment

DEBTOR NAME *
DEBTOR ADDRESS
CITY
POST CODE
COUNTRY

Debtor account number – IBAN *
Debtor bank identifier code – BIC *
Date of signature *
Signature(s) *
Please sign here *

Please return this mandate to the Creditor

Unique Mandate Reference (UMR):
This UMR is a free text field of up to 35 characters which must be the same for the first direct debit payment and each subsequent direct debit payment. If the UMR cannot be provided on the mandate form before the customer signs the mandate, then the UMR must be provided separately to the customer before the first collection.

MANDATORY FIELD
Debtor Name:
This payee information must be gathered and stored for all new mandate forms.

MANDATORY FIELD
Creditor Details:
These details are your company name and address and must be pre-printed or stamped on the mandate form before it is given to the customer to sign.

MANDATORY FIELD
Creditor Identifier:
This is your SEPA Originator Identification Number (OIN) also known as the SEPA Creditor Identifier that will replace your existing EMTS ID/OIN which will be provided by AIB. The SEPA OIN / Creditor ID number must be pre-printed on the mandate form before it is given to the customer to sign.

MANDATORY FIELD
Legal Text and Notices:
All SEPA Direct Debit Mandates must contain this exact legal wording; it cannot be altered in any way except for inserting the company name in the relevant places.

MANDATORY FIELD
BIC and IBAN:
BIC (Bank Identifier Code) and IBAN (International Bank Account Number) details must be gathered and stored for each mandate form and submitted to AIB as part of the payment file.

MANDATORY FIELD
Date of signing:
This is the date the customer signs the mandate. This date must be submitted to AIB as part of the payment file. If this information is not available for existing mandates AIB recommends the date of first file submission is used.

MANDATORY FIELD
Signature:
Customer signature is key to the successful operation of the scheme. Where a signed mandate form is not held by the creditor then transactions could be deemed as unauthorised and the debtor may be entitled to request refund of all transactions for the previous 13 months.

MANDATORY FIELD
Type of Payment:
Will confirm if the direct debit is a one-off collection or if it will be collected regularly.

SEPA Direct Debit Mandate Optional Fields

A longer form of SEPA Direct Debit Mandate with additional Optional Fields can also be used. This contains additional fields that you can use for business or reconciliation purposes such as referencing the payment between the debtor and the creditor. The additional optional fields are shown in the diagram below.

Note that these are the only additional fields which are permitted within the boundary of the mandate. Any other information, such as Debtor Phone Number, Desired Collection Date etc. cannot be requested on the Direct Debit Mandate Form.

The diagram shows a SEPA Direct Debit Mandate form with the following fields and completion status:

- SEPA Direct Debit Mandate** (Title)
- Unique Mandate Reference (UMR)** - to be completed by (NAME OF CREDITOR) (Field)
- Insert Creditor's Name and Logo** (Box)
- By signing this mandate form, you authorise (A) (NAME OF CREDITOR) to send instructions to your bank to debit your account and (B) your bank to debit your account in accordance with the instructions from (NAME OF CREDITOR).** (Text)
- As part of your rights, you are entitled to a refund from your bank under the terms and conditions of your agreement with your bank. A refund must be claimed within 8 weeks starting from the date on which your account was debited. Your rights are explained in a statement that you can obtain from your bank.** (Text)
- Please complete all the fields marked *.** (Instruction)
- Creditor's name** (Field, marked with *)
- Creditor's identifier** (Field, marked with *)
- Creditor's address** (Field, marked with *)
- City** (Field, marked with *)
- Post Code** (Field, marked with *)
- Country** (Field, marked with *)
- Type of payment** (Field, marked with *)
 - Recurrent payment or One-off payment
- Debtor name** (Field, marked with *)
- Debtor address** (Field, marked with *)
- City** (Field, marked with *)
- Post Code** (Field, marked with *)
- Country** (Field, marked with *)
- Debtor account number – IBAN** (Field, marked with *)
- Debtor bank identifier code – BIC** (Field, marked with *)
- Date of signature** (Field, marked with *)
- Signature(s)** (Field, marked with *)
- Please sign here** (Field, marked with *)
- Details regarding the underlying relationship between the Creditor and the Debtor – for information purposes only.** (Section Header)
- Debtor identification code** (Field, marked with *)
 - Write any code number here which you wish to have quoted by your bank.
- Person on whose behalf payment is made** (Field, marked with *)
 - Name of the Debtor Reference Party: If you are making a payment in respect of an arrangement between (NAME OF CREDITOR) and another person (e.g. where you are paying the other person's bill) please write the other person's name here if you are paying on your own behalf leave blank.
- Identification code of the Debtor Reference Party:** (Field, marked with *)
- Name of the Creditor Reference Party** (Field, marked with *)
 - Creditors must complete this section if collecting payment on behalf of another party.
- Identification code of the Creditor Reference Party** (Field, marked with *)
- In respect of the contract** (Field, marked with *)
 - Identification number of the underlying contract.
- Description of contract** (Field, marked with *)
- Please return this mandate to the creditor** (Field, marked with *)
- Creditor's use only** (Field, marked with *)

If you choose to use the additional fields please be sure to consult the SEPA Direct Debit File Specification guidelines on www.aib.ie/sepa as errors may cause the file to be rejected.

Note that all mandate attributes, including the optional fields, must be quoted in the subsequent collections for successful processing.

What do you need to do?

As part of joining the SEPA Direct Debit Scheme, you will need to draft up a new SEPA Direct Debit Mandate Form based on the required information. Before you can provide this SEPA Direct Debit Mandate Form to your customers, and as part of the process of signing up to the new SEPA Scheme, you will need to submit a sample of your new SEPA Direct Debit Mandate Form to AIB for us to review and approve. You can submit your sample SEPA Direct Debit Mandate Form to your local AIB branch along with your AIB SEPA Direct Debit Creditors Agreement. The mandate samples shown above are examples, when designing your own SEPA Direct Debit Mandate you will need to consider how many characters or letters to capture for individual fields in relation to the payment files you submit and your own internal systems.

What do you need to do if you use Originator Plus?

If you sign customers up to direct debits over the phone or via email, for clarification you will need to provide AIB with a copy of the letter or email that you will send to customers to confirm their SEPA Direct Debit Mandate details. Similar to the sample mandate form above, this letter must provide all of the key

SEPA mandatory fields as outlined in this information sheet and this letter will need to be provided to AIB for review and approval ahead of any use.

Further information for Originator Plus users

In accordance with the existing guidelines on Originator Plus, when moving to the SEPA Direct Debit Scheme, you will have to maintain the following as proof of the mandate form for these transactions:

1. A recording of the call, if direct debit details are taken over the phone, or
2. The audit trail of the sign-up process if direct debit details are recorded online.
3. Copy of the confirmation letter or email which was sent to the customer if direct debit details are taken over the phone or online

Furthermore, AIB strongly recommends that if you intend to collect cross-border direct debits that you obtain a signed paper mandate form as banks outside of R.O.I. may not accept non-paper mandates.

How will this affect existing mandates?

Existing mandates will continue to be valid after 1st February 2014, however, the first presentation of these mandates under the new SEPA scheme will have to be submitted with a transaction code of 'FRST'. The new SEPA customer rights apply to customers who signed up under existing mandates.

What additional responsibilities do you have?

As an originator of SEPA Direct Debits you will have the following responsibilities:

1. Management and storage of SEPA Direct Debit Mandates, along with details of any subsequent mandate amendments, for the lifetime of the mandate and for a minimum period of 13 months following the last collection under the mandate
2. Dematerialisation of the SEPA Direct Debit Mandate and submission to AIB of specified mandate details along with each collection as part of your SEPA XML file
3. Creation of a new Unique Mandate Reference Number (UMR) for each new mandate and ensuring that this UMR remains constant for the lifetime of the mandate unless processed as an amendment.

SEPA Direct Debit Transaction Codes

The below table shows the transaction codes which must accompany each SEPA Direct Debit presentation:

| Code | Used When | Timeline for File Submission | If Rejected/Refused Pre-settlement | If Returned/Refunded Post-settlement |
|-------------|---|--|---------------------------------------|---------------------------------------|
| FRST | Must be used for the first collection in a series of SEPA Direct Debits. Also for the first subsequent transaction if debtor bank changes | Submitted at least six banking business days prior to the required collection date | Re-submit the collection as a FRST | Re-submit the collection as a RCUR |
| RCUR | Must be used after a FRST collection for subsequent SEPA Direct Debit collections in a series | Submitted at least three banking business days prior to the required collection date | Re-submitted the collection as a RCUR | Re-submitted the collection as a RCUR |
| FNAL | Used to signify the final SEPA Direct Debit collection in a series | Submitted at least three banking business days prior to the required collection date | Re-submitted the collection as a FNAL | Mandate expired |
| OOFF | To be used for one off SEPA Direct Debit collections. A UMR used for a OOFF transaction cannot be used for a second time | Submitted at least six banking business days prior to the required collection date | Re-submitted the collection as a OOFF | Mandate expired |

Any failure to adhere to these mandate management rules will result in the failure of the SEPA Direct Debit presentation and the standard unpaid charge will apply.

Mandate Amendments

If a debtor or creditor wishes to make a change to an existing mandate SEPA caters for this by using the mandate amendment field within a SEPA Direct Debit XML file. Setting this amendment indicator to “TRUE” will enable the originator to change the details of the mandate e.g. to change the debtor IBAN (within the same bank), UMR or Creditor Identifier OIN). Note that if the debtor changes bank the mandate should not be amended, rather it be sent as a FRST collection with the new debtor IBAN details.

Note that if the debtor changes their financial institution the mandate details should be amended with the new debtor IBAN details and should be sent as a FRST collection.

How to get in touch

AIB understands the opportunities and challenges that your business is facing with SEPA.

This information sheet has been prepared for general guidance to business customers on SEPA Direct Debit Mandate Form. As ever, we would be very happy to answer any questions you may have or discuss any aspect in greater detail.

Please email sepa@aib.ie or visit our website: www.aib.ie/sepa for further information on the Single Euro Payments Area (SEPA).

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