

SEPA Payment Files

Timelines for SEPA payments



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1. Introduction

This document has been prepared to provide guidance in relation to SEPA Direct Debit and Credit Transfer payment timelines for AIB originators. This document will detail examples relating to the impact of Bank Holidays and non-Target days on the submission timelines, debit dates, value dates and PAIN.002 dates for SEPA payments.

What is an Interbank Business Banking Day?

Interbank Business Banking days or Target Days are days set by the European Central Bank on which bank transactions may be processed. Target days may fall on Irish bank holidays, but not on Saturdays and Sundays. Presentation files (Pain.008s and Pain.001s) and Rejection files (Pain.002s) are not processed on these dates.

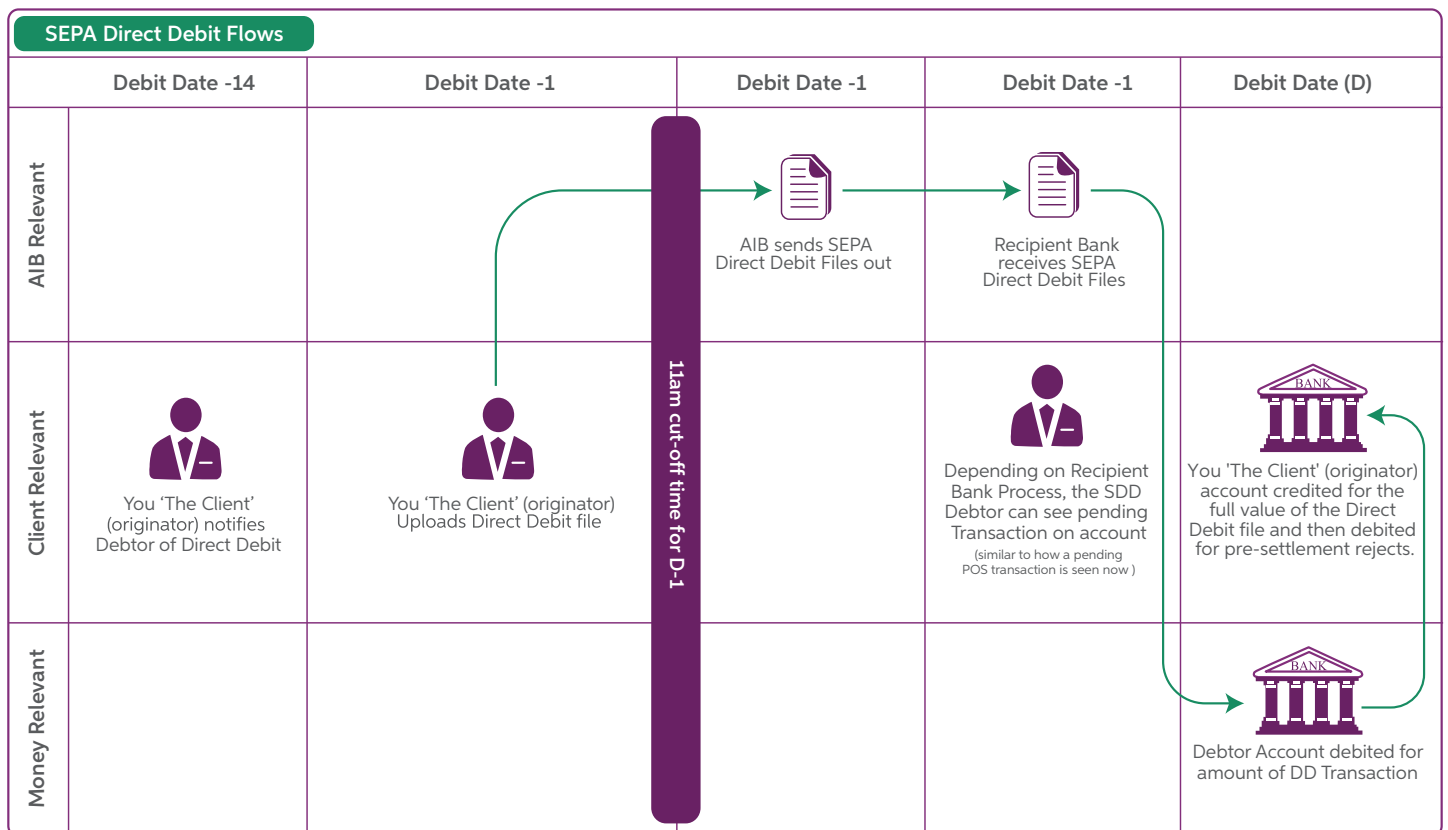
The following dates are non-Target Days:

- Christmas Day
- St. Stephens Day
- New Years Day
- Good Friday
- Easter Monday
- May Day (1st May)

2. SEPA Direct Debits

2.1 SEPA Direct Debit Overview

As a result of updates to SEPA Rulebook in November 2016 it is no longer a requirement to use the First Collection 'FRST', Once-Off Collection 'OOF' and Final Presentation 'FNAL' when submitting a direct debit mandate. Instead, if preferred Creditors can use the sequence type 'RCUR' for all transactions be it the first payment collection or any of the payments in a series of collections for the lifetime of the mandate (i.e. where the direct debit mandate is recurring). This change will remove the confusion regarding which sequence type to use and if implemented by Creditors will also eliminate R transactions (failed payments) relating to sequence types. It is important to note that the current sequence types will remain valid if Creditors wish to continue using them.



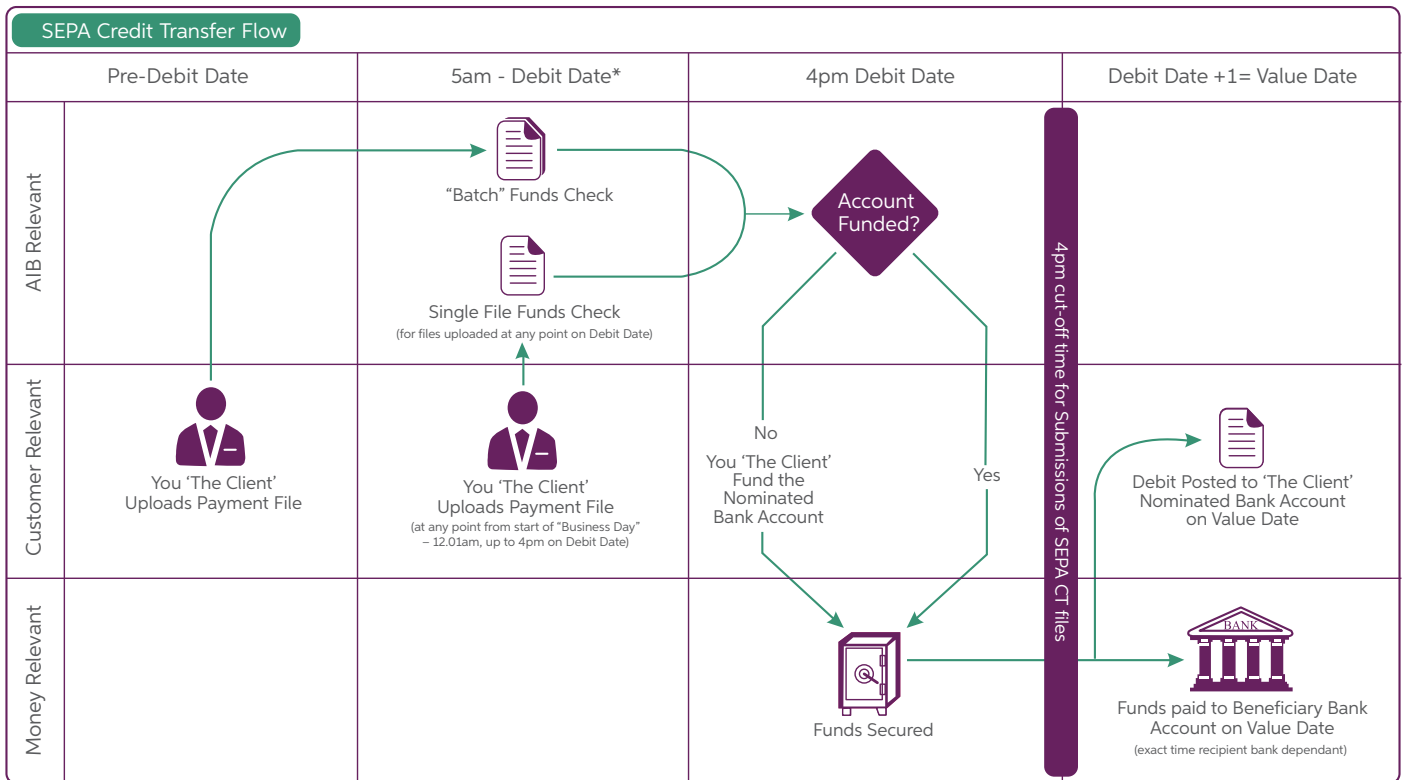
3. SEPA Credit Transfers

3.1 SEPA Credit Transfer Overview

Customers are required to upload their payment files to iBB with a 'Debit Date' (D) on the file, one business banking day prior to the day the beneficiary is to receive the funds (the Value Date).

For example: If your beneficiaries require value on 24th April, the 'Debit Date' on the file must be 23rd April.

- Note that the 23rd April is the day AIB will secure your account for funds to the value of credits being paid. The payment file will not be processed and will be rejected if your nominated bank account is not sufficiently funded on the Debit Date, in this case the 23rd April.



*There will be additional funds checks throughout the day on the requested the Debit Date.

3.2 The impact of non-Target days & Irish Bank Holidays on Debit Dates and Value Dates

Specified Debit Date is an Irish Bank Holiday – The Debit Date will be rolled-forward by AIB and the funds will be secured at 5am on the next business banking day.

- For example, for a file submitted with a Debit Date of Monday 4th May (which is an Irish Bank Holiday), funds will not be secured until 5am on the next business banking day Tuesday 5th May. The Value Date will therefore be Wednesday the 6th May.

Specified Debit Date is May 01st (a non-Target Day which is not an Irish Bank Holiday) – No impact on the Debit or Value Date for the file. The Debit Date will not be rolled forward as May 01st is a business banking day in the Republic of Ireland. The Value Date will be Tuesday 5th May 2015 as Monday the 4th May 2015 is an Irish Bank Holiday so the payment will roll over to the next business banking day (Tuesday 5th).

Specified Debit Date is a Friday or a business banking day immediately prior to a non-Target Day – No impact on the Debit Date (Fund Check), but possible impact on the Value Date depending on the financial institution of the beneficiary account.

- The Value Date will be on the next business banking day however for certain Financial Institutions, the beneficiary will have use of the funds from the Saturday (if Debit Date was Friday) or on the non-Target day (if the Debit Date was a business banking day immediately prior to the non-Target Day).

How to get in touch

This brochure has been prepared by AIB for general guidance to business customers on SEPA Direct Debits. 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 SEPA Direct Debits.

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