

SEPA iBB Reconciliation Guide



1. Introduction

This document has been prepared to provide guidance as to the benefits of reconciling SEPA transactions and how this reconciliation can be undertaken. Note that the reconciliation process detailed in this document is not a mandatory requirement for AIB SEPA bulk file submitters and is detailed only as a suggested best practice.

Why is a reconciliation process important?

A thorough reconciliation process is needed for SEPA Direct Debits and SEPA Credit Transfers in order to achieve the following:

1. **Accountability of funds** which have passed in/out of creditor accounts and to calculate total unpaid transaction value.
2. **Accurate customer accounts** where the balance of a customer account reflects any unpaid transactions which may have taken place.
3. **Efficient operational procedures** for managing unpaid transactions. For example:
 - To prompt correspondence with customers who have consistently returned unpaids e.g. due to insufficient funds
 - To prevent future R-Transactions due to incorrect transaction code or amendment details

2. SEPA Direct Debits – Reporting of Unpaids

What information will I receive to assist in the reconciliation process?

There are three separate sources for information in relation to unpaid transactions.

1. **PAIN.002** files which detail information relating to unpaid transactions associated with a specific original payment file are available for download via iBB.
2. **iBB Rejects/Unpaid** screen which details summary information relating to unpaid transactions and can be exported to the users local PC from iBB in .csv format.
3. **Creditor account Statements** which detail the credit and debit value postings relating to SEPA Direct Debits and the associated payment file reference numbers.

2.1 PAIN.002 Files

What is a PAIN.002 File?

- From the day you upload a SDD file to iBB, any unpaid transaction which is received by AIB will appear in a PAIN.002 file. This PAIN.002 file will be available for you to download from iBB from 1am on the day after AIB receives the unpaid transaction
- Any unpaids received in a given day relating to the same original SDD file submitted will be grouped together into a single PAIN.002 file. Therefore, a PAIN.002 file on a given day can contain multiple unpaid transactions but all of these unpaid transactions will be from the same original file

- Over the course of a number of days you can receive multiple PAIN.002s for the same SDD file. For example, if one transaction within a file is returned unpaid on D-2 and another is unpaid on D+1, these will be sent in two separate PAIN.002 files. See page 3 for diagram
- PAIN.002 files are available on iBB on any day where the previous day was a business banking day i.e. PAIN.002 can be received on a Tuesday, Wednesday, Thursday, Friday or Saturday.

2.2 iBB

What information is available on the 'Unpaid DDs' Screen of iBB?

The Unpaid DDs screen on iBB provides the user with the ability to search unpaid payments received to-date for all SDD files submitted. The unpaid data can then be exported to the users local PC from iBB in a .csv format.

The following details are displayed for each unpaid payment file:

- File Reference
- OIN
- Pre/Post Settlement Unpays
- Latest Unpaid Generation Date
- Debit Date
- No. of Unpays
- Total Value
- No. of File to Download.

On opening, by default, the Unpaid DDs screen will list all the unpaid DD files with unpaid payments for the last 14 days, sorted in descending order by Latest Unpaid Generation Date, with latest dated records first.

2.3 Creditor Account Statements

How will SEPA Direct Debit collections be credited to the creditor's account?

- The nominated account of the creditor will be credited at approximately 5am on the specified 'Due Date' (D) date
- The account statement will show a separate credit entry for each SDD file due for settlement that day. The statement will detail the File reference number and the net value of the collections in that file.
- A two line narrative will show on the Creditor's statement. It will be made up of the three following contents;

First Line

- SEPA DD.
- Date of creation in Julian style.

Second Line

- A reference number which is added by our payment systems.

SEPA iBB Reconciliation Guide



How is the Net Value to be credited calculated?

- AIB will account for any pre-settlement unpaid transactions received from both AIB and other financial institutions and will deduct the value of these unpaids from the total file value to be credited to the creditor's nominated account on 'D'
- For example, if a SDD file has a total value of €1,000 and the file contained 2 pre-settlement unpaids, each to the value of €50, the creditor's account will be credited €900 on 'D'
- The below table provides an example of how Net Posting is calculated in AIB for one particular SDD file submitted on D-6 by the Creditor.

	D-6	D-5	D-4	D-3	D-2	D-1	Due Date (D)
Received by AIB	<p>Creditor uploads a Direct Debit File before the 4pm cut-off with total file value of €1,000</p>	<p>Pre-settlement unpaids from AIB as follows:</p> <ul style="list-style-type: none"> ◦ €250 ◦ €150 	<p>Pre-settlement unpaids received by AIB as follows:</p> <ul style="list-style-type: none"> ◦ €80 ◦ €20 	No pre-settlement unpaids received by AIB	No pre-settlement unpaids received by AIB	<p>Pre-settlement unpaids received by AIB as follows:</p> <ul style="list-style-type: none"> ◦ €50 ◦ €50 	No pre-settlement unpaids received by AIB
PAIN.002 File			<p>PAIN.002 File containing details of the following unpaids:</p> <ul style="list-style-type: none"> ◦ €250 ◦ €150 	<p>PAIN.002 File containing details of the following unpaids:</p> <ul style="list-style-type: none"> ◦ €80 ◦ €20 	No PAIN.002 file received	No PAIN.002 file received	<p>PAIN.002 File containing details of the following unpaids:</p> <ul style="list-style-type: none"> ◦ €50 ◦ €50
Account Statement							<p>At 05:00 – Creditor account credited with Net Value of €1,000 LESS total pre-settlements received to date.</p> <p>= Net Posting of €400</p>

SEPA iBB Reconciliation Guide



- The below table provides an example of how Net Posting is calculated in AIB for one particular SDD file submitted on D-2 by Creditor:

	D-2	D-1	Due Date (D)
Received by AIB	Creditor uploads a Direct Debit File before the 4pm cut-off with total file value of €1,000	Pre-settlement unpaids from AIB as follows: €50 €50	No pre-settlement unpaids received by AIB
PAIN.002 File			PAIN.002 File containing details of the following unpaids: €50 €50
Account Statement			At 05:00 – Creditor Account Statement account credited with Net Value of €1,000 LESS total pre-settlements Received to date. = Net Posting of €900

How will SDD post-settlement unpaids be debited from the creditor's account?

- Any post settlement unpaids will be grouped on a daily basis and a bulk debit will be posted to the creditor's account on that day. This bulk debit may relate to multiple SDD files and will be reflected in the post settlement PAIN.002 files which will be available to download from iBB on the following day.

Take the following example where a creditor receives two separate post settlement PAIN.002 files on a given day:

- If one PAIN.002 file contains four unpaid transactions to the total value of €800 relating to one SDD file and the second PAIN.002 contains two unpaid transactions to the total value of €200 relating to a different SDD file, then the total debit posting to the creditor's account on the previous day would have been €1000.































SEPA iBB Reconciliation Guide



3. SEPA Direct Debit Reconciliation Process

Lifecycle of a SEPA Direct Debit Transaction

The below provides an overview of the lifecycle of a SDD transaction in a file submitted on D-6 by the creditor and when the creditor will receive the various data inputs (PAIN.002 files, iBB payment files and Account Statements).

	D-6	D-5	D-4	D-3	D-2	D-1	Due Date (D)	D+1	D+2	D+3	D+4	D+5	D+6	D+7 – D+13 Months
Received by AIB	 Upload a Direct Debit File before 4pm cut-off	Rejects from File Upload Refusals or Rejects from SEPA Scheme and Debtor Banks					Refusals or Rejects from Debtor Banks	Returns and Refunds from Debtor Banks	Returns and Refunds from Debtor Banks					Refunds (Authorised or Unauthorised Transactions) from Debtor Banks
		    							     					
PAIN.002 & iBB		    							     					
		<ul style="list-style-type: none">01:00 – PAIN.002 File containing pre-settlement unpaids (Rejects)Payment File updated on iBB	<ul style="list-style-type: none">01:00 – PAIN.002 File containing pre-settlement unpaids (Rejects)Payment File updated on iBB					<ul style="list-style-type: none">01:00 – PAIN.002 File containing pre-settlement unpaids (Rejects)Payment File updated on iBB	<ul style="list-style-type: none">01:00 – PAIN.002 File containing post-settlement unpaids (Returns/Refunds)Payment File updated on iBB	<ul style="list-style-type: none">01:00 – PAIN.002 File containing post-settlement unpaids (Refunds)Payment File updated on iBB				
Account Statement							<ul style="list-style-type: none">Creditor account credited with the total file value less pre-settlement rejects received in PAIN.002 files on or before DCreditor account debited for Returns received by AIB on D	<ul style="list-style-type: none">Creditor account debited for returns received by AIB on D+1	<ul style="list-style-type: none">Creditor account debited for Returns / Refunds received by AIB that day					<ul style="list-style-type: none">Creditor account debited for Refunds received by AIB that day

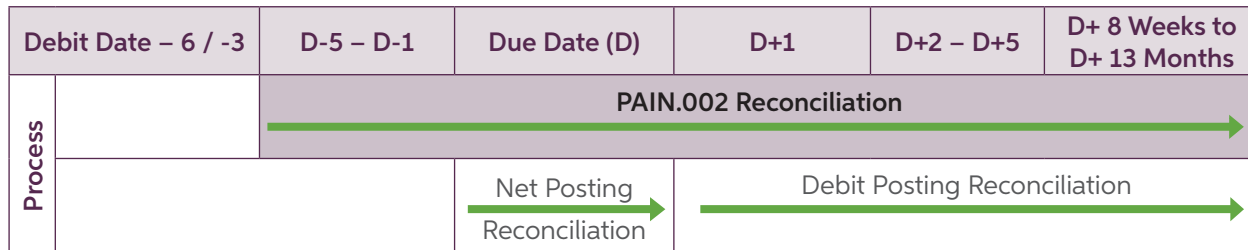
SEPA iBB Reconciliation Guide



The below provides an overview of the lifecycle of a SDD transaction in a file submitted on D-2 by the creditor and when the creditor will receive the various data inputs (PAIN.002 files, iBB payment files and Account Statements).

	D-2	D-1	Due Date (D)	D+1	D + 2	D + 3	D + 4	D + 5	D + 6	D +7 - D+ 13 Months
Received by AIB	Upload a Direct Debit File before 4pm cut-off	Rejects from File Upload Refusals or Rejects from SEPA Scheme and Debtor Banks	Refusals or Rejects from Debtor Banks	Returns and Refunds from Debtor Banks	Returns and Refunds from Debtor Banks					Refunds (Authorised or Unauthorised Transactions) from Debtor Banks
PAIN.002 File		01:00 – PAIN.002 File containing pre-settlement unpaids (Rejects) Payment File updated on iBB	01:00 – PAIN.002 File containing pre-settlement unpaids (Rejects) Payment File updated on iBB	01:00 – PAIN.002 File containing pre-settlement unpaids (Rejects) Payment File updated on iBB	01:00 – PAIN.002 File containing post-settlement unpaids (Returns/Refunds) Payment File updated on iBB					01:00 – PAIN.002 File containing post-settlement unpaids (Refunds) Payment File updated on iBB
Account Statement			Creditor account credited with the total file value less pre-settlement rejects received in PAIN.002 files on or before D Creditor account debited for Returns received by AIB on D	Creditor account debited for returns received by AIB on D+1	Creditor account debited for Returns / Refunds received by AIB that day					Creditor account debited for Refunds received by AIB that day.

3.1 PAIN.002 Reconciliation



This section provides an overview of the PAIN.002 reconciliation process including:

1. How to download a PAIN.002 file.
2. How to use data obtained from the PAIN.002 file for successful reconciliation.
3. How this data can drive customer relationship management.

The PAIN.002 reconciliation process is undertaken on a continual basis over the lifecycle of a SDD payment file, from D-5 up to D+13 months when the file is submitted on D-6 by Creditor.

Step 1 – Download the PAIN.002 file from iBB

The following steps must be completed to generate a PAIN.002 for your unpaid payments:

1. Navigate to the Unpaid DDs screen on iBB which is located under the menu heading REJECTS/ UNPAIDS.
 - The Unpays DDs screen provides the user with the ability to search unpaid payments from payment files that are produced daily and export these to the users local PC.
2. Specify search criteria 'File Reference', 'OIN', 'Debit Date From', 'Debit Date To', 'Unpaid Generation Date From' and 'Unpaid Generation Date To' with desired details and click the 'Search' button.
 - You will be presented with the unpaid payments grouped by OIN, File Reference, Pre/Post Settlement Unpays, Latest Unpaid Generation Date and Debit Date.
3. To generate a PAIN.002 for the unpaid payments, select the desired row and click the 'Export' button available at the bottom of the tabular column.
4. You will be presented with a pop-up box displaying all PAIN.002 files that are available for the original file reference. These PAIN.002 files can be downloaded one at a time and saved to your local PC.
 - If there are unpaid DDs over a number of days from one file, a pop-up box will display to the user when the 'Export' button is selected to confirm what PAIN.002 should be downloaded.

Step 2 – Process Unpaid Data from PAIN.002

Your IT or software system should be built to facilitate the extraction of data from PAIN.002 files. The following actions should then be taken with the data received in the PAIN.002 file:

1. Add the total value of unpays received in the PAIN.002 file to the cumulative value of unpays to-date in respect of the SDD file reference in question. This will ensure you have an accurate summary of the total value of unpays received for a given file.
2. Identify the individual transactions within the SDD file which have returned unpaid and determine whether the unpaid has occurred pre-settlement or post settlement based on the date of the PAIN.002 against the original file settlement date (see table below).

SEPA iBB Reconciliation Guide



- Determine the impact of the unpaid transaction on subsequent collections or re-presentations for the same customer (see table below).

Original Collection Type	Transaction in PAIN.002 Received on/before D +1	Transaction in PAIN.002 Received on/after D +2
	Pre-Settlement	Post-Settlement
FRST	Re-submit as FRST or RCUR	Re-submit as FRST or RCUR
RCUR	Re-Submit as RCUR	Re-Submit as RCUR
FNAL	Re-Submit as FNAL	Not Possible to Re-Submit
OOFF	Re-Submit as OOFF	Not Possible to Re-Submit
Amendment	Re-Submit Amendment	Not Necessary to Re-Submit Amendment

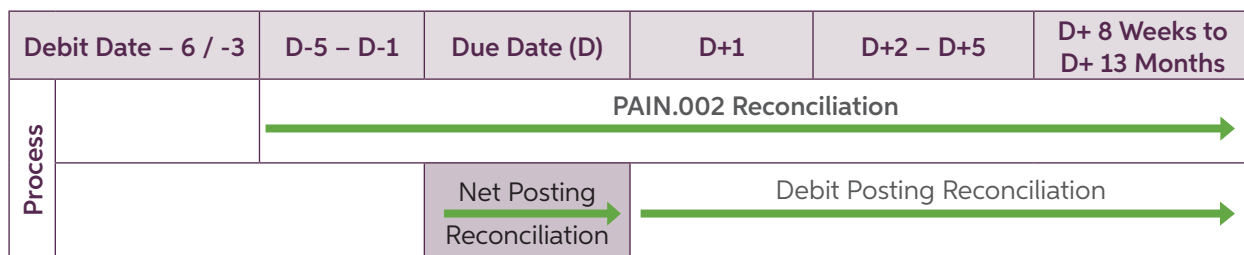
- Analyse the Reason Code assigned to each unpaid collection to determine what corrective action is required and to identify the primary reasons for which you are receiving unpaid. Note that a detailed description of Reason Codes can be found in Appendix 2 of this document.

Step 3 – Customer Account/Relationship Management

The data gathered from the PAIN.002 file should be used to:

- Update internal customer accounts to ensure any unpaid collections have been accounted for and the outstanding customer balance has been amended accordingly.
- To inform operational decisions such as whether an unpaid SDD collection should be re-presented or if communication with the debtor is necessary.
 - This decision can be made based on the Reason Code of the unpaid transaction.

3.2 Net Posting Reconciliation



This section provides an overview of the specific actions required on 'D' (the settlement / due day of a SDD file) using information from the Net Posting of collected funds to the creditor nominated account with AIB.

Step 1 – Review Account Statement and Reconcile Value with PAIN.002 Files Received

- Review the Net Posting on the creditor's nominated account and note the AIB File Reference and the credit value posted on 'D'.
- Cross-check the AIB File Reference from the account statement, with the AIB File Reference of SDD files submitted to iBB.
- Determine the original requested amount on the file.

SEPA iBB Reconciliation Guide



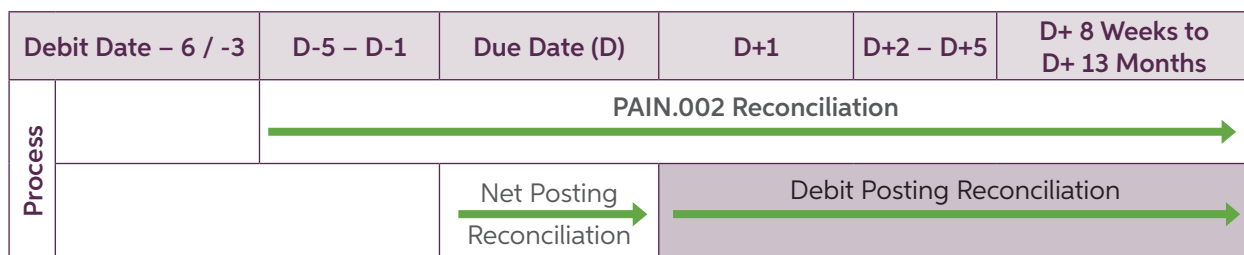
- Search for all PAIN.002 files available for that original file reference by completing the search parameters in the Unpaid DDs screen.
- The Net Posting value as per the account statement should reconcile with the total value of the SDD file submitted to iBB less the total value of any pre-settlement unpaids in PAIN.002 files received for that original SDD file reference on or before 'D'.

See the example below for two separate SDD files submitted to iBB on D-6:

File Reference	Original File Value	PAIN.002 Value						Total Pre-Settlement Unpaids	Net Posting Value on D
From PAIN.002 & Statement	From PAIN.002 & iBB	D -5	D -4	D -3	D -2	D -1	D	</= D	From Statement
88888	€1,000		€100	€150				€250	€750
99999	€2,000			€300			€100	€400	€1600
Total	€3,000		€100	€450			€100	€650	€2350

- One PAIN.002 file was received on D-4 in respect of File Ref. 88888, which contained unpaids to the total value of €100
- Two separate PAIN.002 files were received on D-3, one for File Ref. 88888 which contained unpaids to the total value of €150 and a second PAIN.002 for File Ref. 99999 which contained unpaids to the total value of €300
- One PAIN.002 file was received on D for File Ref. 99999 which contained unpaids to the total value of €100
- On D two separate credit postings were made to the creditor's account, one to the sum of €750 for File Ref. 88888 and one to the sum of €1,600 for File Ref. 99999
- Both Files reconcile successfully as each Original File Value, less the Total Pre-Settlement Unpaids equals the amount posted to the nominated account.

3.3 Debit Posting Reconciliation (Post Due Date)



This section provides an overview of the specific actions required on or following D+1, in order to reconcile debit postings made to the creditor account on the previous day.

SEPA iBB Reconciliation Guide



Step 1 – Review Account Statement and Reconcile Value with PAIN.002 Files Received

1. Identify any new post settlement PAIN.002 files which have become available to download from iBB that day and record the total value of post settlement unpaids contained within these PAIN.002 files.
2. Review the value of the debit posting on the creditor's nominated account on the previous day.
3. Reconcile this debit value with the sum of all post settlement unpaid transactions received in PAIN.002 files that day.

Note that although Section 3.2 involved a separate net credit posting for each File Reference, any Debit Posting on or following D will be a bulk sum of all post settlement unpaid transactions which appear in PAIN.002 files the next day. Therefore, the Debit Posting value may represent unpaids relating to multiple SDD files & multiple PAIN.002 files.

The example below tracks PAIN.002 files received on or after D+1 for original File Reference 88888 and File Reference 99999.

File Reference	Original File Value	Total Pre-Settlement Unpaids	PAIN.002 Unpaid Value						Total Post-Settlement Unpaids
From PAIN.002 & Statement	From PAIN.002 & iBB	</= D	D +1	D+2	D+3	D+4	D+5	D+X	> / = D+1
88888	€1,000	€250			€50			€50	€100
99999	€2,000	€400			€100		€100		€200
Total	€3,000	€650			€150		€100	€50	€300

- Say that on D+2 there was a Debit posting to the creditor's account to the value of €150. This value should reconcile with the total value of PAIN.002 files received on D+3
- In the diagram above we can see two PAIN.002 files were received on D+3, a PAIN.002 in respect of File Ref. 88888 for €50 and a PAIN.002 in respect of File Ref. 99999 for €100
 - This reconciles with the Debit posting of €150 on D+2
- On D+3 there was no Debit posting to the creditor's account. This reconciles with the absence of a PAIN.002 file on D+4 in the diagram above
- On D+4 there was a Debit posting to the creditor's account to the value of €100, this reconciles with a PAIN.002 file in respect of File Ref. 99999 for €100 received by the customer on D+5 as per the diagram above
- On D+X (any day up to or including D + 13 Months) a Debit posting was made to the creditor's account to the value of €50. This relates to a refund transaction and reconciles with a PAIN.002 received on D+X+1 in respect of File Ref. 88888.

4. SEPA Credit Transfers

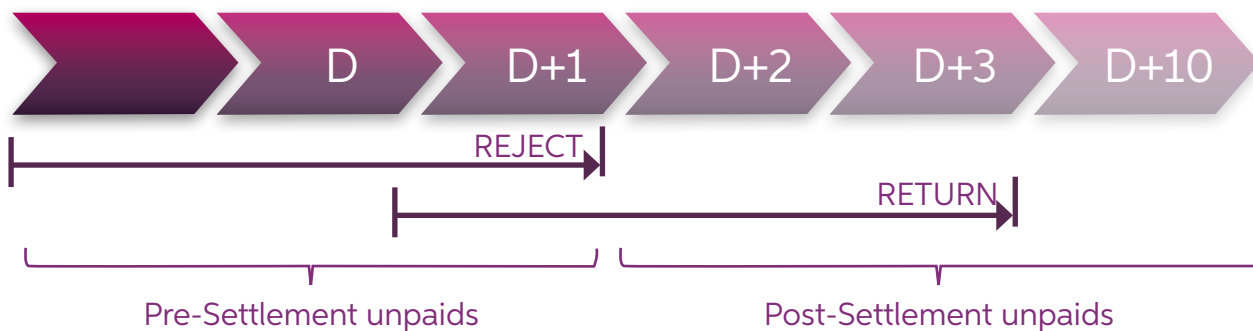
4.1 SCT R – Transactions Explained

Similar to SDD file submission, when SCT XML files are submitted to AIB, it is possible that you may receive multiple Pain.002 files over the course of a number of days. The Pain.002 information is also available on iBB (as detailed below).

One or more of the following R-transactions will be sent back to the file submitter where applicable:

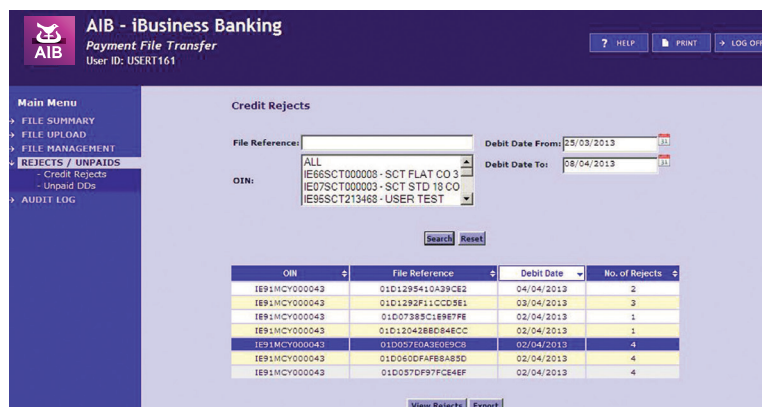
SCT	Rejects – Transactions not accepted for execution before settlement (can occur on the next business day at the latest).
	Returns – Occur when an SCT transaction is diverted from normal execution after settlement, and is sent by the Beneficiary bank to the debtor bank for a credit transfer that cannot be executed for valid reasons, such as closed account, wrong account number (can occur within three business days after settlement day).

Timeline for receipt of SCT R-Transactions



4.2 Exporting SCT R-Transaction Data from iBB

1. Navigate to 'REJECTS/UNPAIDS' -> Credit Rejects screen from menu tree.



OIN	File Reference	Debit Date	No. of Rejects
IE91MCY000043	010129541DA39CE2	04/04/2013	2
IE91MCY000043	0101292F11CCD961	03/04/2013	3
IE91MCY000043	01007385C1E987F8	02/04/2013	1
IE91MCY000043	0101204288C846CC	02/04/2013	1
IE91MCY000043	010057E0A3E0E9CB	02/04/2013	4
IE91MCY000043	010060CF8B8A85D	02/04/2013	4
IE91MCY000043	010057DF97FC4EF	02/04/2013	4

2. Specify search criteria File Reference, OIN [select from the list] and Debit Date From and Debit Date To with desired date range and click the 'Search' button.
3. You will be presented with the rejected and returned payments grouped by OIN, File Reference and Debit Date.
4. To view the rejected and returned payments, select the desired row and click the 'View Rejects/Returns' button available at the bottom of the tabular column.

SEPA iBB Reconciliation Guide



- You will be presented with the Payments Search screen. Certain fields will be pre-populated with relevant file information like Payment Type, Status, OIN and File Reference.

- If you wish to further refine search, you may specify further criteria such as Payment Reference, Amounts, creditor IBAN, Transaction ID, etc. and click 'Search'.
- You will be presented with the File Payments screen that will list all rejected and returned payments' transaction details and reject reason.

OIN	File Reference	Debit Date	No. of Rejects
IE91MCY000043	01D1295410A39CE2	04/04/2013	2
IE91MCY000043	01D1292F11CCD5E1	03/04/2013	3
IE91MCY000043	01D07385C1E9E7FE	02/04/2013	1
IE91MCY000043	01D120428BD84ECC	02/04/2013	1
IE91MCY000043	01D049710D9B06CB	02/04/2013	4
IE91MCY000043	01D060CF4F8BA9D0	02/04/2013	4
IE91MCY000043	01D057DF97FCE46F	02/04/2013	4

- Rejected and returned payments can be exported to your local machine in Excel sheet by selecting the 'Export' button.

4.3 Download the PAIN.002 file from iBB

The following steps must be completed to generate a PAIN.002 for your rejected and returned payments:

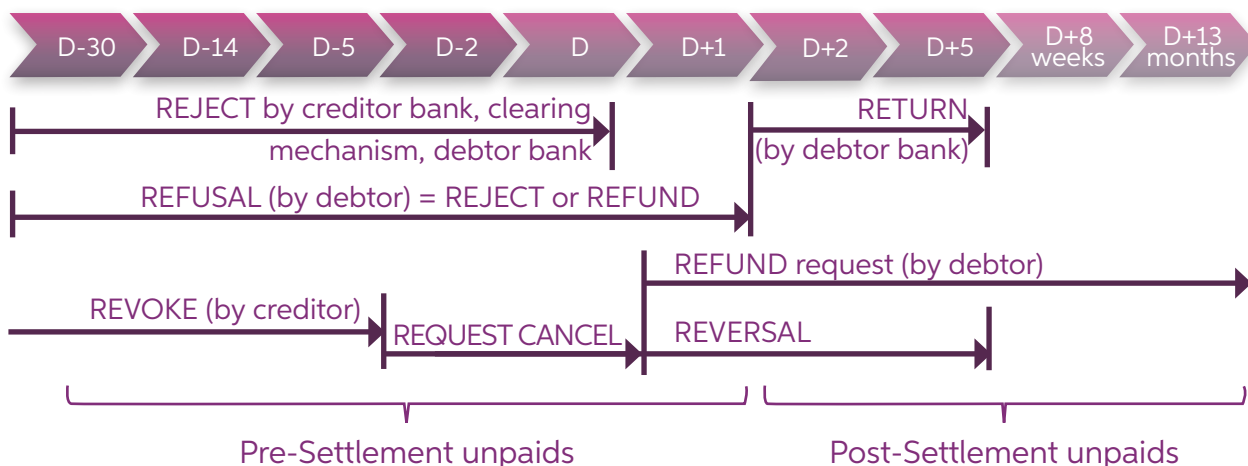
- Navigate to 'REJECTS/UNPAIDS' -> Credit Rejects screen from menu tree.
- Specify search criteria File Reference, OIN [select from the list] and Debit Date From and Debit Date To with desired date range and click the 'Search' button.
- You will be presented with the rejected and returned payments grouped by OIN, File Reference and Debit Date.
- To generate a PAIN.002 for the rejected and returned payments, select the desired row and click the 'Export' button available at the bottom of the tabular column.
- You will be presented with a pop-up box displaying all PAIN.002 files that are available for the original file reference. These PAIN.002 files can be downloaded one at a time and saved to your local PC.
 - If there are credit rejects or returns over a number of days from one file, a pop-up box will display to the user when the 'Export' button is selected to confirm what PAIN.002 should be downloaded.

Appendix 1:

SDD R Transactions/Unpays Explained

SDD	Refusal – Claims initiated by the Debtor, requesting the Debtor Bank not to pay a collection, for any reason. Can be requested, up to the close of business the day before the payment is due.	Pre-Settlement
	Rejects – Direct Debits which are rejected, prior to Settlement for the following reasons: <ul style="list-style-type: none"> Technical reasons, such as invalid format, wrong IBAN check digit, missing mandatory fields. The Debtor Bank is unable to process the Collection for the following reasons: (account closed, debtor deceased, account does not accept direct debits, no mandate, mandate cancelled). The Debtor Bank is unable to process the Collection where it is bound by legal obligations covered by National or Community legislation. 	Pre-Settlement
	Reversal – When the creditor concludes that a collection or a transaction should not have been processed, a reversal may be used by the creditor. If a reversal is processed pre-settlement the full file will be recalled. If the reversal is processed after settlement, each debtor within the file will be reimbursed with the full amount of the transaction. Note that reversals will not appear in the PAIN.002 file.	Pre/Post-Settlement
	Return – Collections diverted from normal execution after settlement and initiated by the Debtor bank (e.g. insufficient funds).	Post-Settlement
	Refund (8 weeks) – Claims by the Debtor for reimbursement of a direct debit. Debtors are entitled to request a ‘no questions asked’ Refund for any SEPA Direct Debit within eight weeks from the date on which the amount was debited from the account of the Debtor. Outside of the 8 week period there will be an investigation phase before the debtor can be refunded.	Post-Settlement
	Refund (Unauthorised Transaction) – If the request for a refund concerns an unauthorised transaction a debtor must make the claim within 13 months of the debit date.	Post-Settlement

Timeline for Receipt (by AIB) of SDD R-Transactions/Unpays



Appendix 2:

SEPA Direct Debit Reason Codes

The below table details the Reason Codes (and their description) which can be used in the SEPA scheme. For reason codes which AIB will return as a debtor bank a use scenario is detailed. Note that **this use scenario indicates only how AIB will use this reason code** and other financial institutions may use the same reason code in different ways.

The reason codes which are marked as 'N/A' across all timelines will not be used by AIB as a debtor bank, however they may be forwarded from another financial institution and appear in your PAIN.002 file.

This information below should be utilised to assist in the reconciliation process by providing insight into both the cause of the R-Transaction and whether the R-Transaction was a Reject, Return or Refund.

Code	Description	Scenario	D-5 – D	D+1	D+2 – D+7	< D+14 Months
AC01	Account identifier incorrect (i.e. invalid IBAN)	<ul style="list-style-type: none"> Debtor Account is Invalid Debtor Account is closed 	Reject	Reject (non AIB)	Return	N/A
AC04	Account closed	<ul style="list-style-type: none"> Debtor Account is closed 	Reject	Reject (non AIB)	Return	N/A
AC06	Account Blocked	<ul style="list-style-type: none"> Debtor Account does not allow Direct Debits Debtor Account has been blocked 	Reject	Reject (non AIB)	Return	N/A
AG01	Direct debit forbidden on this account for regulatory reasons	<ul style="list-style-type: none"> Transaction forbidden on Debtor Account 	Reject	Reject (non AIB)	Return	N/A
AG02	Operation/ transaction code incorrect, invalid file format	<ul style="list-style-type: none"> AIB will not use this code for file validation 	N/A	N/A	N/A	N/A
AM04	Insufficient funds	<ul style="list-style-type: none"> Insufficient funds (Note: Previously would have been used as Refer to Drawer/Payer) 	N/A	N/A	Return	N/A
AM05	Duplicate collection	<ul style="list-style-type: none"> Duplicate Collection i.e. 'FRST' presented on a 'FRST' for same details 	Reject	Reject (non AIB)	Return	N/A
BE01	Debtor's name does not match with the account holder's name.	<ul style="list-style-type: none"> Debtor's name does not match with the account holder's name (Note: AIB does not validate the debtor name field) 	N/A	N/A	N/A	N/A
BE05	Identifier of the Creditor incorrect	<ul style="list-style-type: none"> AIB will not use this code for file validation 	N/A	N/A	N/A	N/A
FF01	Operation/ transaction code incorrect, invalid file format	<ul style="list-style-type: none"> File level validation for Direct File Submission only 	N/A	N/A	N/A	N/A
FF05	Direct Debit type incorrect	<ul style="list-style-type: none"> AIB will not use this code for file validation 	N/A	N/A	N/A	N/A

SEPA iBB Reconciliation Guide



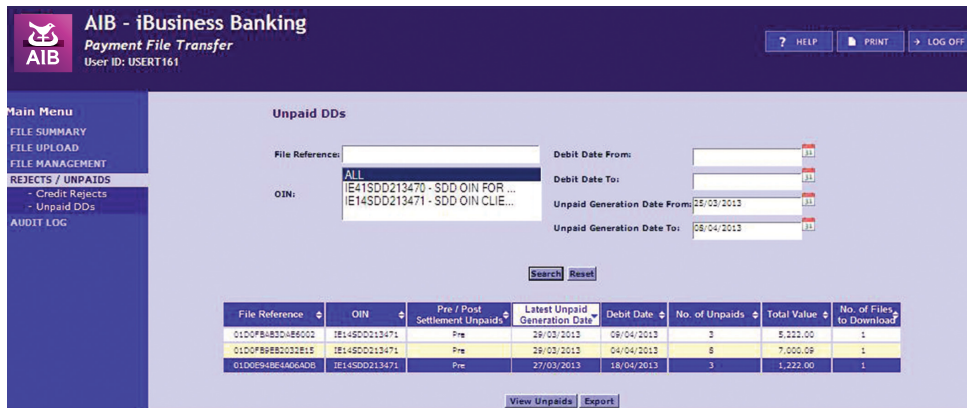
Code	Description	Scenario	D-5 – D	D+1	D+2 – D+7	< D+14 Months
MD01	No Mandate	<ul style="list-style-type: none"> No valid Mandate No instruction Instruction cancelled (Note: This reason code will also be used where a request for an unauthorised transaction post 8 weeks is processed)	Reject	Reject (non AIB)	Return	N/A
MD02	Mandate data missing or incorrect	<ul style="list-style-type: none"> This may be used by banks whereby the incorrect UMR has been quoted This may also mean that some mandate data previously quoted is incorrect 	N/A	N/A	N/A	N/A
MD06	Disputed authorised transaction	<ul style="list-style-type: none"> Refund: direct debit transaction disputed by the debtor 	N/A	N/A	Refund	Refund
MD07	Debtor deceased	<ul style="list-style-type: none"> Debtor is deceased 	Reject	Reject (non AIB)	Return	N/A
MS02	Refusal by the Debtor	<ul style="list-style-type: none"> Customer has refused the payment of a direct debit (allowed under PSD regulation) Debtor initiates a rejection Blocked for regulatory reasons i.e. Creditor Blacklisted, amount or periodicity restriction 	N/A	N/A	N/A	N/A
MS03	Reason not specified	<ul style="list-style-type: none"> Miscellaneous reason – AIB use of this code is only in exceptional circumstances 	Reject	Reject (non AIB)	Return	N/A
RC01	Bank identifier incorrect (i.e. invalid BIC)	<ul style="list-style-type: none"> Debtor BIC is Invalid Creditor BIC is Invalid 	Reject	N/A	N/A	N/A
RR01	Regulatory Reason	<ul style="list-style-type: none"> Missing Debtor Account or Identification – Code used by banks to indicate a Return for Regulatory Reason 	N/A	N/A	N/A	N/A
RR02	Regulatory Reason	<ul style="list-style-type: none"> Missing Debtor Name or Address – Code used by banks to indicate a Return for Regulatory Reason 	N/A	N/A	N/A	N/A
RR03	Regulatory Reason	<ul style="list-style-type: none"> Missing Creditor Name or Address – Code used by banks to indicate a Return for Regulatory Reason 	N/A	N/A	N/A	N/A
RR04	Regulatory Reason	<ul style="list-style-type: none"> Regulatory Reason 	N/A	N/A	N/A	N/A
SL01	Specific Service offered by the Debtor Bank	<ul style="list-style-type: none"> Specific Service offered by the Debtor Bank 	N/A	N/A	N/A	N/A
NARR	Narrative. Additional Information will be also provided	<ul style="list-style-type: none"> Equivalent of Other or Miscellaneous whereby if this reason is populated, the description provides additional information. 	Reject	Reject (non AIB)	Return	N/A

Appendix 3:

How to view SEPA Direct Debit Unpaids on iBB

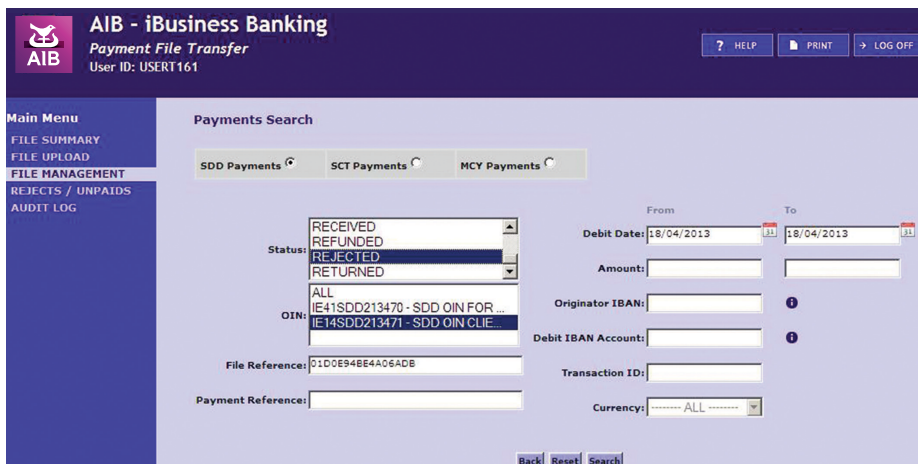
Exporting SDD Unpaid Data from iBB

1. Navigate to 'REJECTS/UNPAIDS -> Unpaid DDs' screen from menu tree.



File Reference	OIN	Pre / Post Settlement Unpaids	Latest Unpaid Generation Date	Debit Date	No. of Unpaids	Total Value	No. of Files to Download
0100984820486002	IE14500013471	Pre	29/03/2013	09/04/2013	3	\$,212.00	1
0100984820032815	IE14500013471	Pre	29/03/2013	04/04/2013	8	7,000.09	1
0100984820032815	IE14500013471	Pre	27/03/2013	18/04/2013	3	1,222.00	1

2. Specify search criteria File Reference, OIN [select from the list] and Debit Date From, Debit Date To, Unpaid Generation Date From and Unpaid Generation Date To with desired date range and click the 'Search' button.
3. You will be presented with the unpaid payments grouped by File Reference, OIN, Pre/Post settlement Unpaids, Latest Unpaid Generation Date and Debit Date.
4. To view the unpaid payments, select desired row and click the 'View Unpaids' button available at the bottom of the tabular column.
5. You will be presented with the Payments Search screen. Certain fields will be pre-populated with relevant file information like Payment Type, Status, OIN, File Reference and Debit From and To date.



Status: RECEIVED, REFUNDED, REJECTED, RETURNED
OIN: IE41SDD213470 - SDD OIN FOR ..., IE14SDD213471 - SDD OIN CLIE...
File Reference: 0100984820032815
Payment Reference:

Debit Date: From: 18/04/2013 To: 18/04/2013
Amount:
Originator IBAN:
Debit IBAN Account:
Transaction ID:
Currency: ALL

SEPA iBB Reconciliation Guide



6. If you wish to further refine the search, you may specify further criteria such as Payment Reference, Amounts, creditor IBAN, Transaction ID, etc. and click the 'Search' button.
7. You will be presented with the File Payments screen which will list the unpaid payments transaction along with unpaid reason.

AIB - iBusiness Banking
Payment File Transfer
User ID: USERT161

Quick Amount Search: **Go**

Showing 1 to 3 of 3 payments

Debtor Name	Amount	Status	Reason	Debit Date	Debtor BIC	Debtor IBAN	OIN
Mary1	1,100.00	REJECTED	PCPSGEN Generic	18/04/2013	DABAIE20	IE55DABA95150161088009	IE14SDD213471 - SDD OIN CLI
Mary2	100.00	REJECTED	PCPSGEN Generic	18/04/2013	BOFIE20	IE07BOFI90097373678330	IE14SDD213471 - SDD OIN CLI
Mary3	22.00	REJECTED	PCPSGEN Generic	18/04/2013	BOFIE20	IE20BOFI90003333817105	IE14SDD213471 - SDD OIN CLI

Search Payments **Export** **Back**

8. Unpaid payments can be exported to your local machine in Excel sheet by selecting the 'Export' button.

Appendix 4: Understanding SEPA Transactions on Your Bank Statement

SEPA Direct Debit Creditor Statements

Date	Narrative	Debit	Credit	Balance
	Balance forward			100,000.00CR
23-Sep-13	a SEPA DD 123456789 OB6VMCVUS7Q2FR2L		2500.54	
25-Sep-13	b SEPA DD 987654321 UNPAIDS	350.13		102,150.14CR

a. SEPA Direct Debit Transactions – Net Posting

The SDD Net Posting to the creditor's nominated account results in a 2 line statement entry:

- Line 1 narrative – All DD payments will appear on creditor's statements as 'SEPA DD' followed by an AIB-assigned code which is for bank use only and will have no impact on the customer
- Line 2 narrative – This contains the 'File Reference' number which is assigned by iBB upon file upload (16 alphanumeric characters). This is the File Reference which is used to cross-check an entry on your statement with file details on iBB or with a PAIN.002 file.

For further information on Net Posting see Section 3.2 'Net Posting Reconciliation'.

b. SEPA Direct Debit Transactions – Debit Posting

As detailed in section 3.3 'Debit Posting Reconciliation (Post Due Date)' all SEPA post-settlement DD unpaids will be grouped on a daily basis and a bulk debit will be posted to the creditor's account. The bulk debit may relate to multiple SDD files and PAIN002 files.

All debit postings relating to SDD unpaids will result in a 2 line statement entry:

- Line 1 narrative – "SEPA DD" followed by an AIB-assigned code which is for bank use only
- Line 2 narrative – "UNPAIDS". This generic name relates to all unpaids that have come in for that date.

SEPA Direct Debit Debtor Statements

Date	Narrative	Debit	Credit	Balance
	Balance forward			100,000.00CR
23-Sep-13	1234 65432	150.00	250.00	
25-Sep-13	GTSSDDP1326204N0 Creditor name field within file	350.00		99,750.00CR

SEPA Direct Debit Transactions – Debit Entries for AIB Customers

- The Line 1 narrative for AIB beneficiaries will contain GTSSDDP plus 9 alphanumeric characters generated by AIB
- The Line 2 narrative for AIB beneficiaries will contain "D/D" followed by the Creditor Name as populated by the creditor in the original PAIN.008 file.

SEPA Credit Transfer Originator Statements

Sample Credit Transfer Originator Bank Statement				
Date	Narrative	Debit	Credit	Balance
12-Sep-14	Balance forward			100,000.00CR
	a Salary Payments PF0DL33SBN6FRCGU8M	50,000.00		
	b PF0B7DBD4RXE3792GE RT0DL34ECVBDWAR9KL		180.00	50,180.00CR

a. SEPA Credit Transfer Transactions – Debit Entries

Debit entries originating from a SEPA Credit Transfer will appear on your ledger as outlined below.

- Line 1 narrative – The Customer Reference that was input on the front screen of iBB or the Message ID if a file was uploaded via DFS.
- Line 2 narrative – “PF” followed by the File Reference number. This is a 16 digit alphanumeric reference which is assigned by iBB upon file upload.

b. SEPA Credit Transfer Unpaids – Credit Entries

CT unpaids are posted back to the originator’s account as single shot payments on a per cycle basis. There are 5 incoming SCT cycles per day, therefore SCT unpaid information can be received and available on your account statement throughout the day.

Credit Transfer unpaids to the originator’s nominated account result in a 2 line statement entry:

- Line 1 narrative – “PF” followed by the File Reference number. This is a 16 digit alphanumeric reference which is assigned by iBB upon file upload
- Line 2 narrative – This contains the individual alphanumeric Transaction Reference number which is assigned by iBB upon file upload. For Rejected SCT payments the Transaction Reference will have a prefix of ‘RJ’ whilst Returned SCT payments will have a Transaction Reference with a prefix of ‘RT’.

SEPA Credit Transfer Beneficiary Statements

Sample Credit Transfer Beneficiary Bank Statement				
Date	Narrative	Debit	Credit	Balance
	Balance forward			100,000.00CR
25-Sep-13	CT0B721PNNGPS2Q7GB EndtoEndId		350.00	100,350.00CR

SEPA Credit Transfer Transactions – Credit Entries (to AIB Accounts)

Credit transfer transactions credited to the final customer’s account will contain “CT” followed by the AIB transaction reference number as well as the ‘End to End Id’ on the second line.

- Line 1 narrative – “CT” followed by a 16 digit alphanumeric Transaction Reference number.
- Line 2 narrative – contains the ‘End to End Id’ – this is the narrative populated by the originator in the original PAIN.001 file.

Appendix 5: Glossary of Terms

SEPA	Single Euro Payments Area.
SDD	SEPA Direct Debit.
SCT	SEPA Credit Transfer.
Creditor	A Creditor who raises SEPA Direct Debit transactions for collection of funds from Debtors on the basis that the Debtor has given authorisation via signing a Direct Debit Mandate (for DD+ Originators, on-line sign-up continues to be valid under the SEPA scheme).
Debtor	The company or individual who has agreed to pay by Direct Debit and has signed a Direct Debit Mandate.
SEPA Scheme	The Single Euro Payments Area (SEPA) Scheme is a European-wide initiative to standardise the way we make and process electronic payments in Euro.
SEPA Direct Debit (SDD)	A SEPA Direct Debit is defined as an electronic instruction to collect funds from a Debtor to a Creditor's account via the SEPA Direct Debit scheme (in euro). This is also known as a Collection.
Collection	A Collection is a Direct Debit payment from the Debtor to the Creditor.
OIN / Creditor ID	The SEPA originator identifier number which will replace existing EMTS OINs. The SEPA OIN/ Creditor ID a 13 digit code and is in the following format: IEXXSDDZZZZ where XX is a check digit and ZZZZZ is a 6 digit identification number.
iBB	Internet Business Banking, AIBs online portal for processing electronic payments and managing your business accounts.
FRST	The transaction code which can be used for the first collection in a series of SEPA DDs and submitted at least two banking business days prior to the required collection date. This transaction code can also be used for the first SEPA collection for existing DD or DD+ customers. If the collection is rejected or returned post-settlement the collection can be re-submitted as a FRST / RECUR.
RCUR	The transaction code which can be used for SEPA DD transactions which form part of a series of collections (first and subsequent) and submitted at least two banking business days prior to the required collection date.
FNAL	The transaction code which can be used to signify the final SDD collection in a series of SEPA DDs. A FNAL transaction must be submitted at least two banking business days prior to the required collection date. A RCUR transaction code may also be used in this situation and will not reject. In this case, the mandate will remain valid for a further 36 months.
OOFF	The transaction code to be used for once-off SDD collections and submitted at least two banking business days prior to the required collection date. A Unique Mandate Reference (UMR) which is used for an OOFF transaction, cannot be used for a second time.
Pre-Settlement Unpaid	A SEPA Direct Debit which has been diverted from normal execution prior to settlement on the Due Date/Collection Date. See 'Reject' and 'Refusal' in Appendix 1 'SDD R Transactions/Unpays Explained'.
Post-Settlement Unpaid	A SEPA Direct Debit which has been diverted from normal execution after settlement on the Due Date/Collection Date. See 'Reversal', 'Return', 'Refund (8 weeks)' and 'Refund (Unauthorised Transaction)' in Appendix 1 'SDD R Transactions/Unpays Explained'.

How to get in touch Please email sepa@aib.ie or visit www.aib.ie/sepa