

SEPA Credit Transfer Readiness Checklist

Bank of Ireland 

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Introduction

Understanding SEPA

SEPA, the Single Euro Payments Area, is a European-driven regulation which aims to create one single, integrated and standardised payments market making it easier to do business across Europe.

In February 2012, the European legislator adopted regulation (EU) No. 260/2012 which established 1st February 2014 as the mandatory deadline for migration to SEPA for electronic payments in countries where euro is the domestic currency (i.e. Bank of Ireland and its customers in the Republic of Ireland). For countries where euro is not the domestic currency, the deadline is 31st October 2016 (i.e. Bank of Ireland and its customers in Northern Ireland & Great Britain).

Domestic credit transfers that you currently submit to Bank of Ireland under the existing IRECC scheme will be replaced with the SEPA Credit Transfer scheme by 1st February 2014.

The SEPA Credit Transfer (SCT) scheme makes it possible to make cross-border electronic non-urgent euro payments throughout the current 32 SEPA countries as securely and efficiently as making the equivalent domestic payments. Ultimately, it will be as simple and straight forward to make a payment transfer from Dublin to Paris as from Dublin to Cork. Some of the key features of the SEPA Credit Transfer scheme include:

- ▶ The maximum transaction execution time is the next business day
- ▶ BIC and IBAN are the only permissible account and bank identifiers for SEPA transactions
- ▶ Payment narrative text of up to 140 characters can accompany the payment

This guide will provide your business with an understanding of the steps required to be ready for the SEPA deadline of 1st February 2014.



Step 1

Bank of Ireland's Credit Transfer Conversion Service

Today, your business submits euro domestic credit transfer (direct pay / direct credit) files using the IRECC STD-18 file format. By 1st February 2014, a new SEPA file format (SEPA XML) will replace existing formats.

To support you in your transition to SEPA, Bank of Ireland is offering its credit transfer (direct pay / direct credit) customers a file conversion service.

What does Bank of Ireland's conversion service mean to you?

- ▶ You can continue to submit domestic (Republic of Ireland) credit transfer files through the channel you use today and Bank of Ireland will convert them to the new SEPA XML format on your behalf at no extra charge
- ▶ When you are ready, you can submit your files in the new SEPA format, post February 2014. SEPA files will be submitted to Bank of Ireland using our dedicated SEPA payments channel, Business On Line Payments Plus.

Note: If you currently initiate euro cross-border credit transfers in any of the SEPA countries, you can continue to do so via Business On Line (BOL).

To avail of our conversion service, you must complete the 'Credit Transfer Conversion Services Application Form' on our website (<http://bankofireland.com/SEPA>) and return it to SEPA Migration, Bank of Ireland, PO Box 365, Dublin 18

Have you signed and returned the 'Credit Transfer Conversion Services Application Form'?

Step 2

Adherence to STD-18 File Specification

SEPA applies strict data quality standards to payments submitted to the scheme. To ensure your payments continue to be processed, it is essential that you ensure your STD-18 files adhere to the published STD-18 file specification. This is available on our website (<http://bankofireland.com/SEPA>)

Payments that do not meet these standards will fail validation and will be rejected.

Have you validated your existing STD-18 file against the file specification on our website?

If you are planning to avail of Bank of Ireland's conversion services, there is no need to read beyond this point. All other information contained within this checklist applies to customers who plan to create and submit SEPA XML files.

Step 3

SEPA XML – Dedicated Bank of Ireland SEPA Online Channel

Post February 2014, Bank of Ireland will facilitate a controlled migration of our customers to the new to SEPA XML formats using our dedicated SEPA online channel, Business On Line Payments Plus.

Bank of Ireland will be in touch with you directly to schedule your migration dates

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Step 4

SEPA XML – New File Format

Should you wish to adopt the new SEPA file formats on your own systems before February 2014, Bank of Ireland can accept SEPA XML files via Connect:Direct Secure Plus.

If you plan to adopt this approach, please inform Bank of Ireland of your intention to do so and your target implementation date by 21st June 2013, using the SEPA Migration Helpdesk contact details below. If we do not hear from you by this date we may not be in a position to support your transition to this solution.

Email: sepacustomermigration@boi.com

Phone: 1890 818 208
+353 1 617 6001 (from outside Republic of Ireland)

Note: Customers who are planning to submit SEPA XML files to Bank of Ireland are also strongly encouraged to complete and return a signed '**Credit Transfer Conversion Services Application Form**'.

By doing so we will have your authority to convert files as required during migration, or as may be required from time to time in the future. Without your prior authority, we will be unable to convert your files should the need arise.

Have you informed Bank of Ireland of your intention to adopt SEPA XML?

Step 5

SEPA XML – Move to BIC & IBAN Account Identifiers

Under the SEPA Regulation, your SEPA XML credit transfer file must contain your creditors (the customers you are crediting) BIC and IBAN instead of their NSC and Account Number. We recommend that you contact your customers to obtain their BIC and IBAN information if you do not already have it.

The Irish Payment Services Organisation (IPSO) also provides a BIC and IBAN conversion service to convert your existing domestic creditor's NSC and Account Numbers. Simply log onto the IPSO website below for further information*:

IPSO BIC & IBAN Converter:

<http://www.ipso.ie/section/IPSOSEPA Services>

Have you converted your Customer's NSC and Account Numbers to BIC and IBAN equivalents?

Step 6

SEPA XML – Confirm Business Readiness

SEPA will bring about multiple changes to your internal business and system processes. Prior to your transition to SEPA, it is important that you have a clear understanding of SEPA's impacts on your end-to-end processing in order to develop your readiness plan.

For further information, refer to the links at the end of this document.

Have you a business readiness plan in place?

Step 7

SEPA XML – Bank of Ireland Communications

Further Bank of Ireland SEPA communications and training updates will be provided throughout 2013. You are encouraged to visit Bank of Ireland's website regularly for our latest information on SEPA:

<http://bankofireland.com/SEPA>

Bank of Ireland will also be issuing other direct communications as required (including customer letters, emails and phone calls).

Further Queries & Support

For general SEPA queries, please contact our *BOL Customer Helpdesk*:

Phone: 1890 818 265

Our dedicated team of expert SEPA Migration Consultants are also available to support our business customers through their migration to SEPA. For **XML CT file-submitter queries**, please contact our *SEPA Migration Helpdesk*:

Email: sepacustomermigration@boi.com

Phone: 1890 818 208
+353 1 617 6001 (from outside Republic of Ireland)

Have you checked the Bank of Ireland website for further information on SEPA?

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* Where you have submitted an NSC and Account Number to IPSO for conversion to a BIC and IBAN and it does not return same, the NSC or Account Number may be out of date. We suggest you contact your customer directly to obtain the correct details.

Credit Transfer Checklist

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|---------------|---|
| Step 1 | Bank of Ireland's Credit Transfer Conversion Service
Have you signed and returned the 'Credit Transfer Conversion Services Applications Form'? <input type="checkbox"/> |
| Step 2 | Adherence to STD-18 File Specification
Have you validated your existing STD-18 file against the file specification on our website? <input type="checkbox"/>
<div data-bbox="421 506 1377 622">If you are planning to avail of Bank of Ireland's conversion services, there is no need to read beyond this point. All other information contained within this checklist applies to customers who plan to create and submit SEPA XML files.</div> |
| Step 3 | SEPA XML – Dedicated Bank of Ireland SEPA Online Channel
Bank of Ireland will be in touch with you directly to schedule your migration dates |
| Step 4 | SEPA XML – New File Format
Have you informed Bank of Ireland of your intention to adopt SEPA XML? <input type="checkbox"/> |
| Step 5 | SEPA XML – Move to BIC & IBAN Account Identifiers
Have you converted your Customer's NSC and Account Numbers to BIC and IBAN equivalents? <input type="checkbox"/> |
| Step 6 | SEPA XML - Confirm Business Readiness
Have you a business readiness plan in place? <input type="checkbox"/> |
| Step 7 | SEPA XML – Bank of Ireland Communications
Have you checked the Bank of Ireland website for further information on SEPA? <input type="checkbox"/> |



Additional SEPA Information Sources:

Bank of Ireland SEPA Website:

<http://www.bankofireland.com/sepa>

Irish Payment Services Organisation (IPSO) SEPA Website:

<http://www.ipso.ie/section/SEPA>

Industry Agreed SEPA Customer File Formats:

<http://www.ipso.ie/section/SepaCustomerFileFormats>

IPSO NSC & Account BIC & IBAN converter:

<http://www.ipso.ie/section/IPSOSEPAServices>

Central Bank of Ireland SEPA Website:

<http://www.centralbank.ie/PAYCURRE/SEPA/Pages/default.aspx>

European Payments Council SEPA Website:

http://www.europeanpaymentscouncil.eu/content.cfm?page=sepa_vision_and_goals

