

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/block:

- Block 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/blocks 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).
- The account statement will show a separate credit entry for each block (group of collections as determined by the Creditor) in a SDD file due for settlement that day.
- The statement will detail the Block Reference Number, the AIB generated file reference number, and the gross value of the collections for each block in that file.
- A two line narrative will show on the Creditor's statement. It will be made up of the following contents;
 - First Line**
 - DD and the first 15 characters of the Payment Information Id <PmtInflD> (this is the block reference from your PAIN.008 file).
 - Second Line**
 - A reference number which is added by our payment systems.

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How is the Gross Value to be credited calculated?

- On the due date AIB will credit your account with the full value of the file submitted
- Following this you may receive a debit entry with any pre-settlement rejections (these will be grouped per block and reject day)
- For example, a SDD file has two blocks and a total value of €1,000, but the file contains 1 pre-settlement unpaid in each block, both to the value of €50, the Creditor's account will be credited with the full €1,000 and will receive two separate debits of €50 underneath
- The below table provides an example of how gross posting is calculated by AIB for two SDD files submitted on D-3 and D-1

The below table provides an example of how gross value is credited and any pre-settlement unpaids are debited by AIB for a future dated SDD file submitted 14 days in advance of the due date (D-14) by the Creditor.






Please note that AIB offers Creditors the ability to submit files up to one day in advance (D-1) subject to the cut-off time of 11am.

	D-14	D-3	D-2	D-1	Due Date (D)
Received by AIB	 Creditor uploads a future dated Direct Debit file with 1 block for total file value of €1,000	Pre-settlement unpaids from AIB as follows: • €250 • €150 	Pre-settlement unpaids received by AIB as follows: • €80 • €20 	Pre-settlement unpaids received by AIB as follows: • €50 • €50 	No pre-settlement unpaids received by AIB
PAIN.002 File			 PAIN.002 file containing details of the following unpaids: • €250 • €150	 PAIN.002 file containing details of the following unpaids: • €80 • €20	 PAIN.002 file containing details of the following unpaids: • €50 • €50
Account Statement					At approx. 5am – Creditor account credited with gross value of €1,000 CR followed by pre-settlements received to date bulked per block per day • €400 DR • €100 DR • €100 DR

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- The below table provides an example of how gross value is credited and any pre-settlement rejects unpaids are debited in AIB for one particular SDD file submitted on D-1 by the Creditor

	D-1	Due Date (D)	D+1
Received by AIB	 Creditor uploads a Direct Debit file before the 11am cut-off with total file value of €1,000  Pre-settlement unpaids from AIB as follows: €50 €100	Post-settlement unpaids received by AIB as follows: €80 €20 	No post-settlement unpaids received by AIB
PAIN.002 File		 PAIN.002 File containing details of the following unpaids: €50 €100	 PAIN.002 File containing details of the following unpaids: €80 €20
Account Statement		At approx. 5am – Creditor account credited with gross value of €1,000CR followed by pre-settlements received to date bulked per block per day €150DR Creditor’s account debited €100DR	

How will SDD post-settlement unpaids be debited from the Creditor’s account?

- Any post settlement unpaids will be grouped per block, per day received and debits will be posted to the Creditor’s account on that day. These debits relate to a block within the SDD file and will be reflected in the post-settlement PAIN.002 files which will be available to download from iBB 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 a block in one SDD file and the second PAIN.002 contains two unpaid transactions to the total value of €200 relating to a block in a different SDD file, then two debit postings would appear on the Creditor’s account on the previous day, one for €800 and another for one for €200.

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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-14 by the Creditor and when the Creditor will receive the various data inputs (PAIN.002 files, iBB payment files and account statements).

	D-14	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	<p>Creditor uploads a Direct Debit file</p>	Rejects received 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	Returns and refunds from Debtor banks	Returns and refunds 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"> 1am – PAIN.002 file containing pre-settlement unpaids (rejects) Payment file updated on iBB 	<ul style="list-style-type: none"> 1am – PAIN.002 file containing pre-settlement unpaids (rejects) Payment file updated on iBB 	<ul style="list-style-type: none"> 1am – PAIN.002 file containing pre-settlement unpaids (rejects) Payment file updated on iBB 	<ul style="list-style-type: none"> 1am – PAIN.002 file containing pre-settlement unpaids (rejects) Payment file updated on iBB 	<ul style="list-style-type: none"> 1am – PAIN.002 file containing post-settlement unpaids (returns/refunds) Payment file updated on iBB 	<ul style="list-style-type: none"> 1am – PAIN.002 file containing post-settlement unpaids (returns/refunds) Payment file updated on iBB 	<ul style="list-style-type: none"> 1am – PAIN.002 file containing post-settlement unpaids (returns/refunds) Payment file updated on iBB 	<ul style="list-style-type: none"> 1am – PAIN.002 file containing post-settlement unpaids (returns/refunds) Payment file updated on iBB 	<ul style="list-style-type: none"> 1am – PAIN.002 file containing post-settlement unpaids (returns/refunds) Payment file updated on iBB 	<ul style="list-style-type: none"> 1am – 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 gross value (full value) of a block within the file followed by pre-settlement debits received to date, bulked per block per day Creditor 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 					

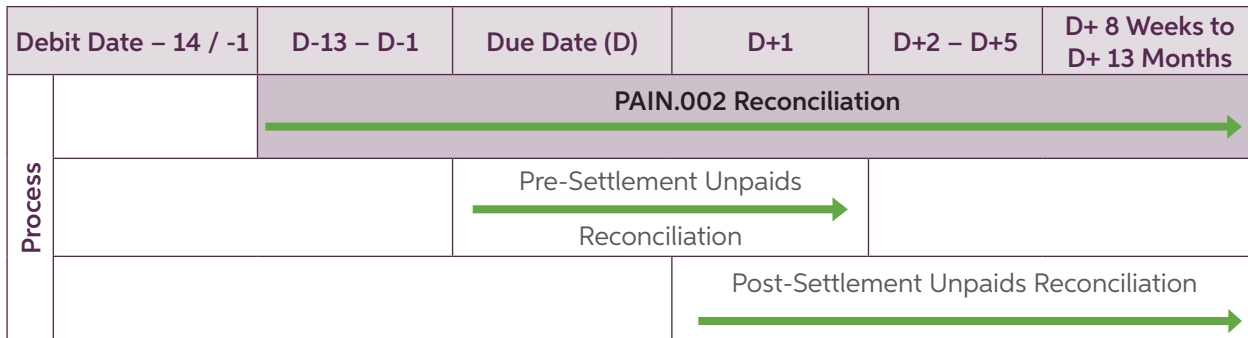
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The below provides an overview of the lifecycle of a SDD transaction in a file submitted on D-2 by the creditor and when the creditor will receive the various data inputs (PAIN.002 files, iBB payment files and account statements).

	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	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		1am – PAIN.002 file containing pre-settlement unpaids (rejects) Payment file updated on iBB	1am – PAIN.002 file containing pre-settlement unpaids (rejects) Payment file updated on iBB	1am – PAIN.002 file containing pre-settlement unpaids (rejects) Payment file updated on iBB	1am – PAIN.002 file containing post-settlement unpaids (returns/refunds) Payment file updated on iBB					1am – PAIN.002 file containing post-settlement unpaids (refunds) Payment file updated on iBB
Account Statement			Creditor account credited with the gross value (full value) of each block within a file Creditor account debited with the value of pre-settlement debits received to date, bulked per block per day received	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-13 days up to D+13 months for files submitted anytime from D-30 to D-14.

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 Unpaid 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 Unpaid, 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. While it is possible to reconcile on the due date of the file we recommend you reconcile on or after D+1. The following actions should then be taken with the data received in the PAIN.002 file:

1. Add the total value of unpaids received in the PAIN.002 file to the cumulative value of unpaids to-date in respect of the Block of SDD file reference in question. This will ensure you have an accurate summary of the total value of unpaids received for a given block in an SDD file.

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- 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 tables below - Section 3.2 and Section 3.3).
- 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
	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

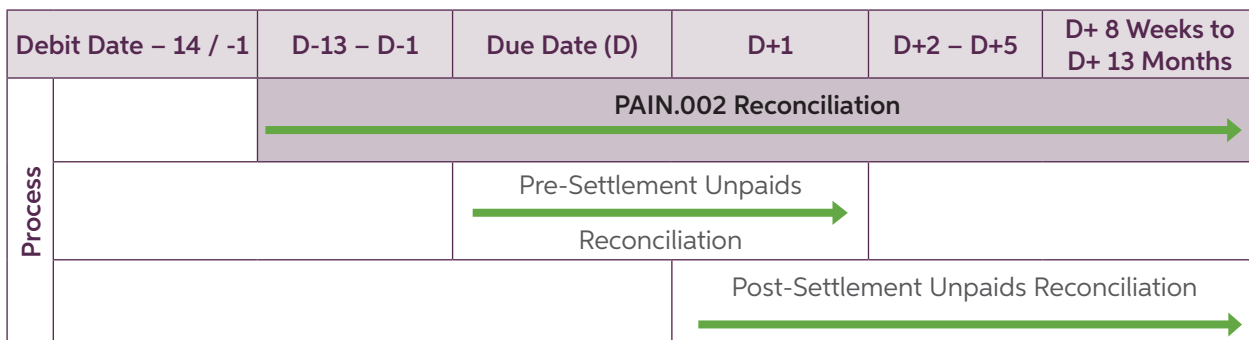
- Analyse the Reason Code assigned to each unpaid collection to determine what corrective action is required and to identify the primary reasons for which you are receiving unpaids. Note that a detailed description of Reason Codes can be found in Appendix 2 of this document.

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 Pre-Settlement Unpaids Reconciliation



This section provides you with guidelines to assist with your pre-settlement unpaids debit posting reconciliation. It provides an overview of the specific actions required on 'D+1' (the day after settlement).

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

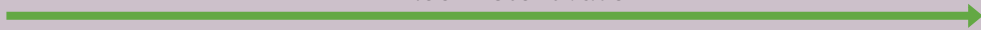


1. On the due date of your file (D) – AIB will post the full credit value per block within a file to your nominated account (gross settlement).
2. Review the pre-settlement unpaid debit posting on the Creditor’s nominated account and note the AIB file reference, the block reference and the debit value posted on D. Pre-settlement unpaid debit postings are a sum of pre-settlement unpaids recieved per day for an individual block of a SDD file. On D there may be multiple pre-settlement unpaids debit postings due to receipt of unpaids on different days.
3. Pre-Settlement unpaid debit postings appear on the statement as below -
* RJ <PmtInflD> tag from PAIN.008
Note – ‘RJ’ refers to pre-settlement unpaids. It is followed by the first 15 characters of the Payment Information Id (PmtInflD) tag from PAIN.008 file which is a unique Block ID assigned by you. Following this is a AIB generated File Reference.
4. Search for all PAIN.002 files available for that original file reference by completing the search parameters in the unpaid DD’s screen.
5. The total value of all pre-settlement debit postings on ‘D’ as per the account statement should reconcile with the total value of all pre-settlement unpaids in the PAIN.002 files received for that original SDD file reference on or before ‘D+1’.
Note – For Originators submitting multiple settlement dates in multiple blocks in the same SDD file, a PAIN.002 file can contain unpaids from multiple blocks. Therefore in such cases, the total value of a block in a PAIN.002 file will reconcile with total value of pre-settlement debits posted for that block in the account statement.

See the example below for two separate future dated SDD files submitted to iBB on ‘D-14’.

File Reference / Block Reference	Original Block Value	PAIN.002 Value						Total Pre-Settlement Unpaids	Gross Credit Posting & Pre-Settlement Unpaids Debit Posting on D	
		D -14	D -4	D -3	D -2	D -1	D		</= D	From Statement CR
File Reference: IE123456789 Block Reference: AABBA	€1,000		€100	€150				€250	Line 1: DD AABBA IE123456789 Line 2: IE123456789 Value: €1000	RJ AABBA IE123456789 Value: €100 RJ AABBA IE123456789 Value: €150
File Reference: IE123456780 Block Reference: CCDDC	€2,000			€300			€100	€400	Line 1: DD CCDDC IE123456780 Line 2: IE123456780 Value: €2000	RJ CCDDC IE123456780 Value: €300 RJ AABBA IE123456780 Value: €100
Total	€3,000		€100	€450			€100	€650		

- One PAIN.002 file was received on D-4 in respect of file ref. IE123456789 and block ref. AABBB which contained unpaids to the total value of €100
- Two separate PAIN.002 files were received on D-3, one for file ref. IE123456789 and block ref. AABBB which contained unpaids to the total value of €150 and a second PAIN.002 for file ref. IE123456780 and block ref. CCDDD which contained unpaids to the total value of €300
- One PAIN.002 file was received on D for file ref. IE123456780 and block ref. CCDDD which contained unpaids to the total value of €100
- On D two separate gross credit postings per block were made to the Creditor’s account, one to the full value of €1000 for file ref. IE123456789 and block ref. AABBA and one to the full value of €2,000 for file ref. IE123456780 and block ref. CCDDC. These were followed by pre-settlement unpaids debits bulk posted per block per day
- The total value of pre-settlement unpaids debited on D reconciles with the total value of all PAIN.002s received for that file ref./ block ref. on or before D+1

3.3 Post-Settlement Unpaids Debit Posting Reconciliation (Post-due Date)

	Debit Date – 14 / -1	D-13 – D-1	Due Date (D)	D+1	D+2 – D+5	D+ 8 Weeks to D+ 13 Months
Process	PAIN.002 Reconciliation 					
				Pre-Settlement Unpaids Reconciliation 		
				Post-Settlement Unpaids Reconciliation 		

This section provides an overview of the specific actions required on or following D+1, in order to reconcile post-settlement unpaids debit postings per block made to the Creditor’s account on the previous day.

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

- 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.
- Review the value of post-settlement unpaids debit posting on the Creditor’s nominated account on the previous day. Post-settlement unpaids debit postings on or following D are a sum of post-settlement unpaids received per day for an individual block in a SDD file. Post-settlement unpaids debit postings appear in the statement like below - RT <PmtInfID> tag from PAIN.008.
Post-Settlement Unpaids Debit postings appear in the statement like below -
RT <PmtInfID> tag from pain.008
Note - ‘RT’ refers to Post-Settlement Unpaids, followed by first TBC characters of <PmtInfID> tag from PAIN.008 file which is a unique Block ID assigned by yourself. Following this is an AIB generated File Reference
- Reconcile this debit value with the sum of all post-settlement unpaid transactions received in PAIN.002 files that day. Post-settlement unpaids debit postings on or following D will be a bulk sum of all post-settlement unpaids transaction which appear within a block in a PAIN.002 file the next day. The debit posting value represents unpaids relating to one individual block of a individual SDD file.

The example below tracks PAIN.002 files received on or after D+1 for individual file reference IE123456789 and block reference AABBA and file reference IE123456780 and block reference CCDDC.

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File/Block Reference	Original Block Value	Total Pre-Settlement Unpays	PAIN.002 Unpaid Value						Total Post-Settlement Unpays
			</= D	D +1	D+2	D+3	D+4	D+5	
From PAIN.002 & Statement	From PAIN.002 & iBB								
File Reference: IE123456789 Block Reference: AABBA	€1,000	€250			€50			€50	€100
File Reference: IE123456780 Block Reference: CCDDC	€2,000	€400			€100		€100		€200
Total	€3,000	€650			€150		€100	€50	€300

- Say that on D+2 there was two debit postings to the Creditor's account to the value of €50 and €100. Each of this debit posting value would reconcile with the total value of a block in a PAIN.002 file 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. IE123456789 and block ref. AABBA for €50 and a PAIN.002 in respect of file ref. IE123456780 and block ref. CCDDC for €100
- This reconciles with the two debit posting of €50 and €100 on D+2
- On D+3 there were 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. IE123456780 and block ref. CCDDC 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. IE123456789 and block ref. AABBA.

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The example below tracks PAIN.002 files received on or after D+1 for a file with two blocks and the same settlement date D. File reference is IE123456789 and block references AABBA and AACCA.

File Reference/ Block Reference	Original Block Value	Total Pre- Settlement Unpays	PAIN.002 Unpaid Value							
			From PAIN.002 & Statement	From PAIN.002 & iBB	</= D	D +1	D+2	D+3	D+4	D+5
Block reference: AABBA	€1,000	€250								€50
Block reference: AACCA	€2,000	€400				€150			€100	
Post-Settlement Unpays Posting from Statement				RJ AABBA IE123456789 - €50DR RJ AACCA IE123456789 - €100DR	€150	RJ AACCA IE123456789 - €100DR	RJAABBA IE123456789 - €50DR			

Say that on D+2 there was two debit postings to the Creditor’s account to the value of €50 for unpays relating to block ref. AABBA and €100 for unpays relating to block ref. AACCA. Each of these debit posting values would reconcile with the total value of its block in a PAIN.002 file received on D+3. The PAIN.002 file would contain 2 blocks, one with total value €50 and one with total value €100, together the value of whole PAIN.002 file would be €150.

In the diagram above we can see one PAIN.002 file was received on D+3 in respect of file ref. IE123456789 and two of its blocks - block ref. AABBA and block ref. AACCA for €50 and for €100. This reconciles with the two debit postings of €50 and €100 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 one debit posting to the Creditor’s account to the value of €100 for block ref AACCA, this reconciles with one PAIN.002 file in respect of file ref. IE123456789 in which the total value of the block is 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. IE123456789 and its block in which the total value of the block is €50.

Treatment of Multiple Date Files

A SEPA Direct Debit file can be made up of multiple blocks of payments.

One useful way of organising blocks is by date, this way you can submit a single payment file with multiple due dates.

In order to submit one file with multiple due dates, you need to build your files with blocks containing payments for the same due date.

In order to ensure we can process your file in time we will take the earliest due date in the file as the one used to validate the cut off time. This means that if your file contains any blocks with dates too late to meet cut off, the file will not be able to be authorised. The earliest date of the file will appear as the debit date on iBB.

When you submit files containing blocks with multiple collection dates you may find that some PAIN.002's that you receive contain both pre-settlement and post-settlement unpaids (rejects, returns, reversals etc.). This means on your iBB unpaids screen you will see reference to either pre or post unpaids on your screen even when the PAIN.002 may contain both.

Interim Period

There will be an interim period where you may see both gross and net posting on your account statement, as well as the different narratives from the existing and new payment systems.

These changes will only apply to files that are sent to us after we have moved you to the new payment system.

Any file submitted on our existing payment system will continue to be processed on this system for the complete life cycle of the file (up to 13 months). This will be worthwhile to consider for any refunds that are requested up to 13 months after the due date of your original file.

4. SEPA Credit Transfers

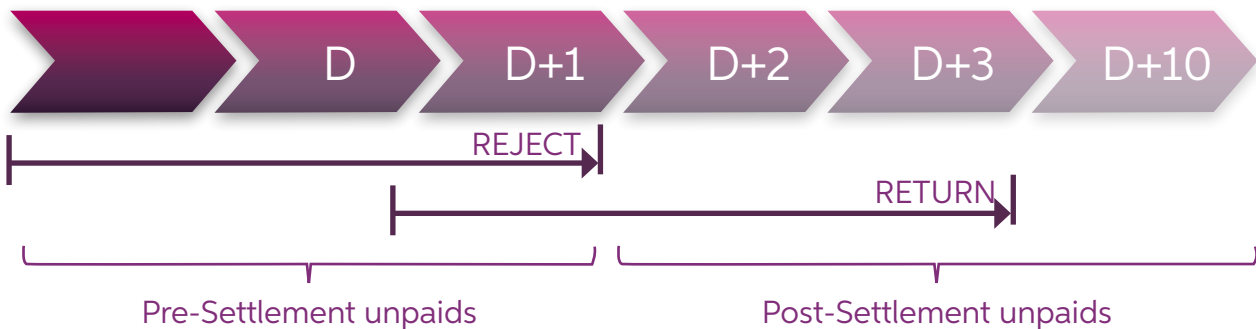
4.1 SCT R – Transactions Explained

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:

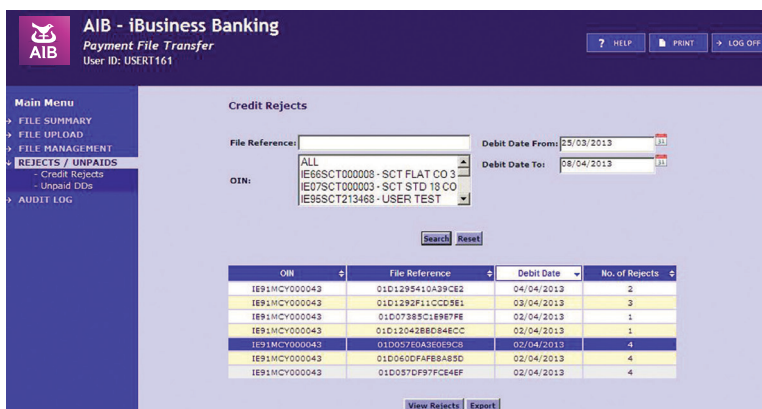
SCT	Rejects – Transactions not accepted for execution before settlement (can occur on the next business day at the latest).
	Returns – Occur when an SCT transaction is diverted from normal execution after settlement, and is sent by the Beneficiary bank to the debtor bank for a credit transfer that cannot 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.



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.

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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 and File Reference.

6. 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'.
7. 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	01D002710580806C8	02/04/2013	4
IE91MCY000043	01D0602F4F8A495D	02/04/2013	4
IE91MCY000043	01D057DF97FCE4EF	02/04/2013	4

8. 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

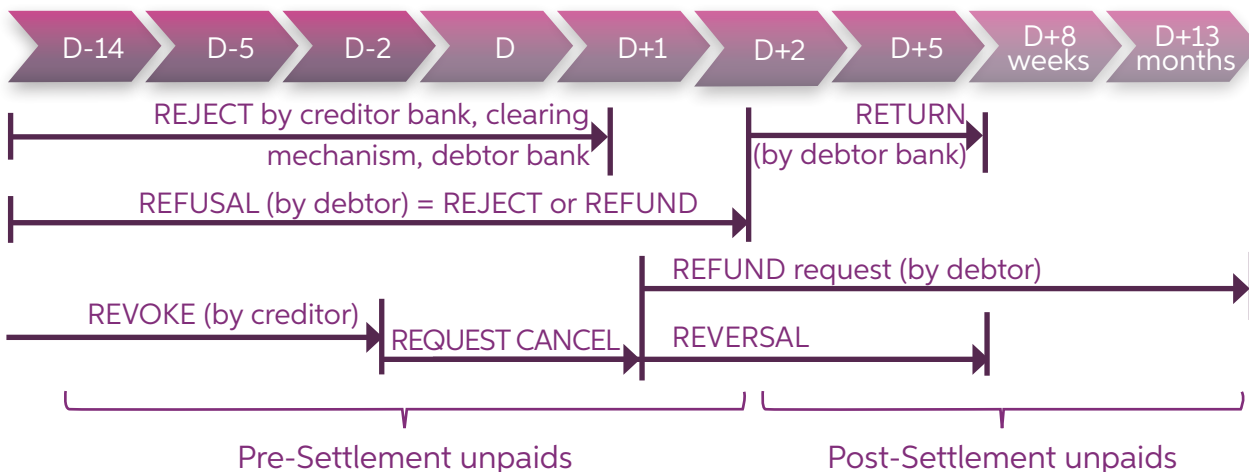
The following steps must be completed to generate a PAIN.002 for your rejected and returned payments:

1. Navigate to 'REJECTS/UNPAIDS' -> Credit Rejects screen from menu tree.
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 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.
5. 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.
 - o 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.	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 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	Type of R-Transaction	SDD/SCT
AC01	Incorrect Account Number	Debtor account is invalid	Reject, Return	BOTH
AC03	Wrong IBAN	Wrong unique identifier of the beneficiary account	Request for recall from Originator (RFRO)	SCT
AC04	Account Closed	Account closed	Return, negative answer to a Recall	BOTH
AC06	Account Blocked	Account blocked	Account blocked	BOTH
AC13	Invalid Debtor Account	Debtor account is a consumer account (For SDD B2B collections only)	Reject, Return	SDD
AG01	Transaction Forbidden	Direct Debit/ Credit transfer forbidden on this account for regulatory reasons	Reject, Return	BOTH
AG02	Transaction Code Invalid	Operation code/transaction code incorrect, invalid file format	Reject, Return	BOTH
AM04	Insufficient Funds	Insufficient funds on the account	Reject, Return	BOTH
AM05	Duplication	Duplicate payment/collection	Reject, Return, Reversal	BOTH
AM09	Wrong amount	Wrong amount	Request for recall from Originator (RFRO)	SCT
ARDT	The transaction has already been returned"	Already returned/recalled transaction	Negative answer to a Recall or to a RFRO	SCT
BE04	Missing Creditor Address	Account address invalid	Return	SCT
BE05	Identifier of Creditor Incorrect	Identifier of the Creditor incorrect	Reject, Return	SDD
CNOR	Creditor Bank is not Registered under given BIC	Creditor/ Beneficiary Bank is not registered under this BIC in the CSM	Reject	BOTH
CUST	Customer Decision	By request of the Originator without any reason specified OR Beneficiary's Refusal	Reject	SCT
DNOR	Debtor Bank is not Registered under given BIC	Originator/Debtor Bank is not registered under BIC in the CSM	Reject	BOTH

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Code	Description	Scenario	Type of R-Transaction	SDD/SCT
DUPL	Duplicate payment	Duplicate sending	Recall	SCT
ED05	Settlement Failed	Settlement failure unrelated to the status of Debtor account. E.g technical issues	Reject	BOTH
FF01	File Format is Incomplete or Invalid	Operation/transaction code incorrect, invalid file format"	Reject	BOTH
FOCR	Following Cancellation Request"	Positive answer to the recall.	Positive answer to a Recall	SCT
FRAD	Fraudulent Origin	Fraudulent originated Credit Transfer	Recall	SCT
LEGL	Legal Decision	Legal reasons.	Negative answer to a Recall	SCT
MD01	No Mandate	No valid mandate	Reject, Return, Refund, Reversal	SDD
MD02	Mandate Data Missing or Incomplete	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	Reject	SDD
MD06	Return of Funds Requested by Customer	Disputed authorized transaction (For SDD Core collections only)	Refund	SDD
MD07	Debtor Deceased	Debtor deceased	Reject, Return	BOTH
MS02	Refusal by the Debtor	Refusal by the Debtor	Reject, Return, Reversal, Refusal	BOTH
MS03	Reason Not Specified	Miscellaneous reason – AIB use of this code is only in exceptional circumstances	Reject, Return, Reversal	BOTH
NOAS	No Answer From Customer	No response from Beneficiary	Negative answer to a Recall or to a RFRO	SCT
NOOR	No Original Transaction Received	Original Credit Transfer never received	Negative answer to a Recall	SCT
RC01	Bank Identifier Incorrect	Bank identifier incorrect (i.e. invalid BIC)	Reject, Return	BOTH
RR01	Account Unique Identifier needed for Regulatory Reason	Missing Debtor account or identification code used by banks to indicate a return for regulatory reason	Reject, Return	BOTH
RR02	Debtor's Name and Address needed for Regulatory Reason	Missing Debtor name or address code used by banks to indicate a return for regulatory reason	Reject, Return	BOTH
RR03	Creditor's Name and Address needed for Regulatory Reason	Missing Creditor name or address code used by banks to indicate a return for regulatory reason	Reject, Return	BOTH
RR04	Regulatory Reason	Regulatory reason	Reject, Return	BOTH
SL01	Specific Service offered by Debtor Bank.	Specific service offered by the Debtor bank	Reject, Return	SDD
TECH	"Technical Problem"	Technical problems resulting in erroneous SCTs	Recall	SCT
TM01	Cut Off Time	File received after cut-off time	Reject	SCT



Appendix 3: How to view SEPA Direct Debit Unpays 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 Unpays	Latest Unpaid Generation Date	Debit Date	No. of Unpays	Total Value	No. of Files to Download
0100F8183D186002	IE14500213471	Pre	29/03/2013	09/04/2013	3	5,212.00	1
0100F89882032815	IE14500213471	Pre	29/03/2013	04/04/2013	8	7,000.09	1
0100E94BE4A06ADB	IE14500213471	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 Unpays, Latest Unpaid Generation Date and Debit Date.
4. To view the unpaid payments, select desired row and click the 'View Unpays' 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.

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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

FILE MANAGEMENT

File Payments

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 er...	18/04/2013	DABAIE20	IE55DABA95150161088009	IE14SDD213471 - SDD OIN CLI
Mary2	100.00	REJECTED	PCPSGEN Generic er...	18/04/2013	BOFIE20	IE07BOFI90097373678330	IE14SDD213471 - SDD OIN CLI
Mary3	22.00	REJECTED	PCPSGEN Generic er...	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	Details	Debit	Credit	Balance
25-Jun-19	DD (Block 1 reference from file) (File generated by us)		500	
	RJ (Block 1 reference for file) (File generated by us)	40		460

a. SEPA Direct Debit Transactions – Gross Posting

The SDD gross posting to the Creditor’s nominated account results in a two line statement entry:

- Line 1 narrative - All SDD payments will appear on creditor’s statements as ‘DD’ followed by the payment information Id (this is the block reference from your PAIN.008 file)
- Line 2 narrative - This contains the file reference number which is assigned by iBB upon upload (16 alphanumeric characters). This is the File Reference which is used to cross-check an entry on your statement with block details on iBB or with a PAIN.002 file.

For further information on gross posting see Section 3.2 ‘Gross Posting Reconciliation’.

b. SEPA Direct Debit Transactions – Debit Posting

As detailed in section 3.3 ‘Debit Posting Reconciliation (Post-due Date) all post-settlement SDD unpaids are a sum of post-settlement unpaids received per day for a block in a SDD file.

All debit postings relating to SDD unpaids will have a two line statement narrative:

- Line 1 narrative - RT <PmtInfID> tag from pain.008
- Line 2 narrative - AIB generated file/block reference.

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	Creditor name field within file IE12345678910111	350.00		99,750.00CR

SEPA Direct Debit Transactions – Debit Entries for AIB Customers

- The Line 1 narrative for AIB beneficiaries will contain “D/D” followed by the Creditor Name as populated by the creditor in the original PAIN.008 file.
- The Line 2 narrative for AIB beneficiaries will start with IE plus 14 numeric characters generated by AIB new payments system or will start with GTSSDDP plus 9 alphanumeric characters generated by AIB old payments system.

SEPA Credit Transfer Originator Statements

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 Unpaid – 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

Date:	Narrative:	Debit:	Credit:	Balance:
				100,000.00CR
19 MAR 2020	EndtoEndId IE12345678910111		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 two lines, as follows:

- Line 1 narrative – contains the ‘End to End Id’ – this is the narrative populated by the originator in the original PAIN.001 file.
- Line 2 narrative – “IE” followed by a 14 digit alphanumeric Transaction Reference number.

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 one banking business day (subject to a cut-off time of 11AM) 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 / RCUR.
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 one banking business day (subject to a cut-off time of 11AM) 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 one banking business day (subject to a cut-off time of 11AM) 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 one banking business day (subject to a cut-off time of 11AM) 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