



SEPA Direct Debit Creditor

Service Description - Mandate

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1. SEPA Direct Debit

Nordea's SEPA Direct Debit Creditor service enables creditors (billers/payees) to debit the debtors' (payers') accounts in SEPA countries. As creditor you can use SEPA Direct Debit to collect funds from consumers and corporate customers.

This document provides you information to be used for implementing SEPA Direct Debit Mandate in accordance to the SEPA rulebooks. European Payments Council (EPC) is responsible for the development and maintenance of SEPA Direct Debit (SDD) Rulebooks. For more detailed information: <http://www.europeanpaymentscouncil.eu/>

SEPA Direct Debit consists of the following schemes:

- CORE to debit consumers and corporates
- B2B to debit corporates only

Main features

- A direct debit collection requires always a Mandate, which is a power of attorney from debtor to the creditor
- Each Creditor needs an unique Creditor Identifier
- Payments can only be executed in Euros
- The due date is the date on which the amount is debited from the debtor's account and credited on the creditor's account
- The debtor must be informed by pre-notification of the debit and payment date in advance
- The debtor bank has to register and check the B2B mandate before allowing collections
- The debtor has refund right 8 weeks after due date in basic (CORE) direct debits and 13 month refund if collection has been unauthorized

This Service Description for Mandate is available Nordea's website www.nordea.com

Changes to this Service Description for Mandate are possible.

2. Mandate

With the Mandate the debtor authorizes the creditor (biller/payee) to collect a payment and to instruct the debtor's (payer's) bank to debit the collection. The mandate must to be signed by the debtor (payer) before the first collection and the mandate must be archived by the creditor until the mandate has expired.

2.1. Basic information

- Mandate is designed by the creditor or debtor
- Content is standardized but not the layout
- The creditor must ensure that the Mandate contains:
 - Mandatory legal wording
 - Mandatory information
- Core and B2B mandate texts differ from each other
- The Mandate can be used for

- One off collection (OOFF, one time) or
- Recurring (RCUR for example monthly telephone invoices)
- The Mandate expires 36 months after the last initiated collection. The creditor is obliged to follow up the validity of the Mandate. The creditor must cancel the expired Mandate in their own system and to create a new Mandate if needed.
- If the final code FNAL has been used in collection then the Mandate cannot be used anymore and a new Mandate has to be created.
- The Mandate related information is included in the collection message according the Pain.008 MIG

2.2. Mandate content

The Mandate must have clear heading and the word ‘SEPA’ must be included in the heading.

- ‘SEPA Business to Business Direct Debit Mandate’
- ‘SEPA (core) Direct Debit Mandate’

The creditor must ensure that the Mandate contains mandatory legal wording and information.

- CORE mandatory legal wording

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

Note: Your rights regarding the above mandate are explained in a statement that you can obtain from your bank.

- B2B mandatory legal wording

By signing this mandate form, you authorise (A) {NAME OF CREDITOR} to send instructions to your bank to debit your account and (B) your bank to debit your account in accordance with the instructions from {NAME OF CREDITOR}. This mandate is only intended for business-to-business transactions. You are not entitled to a refund from your bank after your account has been debited, but you are entitled to request your bank not to debit your account up until the day on which the payment is due.

The mandatory information consists of

- Unique Mandate reference
- Name of the Debtor
- Address of the Debtor
- Postal code/city of the Debtor
- Debtor’s country of residence
- Debtor’s account number IBAN
- The BIC code of the Debtor Bank (not mandatory)
- Creditor Company name
- Creditor’s Identifier
- Creditor’s address street and number
- Creditor’s postal code and city
- Country of the Creditor
- Type of payment

- Signature, place and time
- Signature(s)

Additional attributes for information only

- Debtor identification code
- Name of the Debtor Reference Party
- Identification code of the Debtor Reference Party
- Name of the Creditor Reference Party
- Identification code of the Creditor Reference Party
- Underlying contract identifier
- Contract description

The only additional information permitted on the Mandate is an optional area for a Creditor's "Creditor's Use only", and the Creditor's company logo.

On the reverse side of Mandate must not set out any information that might be misunderstood by the Debtor, however the reverse side can contain the same wording as the front side in a second language.

The Mandate must be clearly separated from any other text.

2.3. Unique Mandate reference

Unique Mandate reference must be unique for each Mandate in combination with the identifier of the Creditor.

Each mandate must have a unique mandate reference, which must be mentioned in the mandate signed by the debtor. If the Mandate reference is not mentioned in the Mandate, the mandate reference must be informed to the debtor before sending the first collection. Please note that if the mandate has expired or the Debtor has blocked the Mandate the same mandate reference cannot be reused.

2.4. Language and Translations

The text of the Mandate must be in one or more languages of the debtor country, but maximum 3 languages. English may be used if the creditor is not able to determine the language of debtor.

The SEPA Direct Debit (SDD) mandate texts are translated into all community languages and the translations are also being subjected to local legal checks. Each banking community has also taken the decision on which language(s) are to be used. For each language there is the English text and the translated text. The objective of the translations is to ensure that only approved texts are used.

For more information about translations, please see Important Links, in this document.

2.5. Issuing Mandates

When sending the mandate (CORE & B2B) to the debtor for signing it is recommended that the creditor instructs the debtor to open all necessary services with their bank before returning the signed mandate.

B2B mandate

- The debtor has to provide their bank the necessary information (or a copy of the mandate) for the registration of the mandate in the debtor bank.
- The mandate must be registered in the debtor bank before starting the collection.

2.6. Amendment of the Mandate

The mandate can be amended at any time for various reasons. In the case of B2B mandates the debtor is required to inform the Debtor Bank of the amendments.

The amendments of the Mandate that are of concern for the Creditor Bank or for the Debtor Bank:

- The Creditor needs to change the unique Mandate reference of an existing Mandate because of internal organisational changes (restructuring)
- The Creditor identity has changed due to the merger, acquisition, spin-off or organisational changes
- The Creditor has changed his name
- The Debtor decides to use another account within the same bank or in another bank

When the identity of the Creditor has changed because of merger or acquisition, the 'new' Creditor must inform the Debtor of the related mandate amendments by any means (letter, mail ...) to avoid any further dispute by the Debtor on a Collection, not recognizing the Creditor name or identifier on his account statement.

If a debtor changes bank the creditor must identify the next collection as a first collection (code: FRST). This rule valid only until November 20, 2016.

2.7. Cancellation of the Mandate

The mandate can be cancelled by Creditor and / or Debtor without involvement of the banks. In the case of B2B mandates the debtor is required to inform the Debtor bank. The creditor is not allowed to initiate collections based on a mandate that has not been used within 36 months, Nordea will not verify this. The cancellation of the Mandate may be forwarded in the last collection initiated by the Creditor.

2.8. Archiving the Mandate

The mandate must be kept in a safe place during the existence of the Mandate. The paper Mandate can be stored by the Creditor either as the original document or in any digitalized format according to the applicable national legal requirements and as a minimum for a period as long as the Refund period defined for an Unauthorized Transaction (14 months after due date). The creditor must be able to present the mandate at any time during this period.

2.9. Request for a Mandate Copy

Debtor has the right to request a copy of the mandate, by sending a request to their bank, who forwards the request to Creditor bank, who forwards the request to the Creditor. The Creditor must either send the copy of the requested mandate or indicate why a copy cannot be provided. The response received from the Creditor will be forwarded to the Debtor bank by the Creditor bank. **The response time for the Creditor is 7 bank days.**

2.10. e-Mandate

The objective of e-Mandates is to replace the paper flow in the Mandate Flow, allowing the Debtors to issue, to amend and to cancel a Direct Debit Mandate using an electronic way.

Nordea does not support e-Mandate handling currently.

3. Time limits

Issue	Cut-off Time
Archiving original Mandate and amendments	14 months
Mandate expires after latest collection	36 months
Request for Mandate copy response time	7 Bank business days

4. Mandate templates

4.1. SEPA Direct Debit Mandate CORE - Template

CREDITORS NAME & LOGO

SEPA Direct Debit Mandate

By signing this mandate form, you authorise (A) **{NAME OF CREDITOR}** to send instructions to your bank to debit your account and (B) your bank to debit your account in accordance with the instructions from **{NAME OF CREDITOR}**.

As part of your rights, you are entitled to a refund from your bank under the terms and conditions of your agreement with your bank. A refund must be claimed within 8 weeks starting from the date on which your account was debited.

Creditor Identifier	
Mandate reference	

Debtor Name	
Address Street name and number Postal Code and city Country	
IBAN account number	
SWIFT BIC	

Creditor's Name	
Address Street name and number Postal Code and city Country	
Creditor Identifier	
Type of payment	<input type="checkbox"/> Recurrent payment <input type="checkbox"/> One-off payment

Place and date	
Signature	

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Note: Your rights regarding the above mandate are explained in a statement that you can obtain from your bank.

4.2. SEPA Direct Debit B2B Mandate - Template

CREDITORS NAME & LOGO

SEPA Business-to-Business Direct Debit Mandate

By signing this mandate form, you authorise (A) **{NAME OF CREDITOR}** to send instructions to your bank to debit your account and (B) your bank to debit your account in accordance with the instructions from **{NAME OF CREDITOR}**.

This mandate is only intended for business-to-business transactions. You are not entitled to a refund from your bank after your account has been debited, but you are entitled to request your bank not to debit your account up until the day on which the payment is due.

Creditor Identifier	
Mandate reference	

Debtor Name	
Address Street name and number Postal Code and City Country	
IBAN account number	
SWIFT BIC	

Creditor's Name	
Address Street name and number Postal Code and city Country	
Creditor Identifier	
Type of payment	<input type="checkbox"/> Recurrent payment <input type="checkbox"/> One-off payment

Place and date	
Signature	

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5. Important links

5.1. General Information

EPC European Payment Council SEPA information:

<http://www.europeanpaymentscouncil.eu/index.cfm>

SEPA Direct Debit Core Rulebook

<https://www.europeanpaymentscouncil.eu/what-we-do/sepa-direct-debit/sepa-direct-debit-core-rulebook>

SEPA Direct Debit B2B Rulebook

<https://www.europeanpaymentscouncil.eu/what-we-do/sepa-direct-debit/sepa-direct-debit-b2b-rulebook>

5.2. Format description

ISO20022 Message Archive http://www.iso20022.org/message_archive.page

5.3. Implementation Guidelines SDD

SEPA Direct Debit Core Scheme Customer-to-Bank Implementation Guidelines:

<https://www.europeanpaymentscouncil.eu/document-library/implementation-guidelines/sepa-direct-debit-core-scheme-customer-bank>

SEPA Direct Debit B2 B Scheme Customer-to-Bank Implementation Guidelines:

<https://www.europeanpaymentscouncil.eu/document-library/implementation-guidelines/sepa-direct-debit-business-business-scheme-customer-bank>

5.4. SEPA DD Mandate explanation, illustration and other EPC sources

SEPA Direct Debit Core Mandate Translations

<https://www.europeanpaymentscouncil.eu/other/core-sdd-mandate-translations>

SEPA Direct Debit B2B Mandate Translations

<https://www.europeanpaymentscouncil.eu/other/sepa-b2b-dd-mandate-translations>

SEPA Direct Debit B2B and CORE Mandate Illustrations:

<https://www.europeanpaymentscouncil.eu/document-library/guidance-documents/guidelines-appearance-mandates-sepa-direct-debit-schemes>