

Payments to Europe with SEPA

How to optimize your **EUR payment transactions** with UBS Deutschland AG and UBS Switzerland AG



Table of Contents

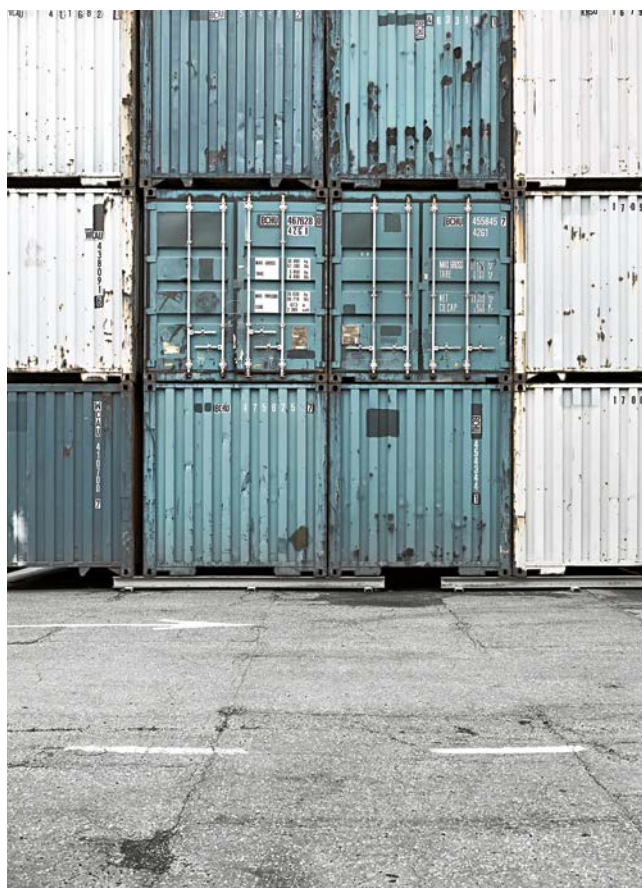
1.	SEPA payment transactions with UBS	4
2.	Your benefits	5
2.1	Why SEPA?	5
2.2	The advantages of SEPA	5
2.3	The advantages of the ISO 20022 standard	6
3.	What is SEPA?	7
3.1	Overview	7
3.2	Payments within and outside of the EU	7
3.3	Time frame and EU regulation	8
3.4	The flow of messages for SEPA Credit Transfers in accordance with ISO 20022	8
3.5	Messages in XML format	9
3.6	Overview of SEPA messages for the exchange of information between the client and the bank	9
3.7	Messages for debtors	10
3.8	Messages for creditors	10
3.9	Exchange of SEPA messages with UBS/direct connection to UBS	11
3.10	IBAN and BIC	11
3.11	IBAN structure	12
3.12	BIC structure	12
4.	Guidance for clients	13
5.	SEPA products at UBS	14
5.1	Overview of SEPA payment instruments	14
5.2	SEPA Credit Transfer	14
5.3	SEPA Direct Debit	21
5.4	SEPA account information	36
5.5	SEPA Payment Status Report	38
6.	Glossary	40

1. SEPA payment transactions with UBS

The information in this brochure applies to companies in Switzerland that do business in EUR with other European countries, have subsidiaries in other European countries, have banking relationships for EUR payments in European countries and/or have an account with UBS Deutschland.

We would welcome the opportunity to help guide your company through the transition to SEPA with UBS – both in Switzerland and in all other SEPA countries throughout Europe.

This brochure is designed to inform you about the main aspects of payment transactions in Europe. It provides an overview about how to optimize your European payment transactions and benefit from SEPA.



2. Your benefits

2.1 Why SEPA?

SEPA was originally a regulatory initiative of the European Union. It aims to make EUR payment transactions within Europe more efficient and competitive.

European financial institutions have adapted their payment transaction products in line with the SEPA standard; companies have updated their systems and interfaces for EUR payment transactions.

The uniform standard, as well as the fast settlement and simplified processing of payment transactions, will result in reduced costs over the long term.

Swiss companies are only affected if they carry out business with other European countries in EUR, have subsidiaries in other European countries or have bank accounts in the EU or the EEA. Companies that only operate in Switzerland and do not have (and are not planning to enter into) business relationships in other European countries are not affected.

2.2 The advantages of SEPA

More cost-efficient

- An EUR payment between different EU countries costs exactly the same as an EUR payment made within one country.
- It is easier to automate your own processes thanks to structured and standardized references.
- The standardization of interfaces makes it easier to process credits and payments centrally (collection/payment factory).
- The existence of a standardized payment transaction platform will lead to lower costs and cheaper standard software for international companies over the long term.

Easier

- You can now settle the majority of your EUR payments and collections using a single account. SEPA is based on the "ISO 20022 Payments" standard. This allows you to reduce the number of bank connections and bank accounts you have in Europe.
- Simpler processes due to the fully-automated processing of IBAN and BIC.
- Cross-border direct debit throughout the EU.

More transparent

- Greater cost transparency due to clear rules on how charges are to be distributed.
- More transparent cash management through standardized reporting.
- Harmonized validation and Payment Status Reports with standardized error codes.

More secure

- Enhanced security during processing thanks to standardized verification criteria used by all banks.
- Lower transaction risk due to the existence of a standardized legal framework.

Faster

- Faster settlement and simpler processing of your payments, as EUR payments are processed using the same standard throughout the SEPA area.

2.3 The advantages of the ISO 20022 standard

SEPA uses the new electronic, internationally-recognized ISO 20022 standard for the transfer of data. This message format is XML-based, offers numerous advantages for payment transactions and is also establishing itself internationally. The main benefits include:

- Harmonized message formats for communication between different banks
- Standardized processes that are easier to automate
- Lower payment transaction costs in the majority of cases
- Swift settlement of transactions, even when the volume of transactions increases
- Future-proof system due to interoperability with other standards
- Many financial centers – including Switzerland – are not only migrating SEPA, but also the rest of their payment transactions to ISO 20022.

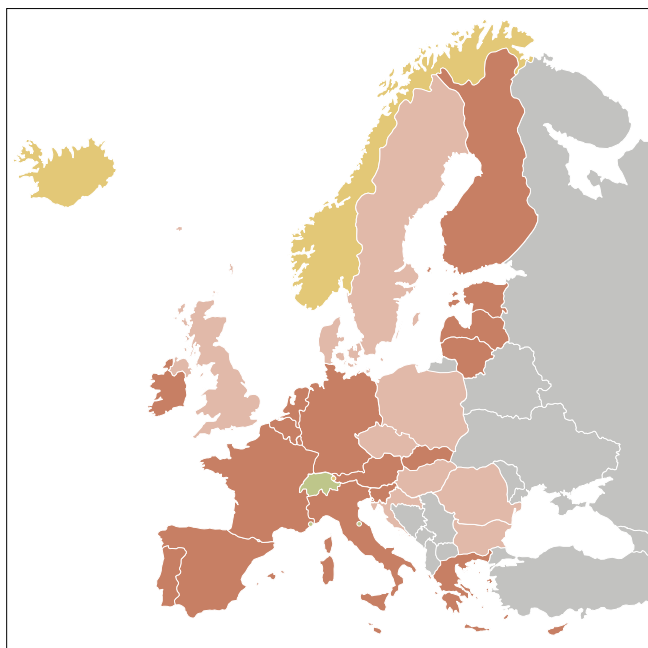
UBS was the first Swiss bank to execute SEPA Credit Transfers and Direct Debits. You can benefit from this experience if your company switches to SEPA with UBS.

3. What is SEPA?

3.1 Overview

SEPA comprises the payment processes SEPA Credit Transfer and SEPA Direct Debit. At present, SEPA covers all EU states as well as Iceland, Liechtenstein, Norway, Monaco, the Republic of San Marino and Switzerland. This means that SEPA offers international companies a standardized option for EUR payment transactions within and between European countries.

The SEPA area:



- EU/EUR countries
- EU/non-EUR countries
- EEA/non-EUR countries
- Non-EU/non-EEA countries

3.2 Payments within and outside of the EU

3.2.1 Payments within the EU

Standardized provisions for payment transactions within SEPA member states apply to SEPA Credit Transfer and SEPA Direct Debit. It makes no difference, for example, whether the transaction takes place within Austria or between Austria and France – the SEPA conditions are identical and the EU pricing regulation applies to all EU countries.

3.2.2 Payments outside of the EU

Transfers to countries that are participating in the SEPA process but belong to neither the EU nor the EEA (currently Switzerland, Monaco and San Marino) are subject to the SEPA conditions; the EU pricing regulation does not apply. This is why the fees charged by European financial institutions vary.

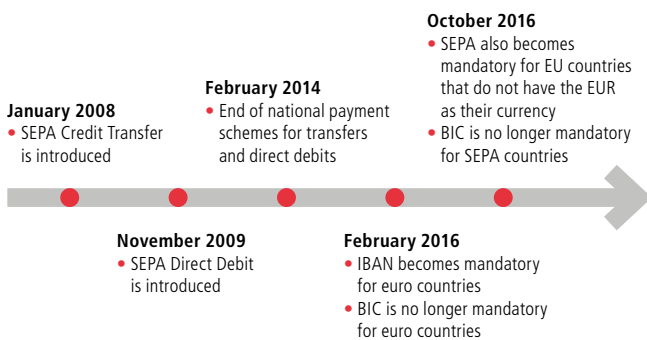
The “UBS Gateway Account Germany” service helps you to handle your payment transactions within Europe efficiently. With this service the EU pricing regulation also applies to payments to or from Switzerland.

In addition to SEPA solutions from Switzerland, UBS also offers SEPA solutions within the EU via UBS Deutschland AG, which is subject to EU price regulation.

This means you benefit from even more preferential prices.

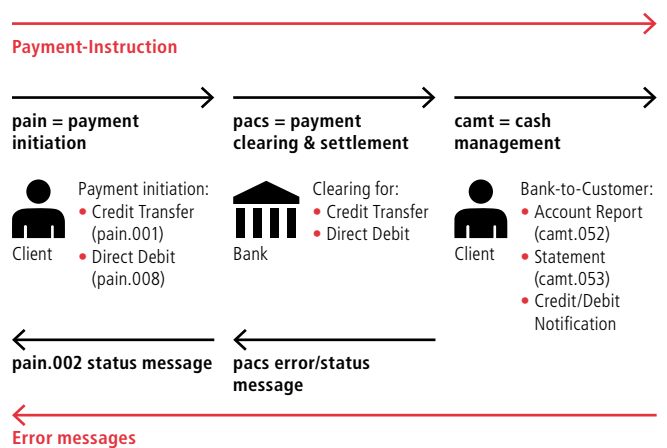
3.3 Time frame and EU regulation

The main SEPA milestones within EU regulation:



3.4 The flow of messages for SEPA Credit Transfers in accordance with ISO 20022

The following chart provides an overview of the flow of messages for SEPA Credit Transfers with ISO 20022 currently supported by UBS:



In addition to the message types for payment initiation, ISO 20022 also includes a Payment Status Report. This report provides information about the validation of a payment order and about its current order status. ISO 20022 also allows new fields to be used for communicating with banks and final beneficiaries. There is a clear end-to-end reference, for example, which can be passed on when the payment is made. Another new feature allows you to indicate the ultimate debtor as well as the order issuer of a payment, a concept that is necessary for payment factories in particular.

3.5 Messages in XML format

The international ISO 20022 standard and its national derivatives (such as SEPA for Europe or the Swiss Recommendations for the Swiss Financial Sector) use XML as their format for messages. Unlike the old formats (including DTA), XML messages are human-readable. When looking at an XML file, a human reader can identify the elements and interpret the content based purely on the name in the file.

Example of a SEPA payment order in XML format:

```
<?xml version="1.0" encoding="UTF-8"?>
<!-- Mit XMLSpy v2008 rel. 2 sp2 (http://www.altova.com) von benutzerservice benutzerservice (SIZ Gr...
<Document xsi:schemaLocation="urn:iso:std:iso:20022:tech:xsd:pain.001.003.03 pain.001.003.03"
xmins="urn:iso:std:iso:20022:tech:xsd:pain.001.003.03">
  <CstmrCdtTrfInitn>
    <GrpHdr>
      <MsgId>Message-ID-4711</MsgId>
      <CreDtTm>2010-11-11T09:30:47.000Z</CreDtTm>
      <NbOfTxs>2</NbOfTxs>
      <InitgPty>
        <Nm>Initiator Name</Nm>
      </InitgPty>
    </GrpHdr>
    <PmtInf>
      <PmtInfId>Payment-Information-ID-4711</PmtInfId>
      <PmtMtd>TRF</PmtMtd>
      <BtchBookg>true</BtchBookg>
      <NbOfTxs>2</NbOfTxs>
      <CtrlSum>6655.86</CtrlSum>
      <PmtTpInf>
        <Svclvl>
          <Cd>SEPA</Cd>
        </Svclvl>
      </PmtTpInf>
      <ReqdExctnDt>2010-11-25</ReqdExctnDt>
      <Dbtr>
        <Nm>Debtor Name</Nm>
      </Dbtr>
    </PmtInf>
  </CstmrCdtTrfInitn>
</Document>
```

(Example from the [EBICS website](#))

3.6 Overview of SEPA messages for the exchange of information between the client and the bank

The following table shows how ISO 20022 XML messages are used for the SEPA payment process:

Message	SEPA use Product	Service	Replaces old message
pain.001	SCT	Payment order	DTA TA 826, TA 827, TA 830, TA 832, TA 836 messages (Switzerland), DTAUS (Germany), MT101
pain.008	SDD	Direct debit order	DTAUS (Germany)
pain.002	SCT & SDD	Order status message	–
camt.052	SCT & SDD	Account report	MT941
		Intraday transaction (pending transactions)	MT942
camt.053	SCT & SDD	Daily statement	MT940
		Interbank statement	MT950
camt.054*	SCT & SDD	Batch booking file	DTI (Germany)
		Debit notification	MT900
		Credit notification	MT910

* Cannot yet be used at UBS, planned for 2016

3.7 Messages for debtors

The following SEPA message types are available to the debtor:

SEPA product	Available messages		
	Issuance of order	Cash Management	Reconciliation Accounting
SEPA Credit Transfer	pain.001	camt.052	camt.053
	pain.002	camt.054*	
SEPA Direct Debit		camt.052 camt.054*	camt.053

* Cannot yet be used at UBS, planned for 2016

3.8 Messages for creditors

The following SEPA message types are available to the creditor:

SEPA product	Available messages		
	Issuance of order	Cash Management	Reconciliation Accounting
SEPA Credit Transfer		camt.052 camt.054*	camt.053
SEPA Direct Debit	pain.008 pain.002	camt.052 camt.054*	camt.053

* Cannot yet be used at UBS, planned for 2016



3.9 Exchange of SEPA messages with UBS/ direct connection to UBS

Our [electronic interfaces](#) allow your payment and cash management processes to run efficiently, securely and automatically – even with SEPA.

Thanks to our interfaces, you can use your own software – an ERP system, for example – to connect directly to UBS so that you are able to automate your payment transactions and Cash Management. We support new standards, such as the Electronic Banking Internet Communication Standard (EBICS DE), as well as conventional transfer systems like FileAct and the SWIFT network. Our connections are called:

For clients of UBS Switzerland:

- EBICS DE ([KeyDirect](#))
- FileAct ([SWIFT for Corporates](#))
- UBS [e-banking](#)

For clients of UBS Deutschland:

- EBICS DE – Bank-Verlag

You can find detailed information about SEPA interfaces that can be used to connect to UBS on page 14 under “SEPA products at UBS”.

3.10 IBAN and BIC

The IBAN (International Bank Account Number) is an internationally standardized account number. It ensures that the three key characteristics of a banking relationship (i.e. the country, financial institution and account number) can be identified quickly and clearly.

In turn, the BIC (Business Identifier Code) is used to identify the beneficiary's bank.

The IBAN and BIC facilitate the automatic settlement of payments without the need for manual processing.

IBAN is an international standard that has mainly been adopted in Europe, but is increasingly being accepted on other continents, too.

3.11 IBAN structure

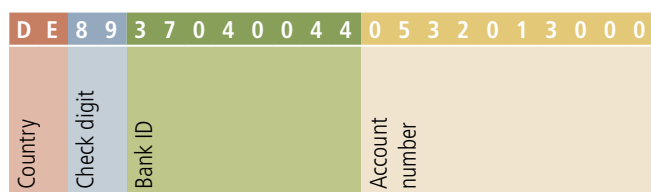
The length of the IBAN varies from country to country and contains a maximum of 34 alphanumeric characters:

- The first two letters identify the country in which the account is held.
- The next two characters contain the check digit, which is used to check the formal accuracy of the IBAN.
- The final part of the IBAN consists of local information, such as the bank ID and the account number.
- When displayed on a document, the IBAN is always divided into four sections. When entered electronically, the spaces are omitted.

3.11.1 Structure in Germany

Country: DE (red)
 Bank ID: 37040044 (green)
 Account number: 0532013000 (yellow)

Example of IBAN structure when entered electronically:



3.11.2 Structure in Switzerland

Country: CH (red)
 Bank ID: 00762 (green)
 Account number: 762 1162-3852.957 (yellow)

Example of IBAN structure when entered electronically:



3.11.3 IBAN format in other countries

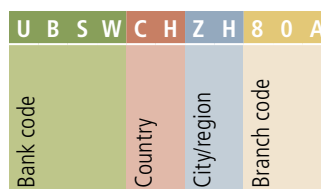
The [IBAN Registry](#), which contains the national IBAN formats, is managed and published by [SWIFT](#).

3.12 BIC (Bank Identifier Code) structure

The Bank Identifier Code (BIC) identifies the banks that are involved in a payment order and makes straight-through processing easier.

Example of BIC structure:

Bank code: UBSW (green, UBS)
 Country: CH (red, Switzerland)
 City/region: ZH (blue, Zurich)
 Branch code: 80A (yellow)



IBAN only – banks can be clearly identified using the information contained in the IBAN. As such, the BIC will cease to be required for cross-border SEPA Credit Transfers as of October 2016.

4. Guidance for clients

The impact of SEPA and the potential associated adjustments required for your systems depend on how your company is set up (company headquartered in Switzerland with banking relationships in the SEPA area and/or with subsidiaries in the EU/EEA).

You should therefore speak to your UBS advisor before you start your project. We recommend that you work closely with us and with your software providers when making the adjustments to your systems.

The most important things to consider:

Systems: Are your current systems SEPA-compatible and able to transfer files to us in the SEPA-compatible ISO 20022 format?

Comment: In Switzerland, the domestic formats (e.g. DTA) will remain in use until 2020.

Accounts: Have all of the accounts affected been converted to IBAN format? Update the account details for all your business partners with the IBAN in place of the bank's own account number. Ask your business partners to send you their IBAN.

Reports: You are not required to issue account statements or credit and debit advices in accordance with ISO 20022. However, you should inform us about whether you wish to keep using the current SWIFT format or switch to ISO 20022. If you would like to switch to ISO 20022, you should check beforehand that your accounting software can process this format.

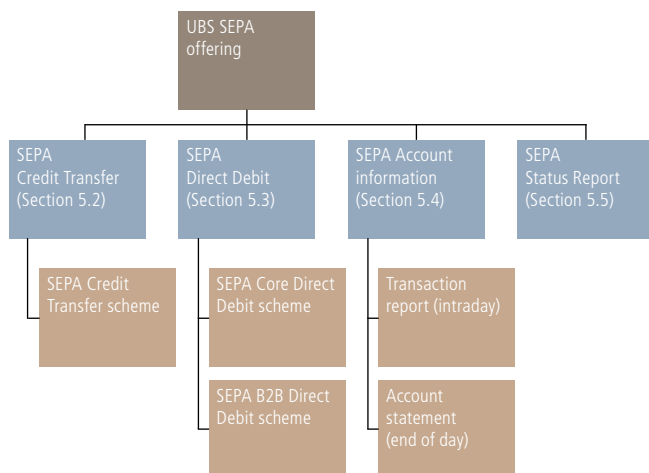
Mandates: SEPA Direct Debit mandates are subject to special requirements. Make sure that your software correctly supports the management of SEPA mandates.

Detailed technical information about "SEPA with UBS" can be found in our "SEPA Implementation Guide".

5. SEPA products at UBS

5.1 Overview of SEPA payment instruments

We offer you the following SEPA payment processes, account information and completion data:



In the following sections, you can find detailed descriptions of all SEPA products offered by UBS.

5.2 SEPA Credit Transfer

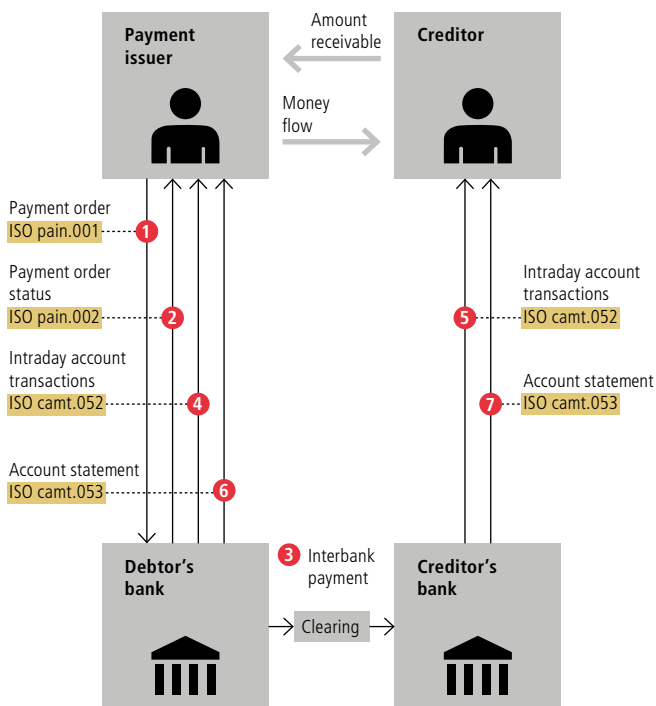
5.2.1 SEPA Credit Transfer scheme

The SEPA Credit Transfer scheme (SCT) was introduced in January 2008 and consists of a harmonized set of rules applicable across Europe for transfers in EUR. These rules are laid down in the EPC's "SEPA Credit Transfer Scheme Rulebook".

SEPA Credit Transfers allow you to make both domestic and international transfers in EUR (within the EU and to Switzerland, Liechtenstein, Iceland and Norway).

The party making the transfer, the beneficiary and the banks involved are identified by means of the IBAN (International Bank Account Number) and the BIC (Bank Identifier Code). The transfer is completed within one banking day at most – regardless of the SEPA country in which the creditor's account is held.

5.2.2 SEPA Credit Transfer process in accordance with ISO 20022



- Execution sequence
- ISO 20022 message

5.2.3 SEPA versions and schemes supported by UBS

We generally support the latest version of a given standard (usually published as the "Implementation Guide") as well as the two previous versions.

UBS supports the following versions of SEPA Credit Transfer:

Standard	Publication/ Implementation Guide	Vers.	XSD Scheme	Supported by UBS?	
				Switzer- land	Germany
EPC SCT Scheme Customer-to-Bank Implementation Guidelines		8.0 7.0 6.0	pain.001. 001.03	Yes	Yes
DK DFU agreement – specification of the data formats		2.9 2.8 2.7	pain.001. 003.03	Yes	Yes
SR Swiss Implementation Guidelines for Customer-to-Bank messages for transfers currently being transacted		1.4 1.3 1.2	pain.001. 001.03.ch.02	Yes	No

(As at January 1, 2016)

Detailed information about switching to SEPA can be found in our "SEPA Implementation Guide".

5.2.4 ERP/payment software channels for SEPA Credit Transfers

We support SEPA Credit Transfers in XML format in accordance with ISO 20022 via the following electronic channels:

Channel	UBS Switzerland	UBS Deutschland
UBS Bank-Verlag	No	Yes, EBICS
UBS e-banking	Yes, file upload	planned
UBS KeyDirect	Yes, EBICS	No
UBS SWIFT for Corporates	Yes, FileAct	No

SEPA Credit Transfers in Swiss DTA format:

Channel	UBS Switzerland	UBS Deutschland
UBS e-banking	Yes, file upload	No
UBS KeyDirect	Yes, EBICS	No

5.2.5 Online channels for SEPA Credit Transfers

SEPA Credit Transfers by means of online entry of payment order:

Channel	UBS Switzerland	UBS Deutschland
UBS e-banking	Yes	Yes
UBS Mobile Banking	Yes	No
UBS Multimat	Yes	No

5.2.6 SEPA Credit Transfer from Switzerland

In order to take advantage of the new fields and options offered by ISO 20022, you need to submit your SEPA Credit Transfers to us electronically in ISO 20022 XML format pain.001 using the EPC, DK, CGI or SR standard.

5.2.7 SEPA Credit Transfer from the EU

The XML format pain.001 must be used for all SEPA Credit Transfers that are submitted electronically.

5.2.8 Criteria for SEPA Credit Transfers

If a payment meets all of the following criteria, it can be executed using the SEPA process:

- The IBAN of the payment recipient and the IBAN of the payment recipient's bank IBAN have been provided.
- The payment is in EUR.
- Fee arrangements: SLEV (distribution of the costs – the creditor and the issuer of the payment order shall pay the fees charged by their respective banks).
- The payment order does not contain any messages to forwarding agents/banks.
- The order is submitted within the applicable cut-off times.
- The recipient country is a SEPA member.
- The creditor's bank is participating in the SEPA scheme.
- The EUR value of the sum being transferred does not exceed CHF 24 million.

5.2.9 Unique features of SEPA Credit Transfers

SEPA Credit Transfers are conducted in accordance with the "Terms and Conditions for Payments".

- The original amount is credited to the beneficiary's account without any deductions.
- The issuer and the beneficiary pay their own share of the costs.
- If the payment order is submitted on time, the transfer amount will be credited to the creditor's account within one bank working day.
- If an incoming payment cannot be credited to the beneficiary's account, all parties to the transaction (including the issuer) will be notified as to why the payment could not be executed. However, certain reasons, such as "account closed", cannot be divulged due to banking secrecy.
- Payments are generally credited to the IBAN specified in the payment order.

5.2.10 Cut-off times for SEPA Credit Transfers

Transfers must be submitted (pain.001) at the latest by 11.00 am on the value date.

5.2.11 The most important fields of a SEPA Credit Transfer in ISO 20022 standard pain.001

Use of colors in the table below:

A	A-level of the message (Group Header). Information about pain.001 message.
B	B-level of the message (Payment Instruction Information). Information about the payment issuer, the account to be debited and the payment. A pain.001 message can have one or more B-levels.
C	C-level of the message (Credit Transfer Transaction Information). Information about the creditor, the account to be credited and the payment. A B-level can have one or more C-levels.

The most important fields of a SEPA Credit Transfer in accordance with ISO 20022 pain.001:

Level	XML path/element	Field Example	Definition
	Document	Document	ISO 20022 XML message: SEPA Credit Transfer scheme. This is the key element of a pain.001.002.03 message.
A	Document +CstmrCdtTrfInitn	Customer-CreditTransfer-Initiation	Payment order issued by the client
A	Document +CstmrCdtTrfInitn ++GrpHdr	GroupHeader	Identification data that applies to all transactions in the SEPA message
A	Document +CstmrCdtTrfInitn ++GrpHdr +++MsgId	Message-Identification Message-ID-4711	Point-to-point reference of the initiating party for the next party in the message chain so that the message (file) can be clearly identified
A	Document +CstmrCdtTrfInitn ++GrpHdr +++CreDtTm	CreationDateTime 2010-11-11 T09:30:47.000Z	Date and time when the payment transaction message was created by the initiating party
A	Document +CstmrCdtTrfInitn ++GrpHdr +++NbOfTx	NumberOfTransactions 2	Number of individual transactions contained in the entire message
A	Document +CstmrCdtTrfInitn ++GrpHdr +++CtrlSum	ControlSum 6655.86	Total of the amounts of all the individual transactions in the entire message

Level	XML path/ element	Field Example	Definition
A	Document +CstmrCdtTrfInItN ++GrpHdr +++InItgPty	InitiatingParty	Information about the party that initiated the payment, i.e. the payer (issuer) or a party acting on behalf of the payer
B	Document +CstmrCdtTrfInItN ++PmtInf	Payment- Instruction- Information	A catalogue of information (e.g. issuer's account, execution date) that applies for all individual transactions. Corresponds to a logical collective booking within a physical file
B	Document +CstmrCdtTrfInItN ++PmtInf +++PmtInfId	PaymentInformation- Identification Payment-Information- ID-4711	Reference for the clear identification of the collective booking
B	Document +CstmrCdtTrfInItN ++PmtInf +++PmtMtd	PaymentMethod TRF	Payment instrument, for example: transfer
B	Document +CstmrCdtTrfInItN ++PmtInf +++BtchBookg	BatchBooking true	Indicates whether the order is a batch booking (true) or a single booking (false)
B	Document +CstmrCdtTrfInItN ++PmtInf +++NbOfTxs	NumberOfTrans- actions 2	Number of individual transactions contained in the Payment Information Block
B	Document +CstmrCdtTrfInItN ++PmtInf +++CtrlSum	ControlSum 6655.86	Total of the amounts of all the individual transactions contained in the Payment Information Block

Level	XML path/ element	Field Example	Definition
B	Document +CstmrCdtTrfInItN ++PmtInf +++PmtTpInf	PaymentType- Information	Type of transaction
B	Document +CstmrCdtTrfInItN ++PmtInf +++ReqdExctnDt	Requested- ExecutionDate 2010-11-25	Execution date
B	Document +CstmrCdtTrfInItN ++PmtInf +++Dbtr	Debtor	Payer (issuer)
B	Document +CstmrCdtTrfInItN ++PmtInf +++DbtrAcct	DebtorAccount	The payer's (issuer's) account
B	Document +CstmrCdtTrfInItN ++PmtInf +++DbtrAgt	DebtorAgent	The payer's (issuer's) bank
B	Document +CstmrCdtTrfInItN ++PmtInf +++UltmtDbtr	UltimateDebtor	Payer (issuer) who is not the account holder. Purely for information purposes
B	Document +CstmrCdtTrfInItN ++PmtInf +++ChrgBr	ChargeBearer SLEV	Fee distribution; code signifying that certain provisions apply
C	Document +CstmrCdtTrfInItN ++PmtInf +++CdtTrfTxInf	CreditTransfer- Transaction- Information	Single transaction
C	Document +CstmrCdtTrfInItN ++PmtInf +++CdtTrfTxInf ++++PmtId	Payment- Identification	Referencing of this transaction

Level	XML path/ element	Field Example	Definition
C	Document +CstmrCdtTrfInItN ++PmtInf +++CdtTrfTxInf ++++PmtPlnF	PaymentType- Information	Type of transaction
C	Document +CstmrCdtTrfInItN ++PmtInf +++CdtTrfTxInf ++++Amt	Amount	Amount
C	Document +CstmrCdtTrfInItN ++PmtInf +++CdtTrfTxInf ++++ChrgBr	ChargeBearer	Fee distribution; code signifying that certain provisions apply
C	Document +CstmrCdtTrfInItN ++PmtInf +++CdtTrfTxInf ++++UltmtDbtr	UltimateDebtor	Payer (issuer) who is not the account holder. Purely for information purposes
C	Document +CstmrCdtTrfInItN ++PmtInf +++CdtTrfTxInf ++++CdtrAgt	CreditorAgent	The creditor's bank
C	Document +CstmrCdtTrfInItN ++PmtInf +++CdtTrfTxInf ++++Cdtr	Creditor	Creditor
C	Document +CstmrCdtTrfInItN ++PmtInf +++CdtTrfTxInf ++++CdtrAcct	CreditorAccount	Creditor
C	Document +CstmrCdtTrfInItN ++PmtInf +++CdtTrfTxInf ++++UltmtCdtr	UltimateCreditor	Creditor who is not the account holder. Purely for information purposes

Level	XML path/ element	Field Example	Definition
C	Document +CstmrCdtTrfInItN ++PmtInf +++CdtTrfTxInf ++++Purp	Purpose	Type of payment
C	Document +CstmrCdtTrfInItN ++PmtInf +++CdtTrfTxInf ++++RmtInf	Remittance- Information	Reference

For further information regarding the rules for completing the fields for SEPA Credit Transfers in ISO 20022 standard pain.001, please consult our "SEPA Implementation Guide".

For further information on SEPA Credit Transfers and the latest version of our product documentation, please contact your client advisor or Cash Management consultant, or visit ubs.com/sepa.

5.3 SEPA Direct Debit

5.3.1 SEPA Core Direct Debit scheme

The SEPA Core Direct Debit scheme (SDD Core) was introduced in November 2009. It consists of a harmonized set of rules applicable across Europe for direct debits in EUR. These rules are laid down in the EPC's "SEPA Direct Debit Core Scheme Rulebook".

SEPA Direct Debits are the first payment instrument in the EUR payment services area to offer the collection of one-off and recurring direct debits in EUR – on both a domestic and cross-border basis.

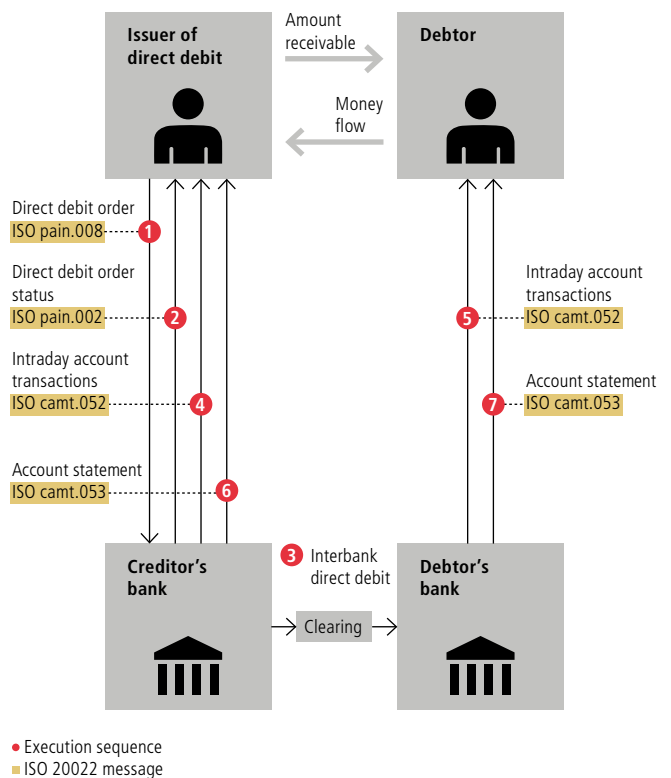
The debtor is entitled to the return of a payment up to 8 weeks after their account has been debited without giving a reason. In the event of a non-authorized payment, the debtor is entitled to a return of the payment up to 13 months after their account has been debited.

5.3.2 SEPA B2B Direct Debit scheme

The SEPA Business-to-Business Direct Debit scheme (SDD B2B) was introduced in November 2009. It consists of a harmonized set of rules applicable across Europe for direct debits in EUR. These rules are laid down in the EPC's "SEPA Direct Debit B2B Scheme Rulebook".

The SEPA B2B Direct Debit scheme can only be used by debtors who are companies. The debtor has no right of objection on authorized transactions.

5.3.3 The SEPA Direct Debit process using ISO 20022 XML messages



5.3.4 SEPA versions and schemes supported by UBS

We generally support the latest version of a given standard (usually published as the "Implementation Guide") as well as the two previous versions.

UBS supports the following versions of the SEPA Direct Debit standard:

Standard		Vers.	XML scheme	Supported by UBS?	
Publication/ Implementation Guide				Switzerland	Germany
EPC	SEPA Direct Debit Core Scheme	9.0	pain.008.001.02	No	Yes
	Customer-to-Bank Implementation Guidelines	8.0			
	SEPA Direct Debit Business Scheme	7.0			
	Customer-to-Bank Implementation Guidelines	7.0			
	SEPA Direct Debit Business Scheme	6.0			
DK	DFU agreement – specification of the data formats	2.9	pain.008.003.02	No	Yes
		2.8			
		2.7			
SR	Swiss Implementation Guidelines for SEPA Direct Debits	2.3	pain.008.001.02.ch.01	Yes	No

(As at January 1, 2016)

Detailed information about switching to SEPA can be found in our "SEPA Implementation Guide".

5.3.5 Channels for SEPA Direct Debits

UBS supports SEPA Direct Debits via the following electronic channels:

SEPA Direct Debits in ISO 20022 XML format via ERP/payment software:

Channel	UBS Switzerland	UBS Deutschland
UBS Bank-Verlag	No	Yes, EBICS
UBS KeyDirect	Yes, EBICS	No
UBS SWIFT for Corporates	Yes, FileAct	No

5.3.6 SEPA Direct Debits from Switzerland or the EU

The XML format pain.008 must be used for all SEPA Direct Debits that are submitted electronically.

5.3.7 Characteristics and main differences between SEPA Core and SEPA B2B Direct Debit:

Criterion	SEPA Core Direct Debit	SEPA B2B Direct Debit
Use	Collection of EUR receivables from individuals and companies	Both the debtor and the creditor must be a company.
Currency	EUR (the account to be debited can be a EUR account; the account to be credited must be a EUR account)	
Right of objection	General right of objection without giving a reason within 8 weeks (56 calendar days). For non-authorized collections, the amount can be reclaimed up to 13 months after the debit date.	No right of objection for authorized collections. For non-authorized collections, the amount can be reclaimed up to 13 months after the debit date.
Pre-notification	The client must be informed of the collection 14 calendar days before the debit date. The parties involved can also agree a shorter period of time	
One-off collection and initial collection	5 bank working days before the value date	1 bank working day before the value date
Subsequent collection	2 bank working days before the value date	1 bank working day before the value date
Rejects	Must be executed before the value/debit date.	
Returns	5 bank working days before the value date	2 bank working days before the value date

5.3.8 Creditor Identifier

For SEPA Direct Debits, all creditors need to have a Creditor Identifier – irrespective of which direct debit scheme they are using. The identifier is standardized throughout Europe. It clearly identifies the creditor independently of the financial institution or account. The Creditor Identifier is required to issue SEPA Direct Debit mandates and for the collection of SEPA Direct Debits. Together with the individually issued mandate reference, the Creditor Identifier is specific to the SEPA Direct Debit mandate.

In general, only one Creditor Identifier is issued for each creditor. It can be used for both SEPA Core Direct Debits and SEPA B2B Direct Debits, and is valid at every financial institution in the SEPA area. The three-letter Creditor Business Code can be used by creditors to indicate different business areas.

Example of Credit Identifier structure:

C	C	0	7	Z	Z	Z	0	0	0	0	0	1	2	3	4	5	6
Country code	Check digit	Creditor Business Code			National identifier												

Explanation of the different elements:

Element	Example	Description
Country code	CH	ISO country code of Switzerland (CH), Liechtenstein (LI)
Check digit	07	2-digit check digit (Modulo 97-10) across characters 1 and 2 as well as characters 8 to 18 (characters 5 to 7 are not taken into account)
Creditor Business Code	ZZZ	3-digit Creditor Business Code used to identify business area; can be defined according to wishes of the creditor. If no Creditor Business Code is used, "ZZZ" is entered.
National identifier	00000012345	11-digit numerical domestic identification number that clearly identifies the creditor within Switzerland and Liechtenstein. It begins at 1, is continually issued and is filled with leading zeros.

We will request the Creditor Identifier if you are based in Switzerland or Liechtenstein. Furthermore/Moreover, we are pleased to assist you with applications for Creditor Identifiers in other countries. If you already use a CI, please notify us/your UBS advisor in order to update our system.

5.3.9 SEPA Direct Debit mandate

In addition to the Creditor Identifier, you will need a SEPA Direct Debit mandate signed by the debtor in order to be able to submit SEPA Direct Debits. This document enables you to collect amounts owed from your clients' accounts. As a creditor you must archive the mandate signed by the debtor and be able to show it as required. If no collections are made under a mandate for a period of 36 months, the mandate ceases to be valid; in this case a new mandate must be issued.

In terms of content, mandates are standardized; the compulsory fields have to be completed as a minimum. However, as a creditor, you are free to structure the form as you wish.

Compulsory elements of the SEPA Direct Debit mandate:

- Mandate type (mandate for SEPA Core Direct Debit or SEPA B2B Direct Debit)
- Mandate reference:
 - Is specified individually by the creditor
 - Together with the Creditor Identifier, clearly identifies the mandate
 - Contains up to 35 alphanumeric characters
- Name and address of debtor
- IBAN of debtor
- Financial institution of debtor (name and BIC)
- Name and address of creditor
- Creditor Identifier
- Collection type: recurring or one-off
- Signature date of mandate and placeholder for signature

The two SEPA Direct Debit mandates are processed differently from one another. For SEPA Core Direct Debits, mandates are only exchanged between creditors and debtors. For SEPA B2B Direct Debits, the financial institution of the debtor also needs the mandate data, which get saved/stored and checked for each collection.

Example of a SEPA Direct Debit mandate:

LOGO, Muster AG, Beispielstrasse 1, 8000 Zurich, Switzerland	
Creditor Identifier: CH07ZZZ00000012345	
SEPA Core Direct Debit mandate	
Mandate reference: ABCD01	
By signing this mandate, you hereby authorize Muster AG to send instructions to your financial institution to debit your account by means of a direct debit. You also instruct your financial institution to debit your account in accordance with the instructions given by Muster AG.	
Pursuant to the conditions agreed, you have a right vis-à-vis your financial institution to reclaim the amount debited. A refund must be requested within eight weeks of your account being debited.	
Name of debtor	
Street and house number	
Zip/city	
Country	
Account number – IBAN	
Financial institution – name and BIC	
Payment type	Recurring payment
Place/date	
Signature(s)	
Please note: Your rights relating to the above mandate are set out in an information sheet available from your financial institution.	

5.3.10 SEPA Core Direct Debit

With the SEPA Core Direct Debit scheme, the creditor initiates collection of the amount owed from the debtor on the basis of a mandate (collection and debit authorization) signed by the debtor. In order for the owed amount to be collected via the SEPA Core Direct Debit scheme, the debtor's financial institution must participate in this scheme.

5.3.11 Advantages of the SEPA Core Direct Debit scheme

- A simple way to pay for goods or services within SEPA in EUR
- Europe-wide collection from one account in Switzerland
- The direct debit procedure is the same throughout SEPA.
- High data quality thanks to identification of accounts using IBAN (International Bank Account Number) and of banks using BIC (Business Identifier Code)
- Suitable for recurring or one-off payments
- Uniform formats (ISO 20022). The XML messages are not specific to a particular platform or programming language and enable messages to be checked for technical validity.

5.3.12 SEPA Core Direct Debit mandate (collection and debit authorization)

By signing the SEPA Core Direct Debit mandate, the debtor authorizes the creditor to collect the amount that is owed and due via the debtor's financial institution. At the same time, the debtor's financial institution is authorized to debit the amounts due.

The creditor issues the debtor with the mandate, which the debtor has to sign and return to the creditor. The debtor must notify the creditor of any changes to the mandate data. It is the responsibility of the creditor to archive the mandate. If, with regard to recurring collections, no collection is made over a 36-month period, the creditor is required to obtain a new mandate.

The content of the mandate is standardized, but its layout may be individually designed by the creditor.

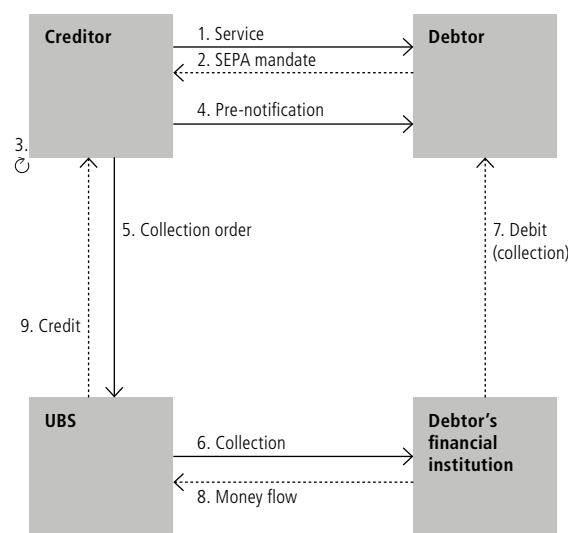
The mandate data in the SEPA Core Direct Debit mandate includes:

- Mandate reference
- Name and address of debtor
- IBAN of debtor
- BIC of debtor's financial institution
- Name and address of creditor
- Creditor Identifier
- Collection type: recurring or one-off
- Collection reference
- Signature date of mandate and placeholder for signature

The mandate data must be quoted for every collection. Changes to mandate data are transferred electronically by the creditor with the next collection order.

5.3.13 SEPA Core Direct Debit process

There is a clearly defined process in place for the handling of SEPA Direct Debits:



1. The creditor sells the debtor a product or renders a service against payment and then sends or hands over to the debtor a SEPA Core Direct Debit mandate.
2. The debtor signs the SEPA Core Direct Debit mandate and sends or hands it back to the creditor.
3. The creditor archives the mandate.
4. The creditor informs the debtor in advance that payment will be collected (e.g. by sending an invoice).
5. The creditor sends its financial institution the order to collect the payment and the relevant mandate data.
6. The creditor's financial institution forwards the order with the mandate data to UBS.
7. UBS debits the debtor's account.
8. The collected amount is debited to UBS and, at the same time, credited to the creditor's financial institution.
9. The amount is credited to the creditor.

5.3.14 Conditions for using the SEPA Core Direct Debit scheme

- A UBS account in EUR.
- The creditor must sign the UBS “Declaration of Consent to the SEPA Core Direct Debit Scheme for Creditors”, which sets out the rights and obligations of creditors. This declaration is available on our website at ubs.com/sdd
- Risk control process conducted by UBS.
- Valid SEPA Core Direct Debit mandates from all clients the creditor wishes to collect receivables from.
- The creditor is obliged to store the SEPA Core Direct Debit mandate and to present it to UBS upon request.
- The creditor informs the debtor of the collection in advance, e.g. in the form of an invoice (no later than 14 calendar days prior to collection in the absence of any other agreement).
- The debtor has a general right of objection within 56 calendar days (8 weeks) of the debit without being required to give a reason for the objection.
- In the event of non-authorized collections, e.g. if there is no SEPA Core Direct Debit mandate or it is invalid, the debtor has the right to have the amount reimbursed within 13 months of the debit, subject to the claim being asserted immediately after the debtor becomes aware of the debit transaction.
- The debtor requires an account with a financial institution that participates in the SEPA Core Direct Debit scheme.
- The creditor transmits the collection order using software compatible with the SEPA Direct Debit scheme in the standard SEPA data format in XML (ISO 20022) via the channel provided by UBS.
- The order must fully comply with the format specification as described in the “SEPA Implementation Guide”.

5.3.15 Comparison between SEPA Core Direct Debit and the direct debit scheme offered by Swiss banks

Criterion	Direct debit scheme offered by Swiss banks including right of objection	SEPA Core Direct Debit
Used in	Switzerland	SEPA countries (including Switzerland)
Main features	LSV+: standard product, with right of objection	standard product, with right of objection
Currency of collection amount	<ul style="list-style-type: none"> • CHF • EUR (although the debited account does not need to be a EUR account) 	EUR (although the debited account does not need to be a EUR account)
Authorization from debtor to debit account	Direct debit authorization with an “LSV identifier” (identification of the creditor); saved by creditor and by debtor’s financial institution	SEPA Core Direct Debit mandate with a Unique Mandate Reference and a Creditor Identifier; mandate data stored and/or mandate archived by creditor
Issuance of order (triggering collection)	By the creditor, using its bank’s electronic delivery channels. Data exchange via TA 875 data transfer or ISO 20022, XML message type pain.008/pain.002 with inclusion of collection data	The creditor sends the order using its financial institution’s electronic delivery channels. Data exchange via ISO 20022, XML message type pain.008/pain.002 with inclusion of collection and mandate data
Collection date	Stipulated due date	Stipulated due date
Advance notification of collection	Creditor provides debtor with advance notification of collection	Creditor provides debtor with advance notification of collection

Criterion	Direct debit scheme offered by Swiss banks including right of objection	SEPA Core Direct Debit
Debtor's account number	IBAN format	IBAN format
Identification of financial institution	Bank code (bank clearing no.)	BIC (Business Identifier Code) or IBAN
Debtor's right of objection	<p>The debtor has a right of objection of 30 days after being notified of the debit (debit advice or account statement). The reverse booking is made in the original currency and original amount.</p>	<ul style="list-style-type: none"> • Right of objection without need to give reason within 8 weeks (56 calendar days) of debit date • Where debits are proven to be non-authorized because there is no SEPA Core Direct Debit mandate or it is invalid, the right of objection may be asserted by the debtor within 13 months of the debit date. <p>The reverse booking is made in the original currency and original amount.</p>

Criterion	Direct debit scheme offered by Swiss banks including right of objection	SEPA Core Direct Debit
Collection reference for creditor	<ul style="list-style-type: none"> • 27-digit reference number in ESR format • 20-digit reference number based on structured IPI reference 	<ul style="list-style-type: none"> • International Structured Creditor Reference • 27-digit reference number in ESR format (Switzerland) • 20-digit reference number based on structured IPI reference (Switzerland) • Reference chosen by creditor
Date credited to creditor	Amount is as a general rule credited on the requested processing date.	Amount is as a general rule credited on the requested processing date.

Would you like UBS to handle/deal with your EUR collections? We will be happy to help you optimize your EUR payments.

For more information on the SEPA Core Direct Debit scheme visit: ubs.com/sdd

5.3.16 SEPA B2B Direct Debit

With the SEPA B2B Direct Debit scheme, the creditor initiates collection of the amount owed from the debtor on the basis of a mandate (collection and debit authorization) signed by the debtor. In order for the owed amount to be collected using the SEPA B2B Direct Debit scheme, the debtor's financial institution must participate in this scheme.

5.3.17 Main features of the SEPA B2B Direct Debit scheme

- Both the debtor and the creditor must be a company. Creditors may not use the scheme to collect payments from individuals (consumers).
- Following receipt of the advance notification, but prior to the debit, the debtor may reject the collection via its financial institution. In the case of an authorized collection, the right of reimbursement no longer applies at a later juncture.
- The debtor provides its financial institution with the mandate data or the SEPA B2B Direct Debit mandate. The financial institution saves the mandate data and uses this data to check whether future collections are authorized (verification of mandate data).

5.3.18 Advantages of the SEPA B2B Direct Debit scheme

- A simple way to pay for goods or services within SEPA in EUR
- Europe-wide collection from one account in Switzerland
- The direct debit procedure is the same throughout SEPA.
- Quicker order delivery and processing times compared with SEPA Core Direct Debits
- No right of objection for the debtor in the case of authorized collections
- High data quality thanks to identification of accounts using IBAN (International Bank Account Number) and of banks using BIC (Business Identifier Code)
- Suitable for recurring or one-off payments
- Uniform formats (ISO 20022). The XML messages are not specific to a particular platform or programming language and enable messages to be checked for technical validity.

5.3.19 SEPA B2B Direct Debit mandate (collection and debit authorization)

By signing the SEPA B2B Direct Debit mandate, the debtor authorizes the creditor to collect the amount that is owed and due via the debtor's financial institution. At the same time, the debtor's financial institution is authorized to debit the amounts due.

The creditor issues the debtor with the mandate, which the debtor has to sign and return to the creditor. The debtor is also obliged to provide its financial institution with the relevant mandate data or a copy of the SEPA B2B Direct Debit mandate in the agreed form in good time. Additionally, any changes to the mandate data must be communicated by the debtor to its financial institution and the creditor in the agreed form and in good time. It is the responsibility of the creditor to archive the mandate. If, with regard to recurring collections, no collection is made over a 36-month period, the creditor is required to obtain a new mandate.

The content of the mandate is standardized, but its layout may be individually designed by the creditor. Sample mandates can be viewed at: ubs.com/sdd

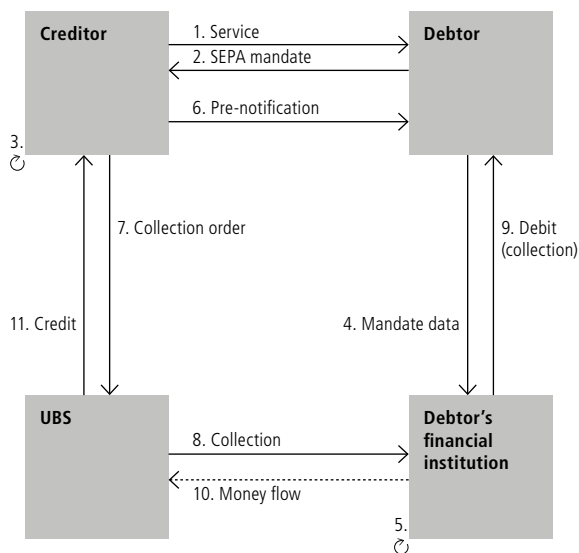
The mandate data in the SEPA B2B Direct Debit mandate includes:

- Mandate reference
- Name and address of debtor
- IBAN of debtor
- BIC of debtor's financial institution
- Name and address of creditor
- Creditor Identifier
- Collection type: recurring or one-off
- Collection reference
- Signature date of mandate and placeholder for signature

The mandate data must be quoted for every collection. Changes to mandate data are transferred electronically by the creditor with the next collection order.

5.3.20 SEPA B2B Direct Debit process

There is a clearly defined process in place for the handling of SEPA Direct Debits:



1. The creditor sells the debtor a product or renders a service against payment and then sends or hands over to the debtor a SEPA B2B Direct Debit mandate.
2. The debtor signs the SEPA B2B Direct Debit mandate and sends or hands it back to the creditor.
3. The creditor archives the mandate.
4. The debtor provides its financial institution with the relevant mandate data or a copy of the SEPA B2B Direct Debit mandate in the agreed form in good time.
5. The debtor's financial institution saves the mandate data.
6. The creditor informs the debtor in advance that payment will be collected (e.g. by sending an invoice).
7. The creditor sends its financial institution the order to collect the payment and the relevant mandate data.
8. UBS sends the order with the mandate data to the debtor's financial institution.
9. The debtor's financial institution compares the mandate data received with the data from the collection order (8.) and, in the absence of any inconsistencies, debits the debtor's account.
10. The collected amount is debited to the debtor's financial institution and, at the same time, credited to UBS.
11. UBS credits the full amount to the creditor's EUR account.

Please note: Unsuccessful collections (refused for technical reasons, incorrect account number, etc.) and refund claims (objection) will be booked back separately out of the account quoting the reference number.

5.3.21 Conditions for using the SEPA B2B Direct Debit scheme

- A UBS account in EUR.
- The creditor must sign the UBS “Declaration of Consent for the SEPA B2B Direct Debit Scheme for Creditors”, which sets out the rights and obligations of creditors. This declaration is available on our website at ubs.com/sdd
- The debtor must be a company.
- Valid SEPA B2B Direct Debit mandates from all clients the creditor wishes to collect receivables from.
- The creditor is obliged to store the SEPA B2B Direct Debit mandate and to present it to UBS upon request.
- The creditor informs the debtor of the collection in advance, e.g. in the form of an invoice (no later than 14 calendar days prior to collection in the absence of any other agreement).
- Only in the event of non-authorized collections, e.g. if there is no SEPA B2B Direct Debit mandate or it is invalid, the debtor has the right to have the amount reimbursed within the right to get a refund/reimbursement 13 months of the debit, subject to the claim being asserted immediately after the debtor becomes aware of the debit transaction. Should the debtor wish to prevent collection, the debtor may request that its bank rejects the collection following receipt of the advance notification but prior to the debit transaction itself.
- The debtor requires an account with a financial institution that participates in the SEPA B2B Direct Debit scheme.
- The creditor transmits the collection order using software compatible with the SEPA Direct Debit scheme in the standard SEPA data format in XML (ISO 20022) via the channel provided by UBS.
- The order must fully comply with the format specification as described in our “SEPA Implementation Guide”.

5.3.22 Comparison between SEPA B2B Direct Debit and the direct debit scheme offered by Swiss banks

Criterion	Direct debit scheme offered by Swiss banks without right of objection	SEPA B2B Direct Debit
Used in	Switzerland	SEPA countries (including Switzerland)
Main features	Business Direct Debit (BDD): Direct debit scheme offered to companies by Swiss banks without a right of objection	SEPA B2B Direct Debit scheme: a European direct debit scheme for companies without a right of objection
Currency of collection amount	<ul style="list-style-type: none"> • CHF • EUR (although the credited and debited accounts do not need to be EUR accounts) 	EUR (although the debited account does not need to be a EUR account, the credited account must be a EUR account)
Authorization from debtor to debit account	Direct debit authorization with an “LSV identifier” (identification of the creditor); saved by creditor and by debtor’s financial institution	SEPA B2B Direct Debit mandate with a Unique Mandate Reference and a Creditor Identifier; mandate data stored and/or mandate archived by creditor

Criterion	Direct debit scheme offered by Swiss banks without right of objection	SEPA B2B Direct Debit
Issuance of order (triggering collection)	By the creditor, using its bank's electronic delivery channels. Data exchange via TA 875 data transfer or ISO 20022, XML message type pain.008/pain.002 with inclusion of collection data	The creditor sends the order using its financial institution's electronic delivery channels. Data exchange via ISO 20022, XML message type pain.008/pain.002 with inclusion of collection and mandate data
Collection date	Stipulated due date	Stipulated due date
Advance notification of collection	Creditor provides debtor with advance notification of collection	Creditor provides debtor with advance notification of collection
Debtor's account number	IBAN format	IBAN format
Identification of financial institution	Bank code (bank clearing no.)	BIC (Business Identifier Code) or IBAN
Collection reference for creditor	<ul style="list-style-type: none"> • 27-digit reference number in ESR format • 20-digit reference number based on structured IPI reference 	<ul style="list-style-type: none"> • International Structured Creditor Reference • 27-digit reference number in ESR format (Switzerland) • 20-digit reference number based on structured IPI reference (Switzerland) • Reference chosen by creditor
Date credited to creditor	Amount is as a general rule credited on the requested processing date.	Amount is as a general rule credited on the requested processing date.

Criterion	Direct debit scheme offered by Swiss banks without right of objection	SEPA B2B Direct Debit
Debtor's right of objection	No right of objection for the debtor in the case of authorized collections	<ul style="list-style-type: none"> • Following receipt of the advance notification, but prior to the debit, the debtor may reject the collection via its financial institution. In the case of an authorized collection, the right of reimbursement no longer applies at a later juncture. • Where debits are proven to be non-authorized because there is no SEPA B2B Direct Debit mandate or it is invalid, the right of objection may be asserted by the debtor within 13 months of the debit date. <p>The reverse booking from the creditor's account is made in the original currency and original amount.</p>
Maximum waiting period for the creditor in the event of objection	–	Where debits are proven to be non-authorized because there is no SEPA B2B Direct Debit mandate or it is invalid: maximum of 13 months + 30 calendar days from processing date of SEPA collection order.

5.3.23 Cut-off times for SEPA Direct Debits

If you send your file after the cut-off time, we will adjust the required execution date to the next possible date. You will not be informed directly of this, but will see the new execution date in the response/status protocol.

Collection files may be sent up to 14 calendar days before and 10 calendar days after the required execution date. Files received outside of these times will be deleted and must be re-submitted as required.

Non-approved collection files will also be deleted after the cut-off times and must be re-submitted as required.

5.3.23.1 SEPA Core Direct Debit

Collections must be submitted and approved (pain.008) at the latest by 1.00 p.m. CET either six (for initial and one-off collections) or three (for subsequent and final collections) bank working days before payment is due (submission and approval cut-off).

5.3.23.2 SEPA B2B Direct Debit

Collections must be submitted and approved (pain.008) at the latest by 6.00 a.m. CET one bank working day before payment is due (submission and approval cut-off).

5.3.24 The most important fields of a SEPA Direct Debit in ISO pain.008 format

Use of colors in the table below:

A	A-level of the message (Group Header). Information about pain.008 message.
B	B-level of the message (Payment Instruction Information). Information about the payment issuer, the account to be credited and the payment. A pain.008 can have one or more B-levels.
C	C-level of the message (Direct Debit Transaction Information). Information about the payment sender, the account to be debited and the payment. A B-level can have one or more C-levels.

The most important fields of a SEPA Credit Transfer in ISO pain.008 format are as follows:

Level	XML path/element	Field Example	Definition
	Document	Document	ISO 20022 XML message: SEPA Direct Debit Payment Collection Order. This is the key element of a pain.008.003.02 message.
A	Document +CstmrDrct-DbtInitn	DirectDebit-Initiation	Client SEPA Direct Debit Collection Order
A	Document +CstmrDrct-DbtInitn ++GrpHdr	GroupHeader	Identification data that applies to all transactions in the SEPA message
A	Document +CstmrDrct-DbtInitn ++GrpHdr +++MsgId	Message-Identification Message-ID-4711	Point-to-point reference of the initiating party for the next party in the message chain so that the message (file) can be clearly identified
A	Document +CstmrDrct-DbtInitn ++GrpHdr +++CreDtTm	CreationDateTime 2010-11-21T09:30:47.000Z	Date and time when the payment transaction message was created by the initiating party
A	Document +CstmrDrct-DbtInitn ++GrpHdr +++NbOfTx	NumberOfTransactions 1	Number of individual transactions contained in the entire message
A	Document +CstmrDrct-DbtInitn ++GrpHdr +++CtrlSum	ControlSum 6543.14	Total of the amounts of all the individual transactions in the entire message

Level	XML path/element	Field Example	Definition
A	Document +CstmrDrct-DbtInitn ++GrpHdr +++InitgPty	InitiatingParty	Information about the party that initiated the payment (the creditor or a party acting on behalf of the creditor)
B	Document +CstmrDrct-DbtInitn ++PmtInf	PaymentInstructionInformation	A catalogue of information (e.g. collector's account, due date) that applies for all individual transactions. Corresponds to a logical collective booking within a physical file
B	Document +CstmrDrct-DbtInitn ++PmtInf +++PmtInflId	PaymentInformationIdentification Payment-ID	Reference for the clear identification of the subsequent collective booking
B	Document +CstmrDrct-DbtInitn ++PmtInf +++PmtMtd	PaymentMethod DD	Payment instrument, in this case direct debit
B	Document +CstmrDrct-DbtInitn ++PmtInf +++BtchBookg	BatchBooking true	Indicates whether the order is a batch booking (true) or a single booking (false)
B	Document +CstmrDrct-DbtInitn ++PmtInf +++NbOfTx	NumberOfTransactions 1	Number of individual transactions contained in the Payment Information Block

Level	XML path/ element	Field Example	Definition
B	Document +CstmrDrct- DbtInItN ++PmtInf +++CtrlSum	ControlSum 6543.14	Total of the amounts of all the individual transactions contained in the Payment Information Block
B	Document +CstmrDrct- DbtInItN ++PmtInf +++PmtTPlnf	PaymentType- Information	Type of transaction
B	Document +CstmrDrct- DbtInItN ++PmtInf +++ReqdColltnDt	Requested- CollectionDate 2010-12-03	Due date for the payment of the direct debit (date on which the debtor's account is debited)
B	Document +CstmrDrct- DbtInItN ++PmtInf +++Cdtr	Creditor	Creditor
B	Document +CstmrDrct- DbtInItN ++PmtInf +++CdtrAcct	CreditorAccount	The creditor's account
B	Document +CstmrDrct- DbtInItN ++PmtInf +++CdtrAgt	CreditorAgent	The creditor's account
B	Document +CstmrDrct- DbtInItN ++PmtInf +++UltmtCdtr	UltimateCreditor	Creditor who is not the account holder. Purely for information purposes
B	Document +CstmrDrct- DbtInItN ++PmtInf +++ChrgBr	ChargeBearer SLEV	Fee distribution; set of provisions, which can be verified using codes, to be used for determining the fee distribution

Level	XML path/ element	Field Example	Definition
B	Document +CstmrDrct- DbtInItN ++PmtInf +++CdtrSchmeld	CreditorScheme- Identification	For identifying the creditor
C	Document +CstmrDrct- DbtInItN ++PmtInf +++DrctDbtTxInf	DirectDebit- Transaction- Information	Single transaction
C	Document +CstmrDrct- DbtInItN ++PmtInf +++DrctDbtTxInf ++++PmtId	PaymentIdentifi- cation	Referencing of a single transaction
C	Document +CstmrDrct- DbtInItN ++PmtInf +++DrctDbtTxInf ++++InstdAmt	InstructedAmount 6543.14	Amount in the order
C	Document +CstmrDrct- DbtInItN ++PmtInf +++DrctDbtTxInf ++++ChrgBr	ChargeBearer	Fee distribution; set of provisions, which can be verified using codes, to be used for determining the fee distribution
C	Document +CstmrDrct- DbtInItN ++PmtInf +++DrctDbtTxInf ++++DrctDbtTx	DirectDebit- Transaction	Information about the direct debit mandate
C	Document +CstmrDrct- DbtInItN ++PmtInf +++DrctDbtTxInf ++++UltmtCdtr	UltimateCreditor	Creditor who is not the account holder. Purely for information purposes

Level	XML path/ element	Field Example	Definition
C	Document +CstmrDrct- DbtInitn ++PmtInf +++DrctDbtTxInf ++++DbtrAgt	DebtorAgent	The payer's (debtor's) bank
C	Document +CstmrDrct- DbtInitn ++PmtInf +++DrctDbtTxInf ++++Dbtr	Debtor	Mandatory field for information about the payer (debtor)
C	Document +CstmrDrct- DbtInitn ++PmtInf +++DrctDbtTxInf ++++DbtrAcct	DebtorAccount	The payer's (debtor's) account
C	Document +CstmrDrct- DbtInitn ++PmtInf +++DrctDbtTxInf ++++UltmtDbtr	UltimateDebtor	Payer (debtor) who is not the account holder, e.g. the account holder's child. Purely for information purposes.
C	Document +CstmrDrct- DbtInitn ++PmtInf +++DrctDbtTxInf ++++Purp	Purpose	Type of payment
C	Document +CstmrDrct- DbtInitn ++PmtInf +++DrctDbtTxInf ++++RmtInf	Remittance- Information	Reference information

For further information regarding the rules for completing the fields for SEPA Credit Transfers in ISO format pain.008, please consult our "SEPA Implementation Guide".

5.4 SEPA account information

5.4.1 Cash reporting of SEPA Credit Transfers

Want to be kept up-to-date with your account balances and transactions at all times? We offer you a wide range of cash reporting options that allow you to access comprehensive account information online. This means you can view transaction details from the previous twenty-four hours and are kept constantly informed of your positions. The documents are available in the new ISO 20022 XML format as well as in the traditional SWIFT formats. Of course we will continue to offer paper statements and e-documents.

5.4.2 SEPA versions and schemes supported by UBS

UBS supports the following versions of SEPA cash reporting:

Standard		Vers.	XML scheme	Supported by UBS?	
Publication/ Implementation Guide	Switzer- land			Germany	
DK	DFU agreement – specification of the data formats	2.8	camt.052. 001.02 camt.053. 001.02	Yes	Yes
SR	Implementation Guidelines for Cash Management	1.2	camt.052. 001.02 camt.053. 001.02	Yes	Yes

(As at January 1, 2016)

Detailed information about switching to SEPA can be found in our "SEPA Implementation Guide".

5.4.3 ERP/payment software channels for cash reporting of SEPA Credit Transfers

UBS supports cash reporting of SEPA Credit Transfers via the following electronic channels:

Channel	UBS Switzerland	UBS Deutschland
UBS Bank-Verlag	No	Yes, EBICS
UBS KeyDirect	Yes, EBICS	No
UBS SWIFT for Corporates	Yes, FileAct	No

5.4.4 camt.052 – transaction report (intraday)

The camt.052 transaction report in ISO 20022 XML format offers electronic reporting with comprehensive information on pending account transactions (credits and debits not yet booked). The intraday transaction report provides current information on upcoming payment flows and is an addition to the account statement, which contains information on transactions that have already been booked. Transaction reports can be sent at any time of day you require and can be structured in line with your needs. For example, you can specify whether you always wish to receive an intraday transaction report or only in the event of account transactions. You can also specify whether the entire amount or only the difference since the last message should be shown, as well as set a minimum amount for which you require notification.

5.4.5 camt.053 – account statement (end of day)

Electronic camt.053 statements in ISO 20022 XML format contain all items definitively booked to the account together with the current account balance and future account balances according to the value date. Account statements are created at the end of each day and are available at the start of the following working day. The electronic form of the account statement means you can automatically match open items in your accounts department. You can specify whether you would like to receive statements every day or only in the event of account transactions.

5.4.6 camt.054 – debit/credit advice

The camt.054 electronic debit and credit advices provide information on incoming and outgoing payments on your account. UBS does not yet support camt.054.

5.4.7 camt.054 – DTI process

As well as being used for debit/credit advices, camt.054 messages can also replace the DTI process in the DK standard (= termination of batch bookings). UBS does not yet support camt.054.

Discuss with your software partner which reporting product is the most suitable for your systems and software.

5.5 SEPA Payment Status Report

5.5.1 Payment Status Report pain.002

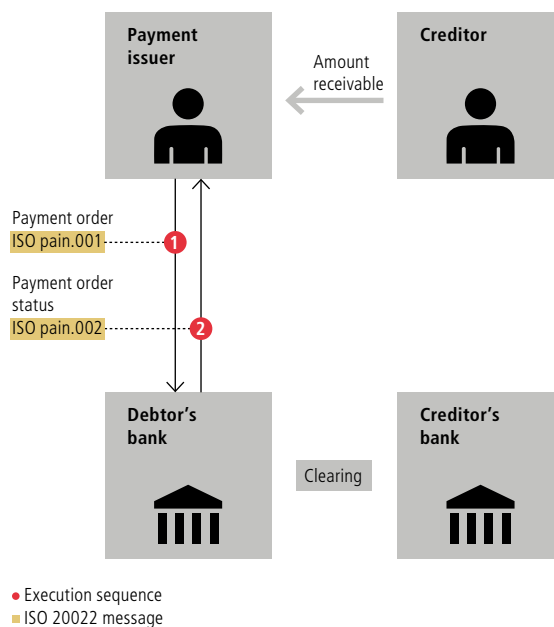
The Payment Status Report is a detailed electronic error protocol that was introduced with ISO 20022. The report contains rejections of payments that were submitted via SEPA Credit Transfer or SEPA Direct Debit but that we were unable to book due to incorrect files and transactions. The Payment Status Report offers you more automation and process optimization for your payment processes.

In addition to error codes, the XML format pain.002 contains the original fields from the initial payment order, allowing you to cross check the data with the file you have submitted and quickly make any corrections prior to resubmission.

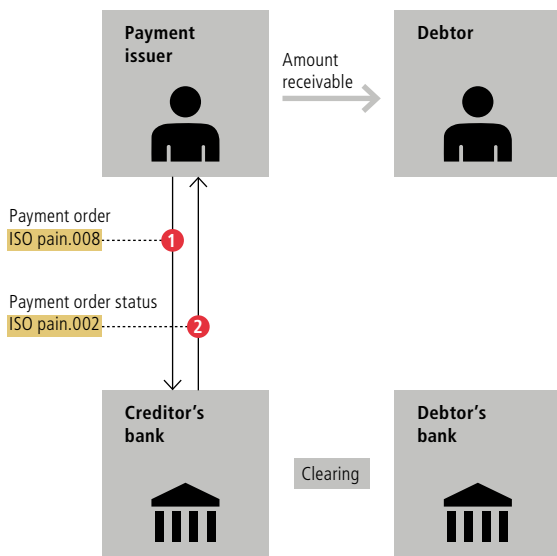
Reasons for rejects include:

- Violation of the ISO 20022 scheme
- The debtor's account does not exist
- The debtor's account cannot be debited
- Transfer to an IBAN with incorrect check digit

5.5.2 Payment Status Report process for SEPA Credit Transfers (pain.001)



5.5.3 Payment Status Report process for SEPA Direct Debits (pain.008)



- Execution sequence
- ISO 20022 message

For further information regarding the rules for completing the fields for the Payment Status Report (pain.002), please consult our "SEPA Implementation Guide".



6. Glossary

Abbreviation	Definition
B2B	Business-to-Business, e.g. B2B SEPA Direct Debit
BDD	Business Direct Debit (BDD) – Direct debit scheme offered to companies by Swiss banks without a right of objection
BIC	Acronym for Business Identifier Code – a BIC is an 8- or 11-character ISO code issued by SWIFT; it is used to clearly identify a financial institution during a financial transaction (ISO 9362).
camt	Acronym for cash management – used to designate XML messages in accordance with the definitions of the ISO 20022 standard
camt.052	Cash management message – transaction report (intraday)
camt.053	Cash management message – account statement (end of day)
camt.054	Cash management message – DTI (Germany) and credit/debit notification
CH	ISO country code for Switzerland
CHF	ISO currency code for Swiss francs
CI	Creditor Identifier
CORE	SEPA Core Direct Debit
Creditor	Individual or company that receives an incoming payment
Creditor Identifier	A Europe-wide standardized number that identifies the creditor and allows for a SEPA Direct Debit to be collected irrespective of the account
DE	ISO country code for Germany
Debitor	Individual or company whose account is debited
DFU (GE)	Remote transmission
DK	The German credit industry
DTA	Process for the exchange of data storage media between Swiss banks – being replaced by pain.001
DTAUS	Former process for the exchange of data storage media in Germany – has been replaced by SEPA
DTI	Data storage media information – electronic collector in the old DTAUS format
Due Date	The bank working day on which a financial institution is due to debit the account of a creditor

Abbreviation	Definition
EBA	European Banking Association – clearing house for SEPA Credit Transfers
EBICS	Electronic Banking Internet Communication Standard – European communication standard for the transfer of payment transaction data via the Internet
EEA	European Economic Area. The EEA currently comprises the 15 member states of the EU plus Iceland, Liechtenstein and Norway.
EPC	The European Payments Council (EPC), a group of banks and banking associations from across Europe, defines the rules for SEPA Credit Transfers and SEPA Direct Debits.
EPC Rulebooks	The EPC SEPA Scheme Rulebooks contain the EPC's rules for the SEPA Credit Transfer and SEPA Direct Debit schemes.
ERP system	Enterprise resource planning system – application software used to support resource planning throughout the entire company
ESR	Swiss payment slip with reference number
EU	European Union
EUR	ISO currency code for the euro
IBAN	Acronym for International Bank Account Number; this is the internationally standardized format for account numbers.
IPI	International Payment Instruction – the Swiss IPI form was created for automated cross-border payment transactions.
ISO 20022	Standard used for messages in the financial system. The SEPA XML files that are transferred during a SEPA payment transaction are based on ISO 20022.
LI	ISO country code for Liechtenstein
LSV+	Direct debit scheme offered by Swiss banks including right of objection
Mandate	In order for a SEPA Direct Debit to be collected, a SEPA Direct Debit mandate (for SEPA Core Direct Debit) or SEPA B2B Direct Debit mandate (for SEPA B2B Direct Debit) must be in place.
Mandate ID	Each mandate has a unique mandate ID. The mandate ID is issued by the creditor.

Abbreviation	Definition
Mandate reference	Alphanumeric number individually issued by the creditor; it is used to identify each mandate signed for the creditor. This number must be unique to each mandate together with the Creditor Identifier.
MT101	SWIFT payment order
MT900	SWIFT direct debit advice
MT910	SWIFT credit advice
MT940	SWIFT account statement
MT941	SWIFT intraday balance information
MT942	SWIFT transfer of bookings during the day
MT950	SWIFT bank account statement
pacs	Acronym for payment clearing and settlement; refers to XML messages in interbank transactions under ISO 20022.
pain	Acronym for payments initiation; refers to an XML message in transactions between clients and banks under ISO 20022.
pain.001	Payment initiation – transfer file pain.001
pain.002	Payment initiation – status report pain.002
pain.008	Payment initiation – direct debit file pain.008
Refund	Refunds are claims by the debtor for a direct debit to be reimbursed. A refund application must be sent to the debtor's institution after the debit has been made and within a defined period of time; the institution requests that the amount be refunded by the creditor's institution using an R transaction.
Reject	The debtor's institution can arrange for a collection to be rejected before invoicing for technical reasons or because it is unable to accept the collection for any other reason (R transaction).
Return	A return is arranged by the debtor's institution if the collection as per the invoice differs from regular settlement (R transaction).
Reversal	A reversal may be initiated by the creditor up to two bank working days after the direct debit is invoiced (R transaction).
SCT	SEPA Credit Transfer
SDD	SEPA Direct Debit

Abbreviation	Definition
SDD B2B	SEPA B2B Direct Debit
SDD Core	SEPA Core Direct Debit
SEPA	Single Euro Payments Area. SEPA is the area comprising the EU/EEA countries, Monaco, the Republic of San Marino and Switzerland, in which citizens, companies and other economic players can carry out and accept transactions in euros, irrespective of whether these are settled domestically or on a cross-border basis, and under the same conditions and with the same rights and obligations – irrespective of the location in question.
SEPA B2B Direct Debit	Payment process for settling direct debits in euros in the SEPA area for corporate clients as debtors and creditors, as set out in the EPC rulebook
SEPA Core Direct Debit	Payment process for settling direct debits in euros in the SEPA area, as set out in the EPC rulebook
SEPA Direct Debit scheme	Payment instrument that is subject to the rules of the SEPA Direct Debit scheme for settling direct debit payments in euros from one bank account to another throughout SEPA
SIX	Swiss Infrastructure and Exchange – SIX Interbank Clearing offers services for the settling of payment transactions between financial institutions.
SLEV	Fee distribution in SEPA pain messages
SR	Swiss Recommendations – Swiss recommendations for payment transactions
STP	Straight-through processing – fully-automated processing of payment orders
SWIFT	Society for Worldwide Interbank Financial Telecommunication
TA 826	DTA of Swiss banks – ESR payments
TA 827	DTA of Swiss banks – domestic CHF payments (bank, post and post mandate)
TA 830	DTA of Swiss banks – payments in CHF and foreign currencies to financial institutions abroad as well as domestic foreign currency payments
TA 832	DTA of Swiss banks – bank checks in CHF and foreign currencies

Abbreviation	Definition
TA 836	DTA of Swiss banks – domestic and international payments using an IBAN, in all currencies
TA 875	DTA of Swiss banks – direct debit
XML	Extensible Markup Language – standard for the creation of machine-readable and human-readable documents in the form of a tree structure
XML ISO 20022	ISO 20022 XML (Extensible Markup Language) is a standardized text-based data format used to exchange data between computer systems.

UBS Switzerland AG
P.O. Box
8098 Zurich

[ubs.com](https://www.ubs.com)

