

MANAGE DIRECT DEBITS



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TABLE OF CONTENTS

PURPOSE OF THE DANGEROUS GOODS REGULATIONS	3
SCOPE	3
PROCEDURE	3
Retrieve Work Item	3
Check Completeness of Information	3
Check for the following information on the instruction	3
Determine Cardholder Type	3
Verify Signature.....	4
Check Request Type	4
Check for Existing Direct Debits.....	4
Compare Existing Direct Debits With New Instruction	4
Check for Block Codes.....	4
Check New Card Details	5
Check Delinquency Status	5
Check for Unpaid Direct Debits	5
Check Card Status and Balance	5
Check Nominated Account Details	5
Setup Direct Debit	6
Amend Direct Debit	6
Cancel Direct Debit	6
Determine 'Tape Date'	6
Suspend Direct Debit	7
Issue Letter	7
Input Memo	7
Route Work Item	7
Drop / File Work Item	8
Process End	8
Glossary	8
Glossary Terms	8
<#>	3
<#>	4
<#>	5
<#>	6
<#>	7
<#>	8
<#>	9

PURPOSE OF THE DANGEROUS GOODS REGULATIONS

Direct Debit is a facility provided by the bank to its customers. This facility allows customers to maintain a designated bank account to settle their outstanding credit card balance. The nominated bank account is auto debited on the payment due date.

SCOPE

Receipt of direct debit application from the customer to set up/ amend/cancel/suspend Direct Debit.

Maintenance of direct debit facility can only be done before the statement production date and after the payment due date.

PROCEDURE

Direct Debit is a facility provided by the bank to its customers. This facility allows customers to maintain a designated bank account to settle their outstanding credit card balance. The nominated bank account is auto debited on the payment due date.

This procedure details the steps to be taken by the 'Processing Executive' for:

1. Direct Debit Set up
2. Direct Debit Amendment
3. Direct Debit Cancellation
4. Direct Debit Suspension

Retrieve Work Item

- Login to 'Workflow management'
- Retrieve work item from the appropriate queue
- Refer to the GWIS manuals Go to Step "Check Completeness of Information"

Check Completeness of Information

- Check if information provided on the instruction is sufficient to process the request
- Information is complete Go to Step "Determine Cardholder Type"
- Information is insufficient/missing to process the request – Go to Step Issue Letter
- Information on image is unclear /illegible – Go to Step Route Work Item

Check for the following information on the instruction

- Cardholder's name and Credit Card Number
- Credit card account reference number
- Nominated bank account number to be debited
- Percentage of the total amount / Amount due to be deducted

Determine Cardholder Type

- Login to EXAMPLEBank
- Select 'Locate A/c'
- Use the 'Cust A/C Search' tab
- Enter the Account/Card number in the 'Account/Card Number' field
- Select the appropriate Account Type from the drop down list in 'Account Type' field
- Click 'Submit'
- Select the 'Requestor' type from the dropdown list as per customer's confirmation

- Click ‘Submit’ (‘Account Overview’ screen will be displayed, showing the account information for the specified account)
- Check cardholder type from the ‘Cardholder’ field
- Primary Cardholder – Go to Step “Verify Signature“
- Supplementary Cardholder – Go to Step Issue Letter

Verify Signature

- Verify cardholder’s signature via HFE Y41 Micro image PC screen using current HUB procedures
- Signature matches – Go to Step “Check Request Type“
- Signature does not match –Go to Step Issue Letter

Verification of cardholder’s signature is only required when the request is received directly without the branch having verified the cardholder.

Request from branches that have been signature and customer verified do not require further signature verification.

Regional guidelines are applicable as mentioned below:

India – Signature verification is not done as verification is carried out when customer calls the call center. If the customer has not been verified by the by the call center, call the customer and perform verification before processing the request

Check Request Type

- Request for ‘Direct Debit Setup’ – Go to Step “Check for Existing Direct Debits“
- Request for ‘Direct Debit Amendment’ – Go to Step Amend Direct Debit
- Request for ‘Direct Debit Cancellation’ – Go to Step Cancel Direct Debit
- Request for ‘Suspend Direct Debit’ – Go to Step Determine ‘Tape Date’

Regional guidelines are applicable as mentioned below:

India – Suspend direct debit option is not applicable. Check services locally offered by business for further details.

Check for Existing Direct Debits

- Click ‘Monetaries’
- Click ‘Locate DD Setups’ under ‘Monetaries’
- Select all the four dialogue boxes – ‘Active’, ‘Cancelled’, ‘Expired’ and ‘Suspended’
- Click ‘Submit’
- Check the ‘Status’ field (The list of all direct debits will be displayed at the bottom of the screen)
- Click each Direct Debit to identify its status
- Active Direct Debit exists – Go to Step “
- Compare Existing Direct Debits With New Instruction“
- Active Direct Debit does not exist – Go to Step “Check for Block Codes“

Compare Existing Direct Debits With New Instruction

- Check if the details on existing active direct debit are same as that mentioned on the instruction
- Details are not the same – Go to Step Amend Direct Debit
- Details are the same – Go to Step Issue Letter

Ensure details on the existing active direct debit like bank account number to be debited, SI amount, SI percentage are the same as mentioned in the instruction

Check for Block Codes

- Select ‘A/C Info’
- Select ‘A/C Overview’
- Click ‘Expand Arrow’ icon present to the left of the account number at the top of the screen

- Check the fields ‘Block Code 1’ and ‘Block Code 2’ to identify blocks placed on the account
- Block code present is ‘L’ or ‘F’ Go to Step “Check New Card Details“
- Any other block code is present – Go to Step “Check Delinquency Status“
- No block code present – Go to Step Check for Unpaid Direct Debits
- Block code present is ‘Z’ – Go to Step Route Work Item

Please refer to the ‘Block Codes Matrix’ to identify the block code types together with their descriptions and implications

Check New Card Details

- Select ‘Cards’ from the list on the left side of the EXAMPLEBank screen
- Select ‘Card Info’ for the list of cards to appear
- Select the new card number
- Go to Step “Check for Block Codes“

Check Delinquency Status

- Select ‘A/C Info’ from the list available to the left side of the front screen
- Select ‘Balance Detail’
- Check the fields ‘Days Delinquent’ and ‘Over Limit Date’ to determine if the account is delinquent
- Account not delinquent Go to Step “Check for Unpaid Direct Debits“
- Account delinquent – Go to Step Route Work Item

If the Credit Card account is in arrears or overlimit, send appropriate letter to customer informing about the account status

Please follow local training manual as this step are only applicable EU countries

Check for Unpaid Direct Debits

- Select ‘Statements’
- Select ‘Txn History’
- Select the date range of the last six months
- Click ‘Submit’
- Look for ‘D422’ under ‘Transaction Code’ (‘D422’ code stands for unpaid direct debit)
- Check if there are two unpaid Direct Debits within the last six months on the account
- All direct debits paid OR one unpaid direct debit in last six months – Go to Step “Check Card Status and Balance“
- Two or more direct debits unpaid in last six months –
- Go to Step Issue Letter

Regional guidelines are applicable as mentioned below:

European Union – Unpaid Direct Debit check is not applicable. Go to Step “Check Card Status and Balance“

Check Card Status and Balance

- Check if the credit card is closed and has nil balance
- Credit card open with balance/ nil balance – Go to Step Check Nominated Account Details
- Credit card closed and balance is nil – Go to Step Issue Letter

Check Nominated Account Details

- Determine if the nominated account is valid using current HUB procedures
- Nominated account valid – Go to Step Setup Direct Debit
- Nominated account invalid – Go to Step Issue Letter

Please follow ‘local training manual’, if the account number to be debited is a Non EXAMPLE bank account. In such scenarios the request for a direct debit set up is validated by the nominated bank. Direct debit can only be set up upon re-

ceipt of confirmation from another bank

Setup Direct Debit

- Click 'Monetaries' on the list appearing on the left side of the front screen
- Click 'Set Up' under 'Monetaries'
- Fill up the following mandatory fields:
 - Bank Account number
 - Payment Start date
 - Payment Frequency
 - Settlement Bank Flag
 - Payment type
 - Payment Day 1
 - SI Amount
 - SI Percentage
- Click 'Submit' (A pop up message will be displayed on the 'Account Overview' screen)
- Go to Step Drop / File Work Item

Regional guidelines are applicable as mentioned below:

USA: A mandate needs to be sent to the local third party bank if the direct debit has been setup with customer's account in a local third party bank

Amend Direct Debit

- Click 'Monetaries' on the list appearing on the left side of the front screen
- Click 'Locate DD Setups'
- Select the 'Active' dialogue box
- Click 'Submit' (The list of all active direct debits will be displayed at the bottom of the screen)
- Click the 'Modify' button against the direct debit to be amended
- Amend the direct debit as requested by the customer
- Click 'Submit'
- Go to Step Drop / File Work Item

Cancel Direct Debit

- Click 'Monetaries' on the list appearing on the left side of the front screen
- Click 'Locate DD Setups'
- Select the 'Active' dialogue boxes
- Click 'Submit' (The list of all active direct debits will be displayed at the bottom of the screen)
- Click the 'Modify' button against the direct debit to be amended
- Select 'Cancel immediately' from the 'Status' drop down list
- Click 'Submit'
- Go to Step Drop / File Work Item

Determine 'Tape Date'

- Click 'Statements' from the list appearing on the left side of the front screen
- Click 'A/C Txns' (The 'Transaction Overview' table will display the transactions for the selected billing cycle)
- Select appropriate 'Card Number' for which the due date needs to be checked
- Locate the due date from the field 'Stament Date'
- Check if the 'tape date' is today, due to be passed or has passed
- Due to be passed – Go to Step Suspend Direct Debit
- Passed or is 'today' – Go to Step Issue Letter

The 'Tape Date' can be determined by deducting 48 Hours/ 2 days from the Statement Date

Suspend Direct Debit

- Click 'Monetaries' on the list appearing on the left side of the front screen
- Click 'Locate DD Setups'
- Select all the four dialogue boxes – 'Active', 'Cancelled', 'Expired' and 'Suspended'
- Click 'Submit'
- Check the 'Status' field (The list of all direct debits will be displayed at the bottom of the screen)
- Select 'Modify' button seen to the left side of the direct debit that needs to be suspended
- Input the number of payments for which the direct debit needs to be suspended in 'No of Pays to Suspend' field
- Click 'Submit'
- Go to Step Drop / File Work Item

Direct Debit can only be suspended for a maximum of three billing cycles

Issue Letter

- Click 'Letters' on the list appearing on the left side of the screen
 - Click 'Letter Request'
 - Select the appropriate letter code from the drop down list based on the pop up message
 - Complete the mandatory fields
 - Click 'Submit'
1. Information is insufficient / missing – Send letter to customer requesting for required information to process the request
 2. Request received from supplementary Cardholder – Send letter to customer advising that primary cardholder needs to place a request to set up/amend/cancel/suspend direct debit
 3. Signature not verified – Send decline letter
 4. There is an existing direct debit – Send letter to customer advising that there is an existing direct debit set up on the account
 5. Two or more unpaid direct debit – Send letter to customer advising direct debit cannot be set up (as there have been two or more unpaid direct debits in last six months)
 6. Credit card is closed and has nil balance – Send letter to customer advising direct debit cannot be set up as the account is closed
 7. Account number to be debited is invalid – Send letter to customer advising account details to be debited are invalid and request to provide correct account number
 8. Tape date has passed or is today – Send letter to customer advising direct debit cannot be suspended for current month

Input Memo

- Select 'A/C Maint' from the list available to the left side of front screen
- Select 'Memos'
- Select the appropriate memo type from the 'Memo Type' drop down list
- Type the text (appropriate comments) for the memo in the 'Memo Text' field
- Select the priority value that should be assigned to the memo in the 'Priority' drop down list
- Click 'Submit' in the 'Memo' panel
- Click 'OK' when the pop up message box displays asking you for confirmation if you want to add the memo
- Go to Step Drop / File Work Item

Route Work Item

- Route work item to the appropriate queue with comments. Refer to the GWIS manuals.
- Go to Step Process End

Drop / File Work Item

- Drop/File the work item with appropriate comments. Refer to the GWIS manuals
- Go to Step Process End

Process End

- Process End

Glossary

Glossary Terms

Table Caption

Term	Definition
ADDACS messages	This stands for Automated Direct Debit Amendment and Cancellation messages. These messages inform the seller of any amendments or cancellations made by their customers to their Direct Debit Instructions
Advance Notice	The notice period that must be given to customers of each payment before it leaves their account. This is compulsory.
ARUDD messages	This stands for Automated Return of Unpaid Direct Debits messages. These messages notify the seller of any unpaid Direct Debits.
AUDDIS	This stands for the Automated Direct Debit Instruction Service, through which all new direct Service Users must submit requests to Bacs.
AUDDIS messages	This stands for Automated Direct Debit Instruction Service messages. These messages are used to notify sellers of any issues setting up or cancelling a Direct Debit Instruction.
Bacs	The clearing system that administers the Direct Debit scheme – all Direct Debit communications go through Bacs. Bacs was originally an acronym for Bankers' Automated Clearing Services, so you might see Bacs written as BACS sometimes.
Bacs payment cycle	The working cycle that all payments are subject to.
Bacs payment cycle	The secure internet-based service provided by Bacs. This is what is used for communications between Bacs and sellers.
Bacstel-IP	A Bacs approved software package. Only these types of software can be used to communicate over Bacstel-IP.
Bacstel-IP software	An organisation that submits Direct Debit requests to Bacs on behalf of a third party.
Bureau	The claim raised by a seller to dispute a customer indemnity claim. Counterclaims must be made within 14 days of an indemnity claim being settled.
Counterclaim	This stands for Direct Debit Indemnity Claim Advice messages. These messages notify sellers of any indemnity claims that their customers raise.
DDICA messages	The guarantee given on all Direct Debit payments. This states that payments won't be taken in error and that customers are entitled to a full refund if there is an error.
Direct Debit Guarantee	An authorisation from your customer to automatically collect future payments. This is often shortened to DDI. To set up a DDI, your customers have to fill in a standardised form.
Direct Debit Instruction	A physical, paper form that customers must complete to authorise a Direct Debit Instruction.
Direct Debit Instruction	Another name for a Direct Debit Instruction.
Direct Debit	The date payment is due to be debited from the customer's account.

Term	Definition
Direct Debit	Another name for a Direct Debit Instruction.
Mandate	
Due date	The date payment is due to be debited from the customer's account.
Indemnity	
Claim	A request for a refund under the Direct Debit Guarantee. Claims are assessed by the payer's bank and funds are then automatically taken back from the seller.
Input file	A standardised format file which is submitted to Bacs by sellers to log new Direct Debit Instruction and payment requests.
Input report	A summary report of any payments or DDIs submitted to Bacs.
Paperless Direct Debit	Authorising a Direct Debit Instruction online or on the phone, instead of with a paper form.
Paperless Direct Debit	The bank or building society at which a customer's DDI is lodged, i.e. your customer's bank.
Paying bank	An organisation approved by a sponsor bank to submit Direct Debit requests to Bacs, i.e. your business.
Service User	A unique 6 digit identifier issued to every Service User.
Service User Number (SUN)	A bank that enables you to access the Direct Debit Scheme and provides you with a Service User Number.

Table Description

References

[Transaction Processing](#)

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