

COMMERCIAL BANKING



SEPA DIRECT DEBIT

Simple and efficient payments across Europe

Background

SEPA Direct Debit is a simple, convenient and efficient way to accept and make Direct Debit payments in Euro throughout the SEPA (Single Euro Payment Area) community – which is made up of the EU member states plus Iceland, Liechtenstein, Monaco, Norway, San Marino and Switzerland.

By introducing a common set of rules and data formats across the community, SEPA Direct Debit facilitates national and cross-border Direct Debit collections in Euro.

It can help reduce operational costs, simplify processing and strengthen cash management forecasting as well as help improve access for UK businesses to European markets, by removing barriers to collections.

Lloyds participates in both SEPA Direct Debit Schemes:

- **Core SEPA Direct Debit Scheme** – for collections from consumers or businesses.
- **B2B SEPA Direct Debit Scheme** – only available for collections from businesses, which are non-micro-enterprises*.

Suitable if your business

- Has customers across the SEPA community.
- Invoices in Euro.
- Seeks greater control over transaction date, amount and costs.

Features

- Both the creditor and the debtor must hold an account within the SEPA community, and their banks must both be scheme participants.
- A Direct Debit can only be collected provided a signed mandate has been granted by the debtor to the creditor.
- Facilitates domestic and cross-border Direct Debits in Euro (including the UK).
- Both schemes have defined rules which are adhered to by all participants, regardless of country.
- Creditors are assigned a Creditor Identifier which allows for their unique identification within the scheme.

Key benefits

- Ability to collect funds using a single instrument and bank account.
- Has the potential to reduce operational costs, simplify processing and speed up settlements.
- Improves cash management by giving greater control.
- Increases payment efficiency.
- Enables better customer retention for the creditor.



LLOYDS BANK

Our service promise

If you experience a problem, we will always try to resolve it as quickly as possible. Please bring it to the attention of any member of staff. Our complaints procedures are published at lloydsbank.com/commercialbanking/contactus

*Micro-enterprise means an enterprise which employs fewer than 10 persons and whose annual turnover and/or annual balance sheet total does not exceed two million Euros, including self-employed persons, family businesses engaged in craft or other activities and partnerships or associations regularly engaged in an economic activity. Where the enterprise forms part of a larger group the structure of the group may impact on whether the Account holder(s) will be deemed to be a Micro-enterprise (as defined in the Annex to Recommendation 2003/361/EC (EU Official Journal No. L124, dated 20 May 2003)).

 **Contact your relationship manager**

 **Visit lloydsbank.com/business**

Please contact us if you would like this information in an alternative format such as Braille, large print or audio.

If you have a hearing or speech impairment you can use Text Relay (previously Typetalk).

Important information

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