



SEPA DIRECT DEBIT

Summary for debtors

Introducing SEPA Direct Debit

SEPA Direct Debit creates a simple, convenient and efficient way to accept and make Direct Debit payments in Euro throughout the SEPA (Single Euro Payment Area) community – which currently consists of 33 European countries.

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 speed up settlements, helping you strengthen your cash management.

What is a SEPA Direct Debit?

- The SEPA Direct Debit Scheme provides a method for paying bills or suppliers and making other payments in Euro on a one-off or regular basis, throughout the SEPA community.
- There are currently two SEPA Direct Debit Schemes to choose from:
 - **Core SEPA Direct Debit Scheme** – for transactions between businesses and their consumer or business customers.
 - **B2B SEPA Direct Debit Scheme** – only available for transactions between businesses, which are non-micro-enterprises*.
- Debtors have different rights depending on which scheme they join. The main differences between the schemes are summarised on page 2.



How SEPA Direct Debit works

- Payment is made by Lloyds Bank to the person or company to whom payment is due ('the creditor'). You ('the debtor') authorise the creditor to collect the payment from ourselves by completing a mandate supplied by the creditor.
- By signing a SEPA Direct Debit Mandate you are authorising:
 - The creditor to send instructions to us to debit your account.
 - Us to debit your account in accordance with the mandate received from the creditor.
- You should return the completed mandate to the creditor, not ourselves. You do not need to do anything more if you have signed up to the Core Scheme – the creditor will arrange for the payments to be collected from us. For the B2B Scheme you should also complete and return a B2B Mandate Notification Form to finalise the process, which can be downloaded from our website.
- The creditor will inform you of the amount and due date of each payment to be taken. If the payments are for a series of fixed amounts, you will only be informed once – when the arrangement is agreed, and before the first transaction is debited. In other cases, you will be informed at least 14 days before each payment is collected, unless otherwise agreed between the creditor and yourself.

Cancelling and amending mandates

- You can inform the creditor at any time that a mandate is cancelled. Once you have informed them, the creditor can no longer collect payments based on the cancelled mandate. You can also instruct us to refuse any future Direct Debit demands which a creditor has pre-notified you of, by contacting:

Group Operations, Lloyds Bank Euro Service Team

Post: P.O. Box 72, Bailey Drive, Gillingham, Kent ME8 0LS

Tel: 0845 604 7380 or +44 (0) 1733 231271
(for calls outside the UK)

Email: grpseppadd@lloydsbanking.com

- You must contact the creditor directly if you would like to amend any details of the mandate.

Refunds under the Core SEPA Direct Debit Scheme

You can ask us to refund a Direct Debit payment under the Core Scheme in these circumstances:

- If you consider that the amount of the payment is wrong, or you want to have a refund for any other reason, you must inform us no later than eight weeks after the payment was debited to your payment account. We are obliged to give you a refund if you make a refund request within this eight week period.

- You may request a refund more than eight weeks after the payment was debited to your payment account provided (a) you did not authorise the payment and (b) you make your claim within 13 months of the debit date. If you want a refund for this reason, you must inform us as soon as you become aware of the circumstances. We may require you to provide evidence supporting your claim. We may not be legally obliged to give you a refund if there is a long delay between the payment being debited to your payment account and your request for a refund.
- If you request a refund, any obligations you may have to pay the creditor will not be satisfied. You will remain responsible for paying any amount which the creditor is owed.

Major differences between the Core SEPA Direct Debit Scheme and the B2B SEPA Direct Debit Scheme

- If you are a consumer or a micro-enterprise you will not be eligible to participate as a debtor under the B2B Scheme. The B2B Scheme is designed specifically for payments between businesses.
- If you have signed a B2B Mandate you must contact us as soon as possible.
- You must authorise each new B2B Mandate with us by completing a new B2B Mandate Notification Form.
- There is currently no refund right under the B2B Scheme. You may, however, be entitled to a refund under the Payment Services Regulations 2009 if the payment was not authorised by you – or if the payment was incorrectly executed. You must make any claim for an unauthorised payment within the time limit specified in our Terms and Conditions, which apply to the SEPA Direct Debit service for Commercial Banking customers acting as debtors.
- As there is no refund right under the B2B Scheme, other than for unauthorised transactions – and because there may be large amounts involved – we are required to check that each payment collection corresponds with the information you provided, relevant to each mandate. Unless you complete and return to us a Mandate Notification Form, the collection will be considered to be unauthorised and will be returned unpaid.

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/business/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/commercialbanking

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

We accept calls via Text Relay.

Important information

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