



Comité Français d'Organisation
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SEPA CREDIT TRANSFER REVERSAL AOS USER GUIDE

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Annex II - SEPA Credit Transfer Reversal Declaration of Incident

0. DOCUMENT INFORMATION

0.1 References

This section lists documents referred to in this User Guide.

	Document Number	Title	Issued by:
[1]	EPC115-06	SEPA Credit Transfer Scheme Interbank Implementation Guidelines v6.0 effective 17 November 2012	<u>EPC</u>
[2]	EPC125-05	SEPA Credit Transfer Scheme Rulebook v6.0 effective 17 November 2012	<u>EPC</u>
[3]	CFONB_AOS_SCTR_IG_IB_2012_V01	SEPA Credit Transfer Reversal AOS Interbank Implementation Guidelines v1.0	<u>CFONB</u>

0.1.1 Defined Terms

This User Guide makes reference to various defined terms which have a specific meaning in the context of the SEPA Credit Transfer Reversal AOS. In this User Guide, a defined term is indicated with a capital letter. A list of defined terms specific to the SEPA Credit Transfer Reversal AOS can be found in chapter 7 of this User Guide or in chapter 7 of the SEPA Credit Transfer Rulebook.

0.2 Change History

Issue number	Dated	Reason for revision
V 1.0	February 2012	Proposition of French community, as initiator

0.3 Purpose of the Document

This AOS is a set of rules, practices and standards to achieve interoperability for the provision and operation of the SEPA Credit Transfer Reversal at interbank level.

The objectives of this User Guide are:

- To be the primary source for the definition of the rules and obligations of the AOS
- To provide authoritative information to Users and other relevant parties as to how the AOS functions
- To provide involved parties such as Users, Clearing and Settlement Mechanisms ("CSMs"), and technology suppliers with relevant information to support development and operational activities

This User Guide contains only the details relevant to the SEPA Credit Transfer Reversal AOS to be added to the Rulebook. In order to allow an easy interpretation of the AOS, the document respects the basic structure of the SEPA Credit Transfer Scheme Rulebook v6.0 to which it relates. The AOS features coming on top of the Rulebook ones, this document contains only the chapters and sections which differ from those of said Rulebook. The chapters and sections of this User Guide respect the numbering of the Rulebook, this is why they do not follow from time to time the logical numbering sequence.

0.4 About CFONB

CFONB stands for Comité Français d'Organisation et de Normalisation Bancaires, i.e. French Committee for Banking Organisation and Normalisation.

Its mission is to study and to resolve, at organisational and normative levels, questions with technical character bound to the banking activity. Its works concern essentially the means of payments, the payment services and the financial instruments.

CFONB is one of the main actors of the implementation of SEPA in France. It prepares the positions of the French representatives on the subjects handled in the European working groups.

0.5 Other Related Document: SEPA Credit Transfer Reversal AOS Interbank Implementation Guidelines

This User Guide is primarily focused on stating the business requirements and interbank rules for the operation of the AOS. In addition to the User Guide, there is another key document which enables the AOS to become operational: The SEPA Credit Transfer Reversal Implementation Guidelines (reference [3]), which set out the rules for implementing the SEPA Credit Transfer Reversal ISO 20022 XML standards and constitute a binding supplement to the User Guide.

1. VISION & OBJECTIVES

This chapter provides an introduction to the AOS, setting out the background to the SEPA Credit Transfer Reversal as well as its aims and objectives.

As a matter of commodity and simplification, the term “bank” is employed. In respect to the legislation, the word “bank” is used in the present document to represent all “Payment Service Providers” as defined by the Payment Services Directive.

“Bank account” is used here to refer to a “Payment account” held by a Payment Service Provider.

1.1 Vision

The SEPA Credit Transfer Scheme Rulebook foresees under certain conditions the possibility for the Originator Bank to recall transactions that have been wrongly executed. This recall may occur on request of the Originator itself or because of a processing error by the Bank itself. The recall is a non-accounting transaction. It is a request for refund which implies a response from the Beneficiary Bank, be it a positive (funds are returned) or negative (the request is not accepted). The procedure implies numerous manual interventions.

In certain situations, where it is clear that a bank on the originating side had a processing problem that resulted in the sending of erroneous transactions, it appears that there exist possibilities to automate the process by using an accounting transaction that allows an automatic debit of the SCT Beneficiary.

The SEPA Credit Transfer Reversal AOS seeks to provide such a service by defining a set of interbank rules, practices and standards to be observed by Users of the AOS. It provides Originator Banks or their intermediaries used to reach the CSM that have erroneously sent a bulk of SCTs due to a mistake in their internal processing with an efficient and cost-effective reversal mechanism.

The AOS uses the same standards as those used by the SEPA.

1.2 Objectives

The SEPA Credit Transfer Reversal is a mechanism which allows a bank to automatically recover from its counterparts funds corresponding to the erroneous issuance of bulks of SEPA Credit Transfers. Its use is subject to strict criteria regarding the error which led to the erroneous issuance of the SCTs.

1.4 Binding Nature of the User Guide

Becoming a User of the AOS involves registering to the AOS. By the act of registering, the User agrees to respect the rules set out in the User Guide which describes the liabilities and responsibilities of each User of the AOS.

Users are free to choose between operating processes themselves or outsourcing (partially or completely) them to third parties. However Users remain responsible under the User Guide irrespective of their decision to resort to intermediaries.

1.7 The Business Benefits of the AOS

The SEPA Credit Transfer Reversal AOS may only be used by Banks which cannot use it on behalf of their customers. Should participating banks need to recover the amount of SCTs unduly sent due to a clearly identified mistake on their part, the SEPA Credit Transfer Reversal ensures that they can do so in a swift and cost-efficient manner which allows for STP. The key expected benefits are summarised as follows:

For banks:

- Efficient and effective processing of SCTR on an STP basis up to the end of the chain using open and common standards.
- Reachability between AOS Users.
- Enabling a single process between AOS Users including SCTR Rejects, SCTR Returns and SCTR Refunds.
- Contributes to a more standardised cost effective error regularisation processing.

2. SCOPE OF THE AOS

2.1 Application to SEPA

The AOS is applicable within SEPA between registered Users and through the CSMs which offer it.

2.2 Description of Scope of the AOS

The SEPA Credit Transfer Reversal is a mechanism that allows to reverse wrongly sent SCT transactions, under strictly defined conditions:

- It is a “mass”-procedure, not a procedure for unitary transactions
- It applies only to the correction of technical errors made by banks (Originator Bank or possibly its direct participant in the CSM)
- The type of errors is strictly limited to :
 - o Duplicate sending
 - o Technical problem resulting in
 - Erroneous bank coordinates of the beneficiaries (BIC or IBAN)
 - Erroneous amounts
- The amount of the Reversal is strictly identical to the amount of the original transaction.
- The consent of the Beneficiary is required before the Beneficiary Bank may debit the account of its customer. This consent shall be given either on a case by case basis or in a comprehensive manner in the form of a contractual agreement between the customer and his bank.

The bank which issued the bulk of original erroneous SCTs issues a bulk of SEPA Credit Transfer Reversal transactions (SCTRs), accounting transactions that are cleared and settled by the CSM and are automatically debited from the accounts of the Beneficiaries of the related SCTs.

The Beneficiary Bank of an original SCT may refuse the SCTR debit and consequently reject/return the Reversal transaction for:

- Banking reasons, such as account closed or blocked, Customer deceased, Insufficient funds on the account or because the Beneficiary has not given his consent to the transaction,
- Technical reasons, e.g. because the BIC or IBAN communicated in the Reversal instruction is not correct, or the original SCT has never been received or has already been returned.

The Beneficiary may dispute the debit and consequently ask for the refund of the Reversal transaction.

The issuance of SCTRs is submitted to a preliminary Declaration of Incident¹ sent by the Bank initiating the SCTR to each of the CSMs used for the said issuance.

¹ The AOS does not standardize the form of the “Declaration of Incident” which is a matter between each CSM and its direct participants.

The SEPA Credit Transfer Reversal mechanism includes:

- The Declaration of Incident
- the SCTR transaction (mandatory)
- the SCTR Reject issued by the Beneficiary Bank before settlement of the original SCT (optional)
- the SCTR Return issued by the Beneficiary Bank after settlement (mandatory)
- the SCTR Refund issued by the Beneficiary Bank after settlement upon request of the Beneficiary of the initial SEPA Credit Transfer who does not accept the debit (mandatory)

The following key elements are included within the scope of the AOS:

- A set of interbank rules, practices and standards for the execution of SCTR in euro among AOS Users.
- Users of the AOS are SCT Participants who have agreed to subscribe to the AOS and its rules.
- Electronic processing of SCTR transactions including the SCTR itself as well as the SCTR Reject, SCTR Return and SCTR Refund.
- The AOS specifies a minimum set of data elements to be provided by the Bank initiating the SCTR.

2.4 Currency

SCTR transactions are in euro in all process stages, including SCTR Rejects, SCTR Returns and SCTR Refunds.

2.6 Reachability

Users commit to making and receiving transactions under the SEPA Credit Transfer Reversal AOS and to processing them according to the rules of the AOS.

Reachability is determined by the community of Users of the AOS.

3. ROLES OF THE AOS ACTORS

This chapter describes the roles of the actors in the AOS.

3.1 Actors

The execution of a SEPA Credit Transfer Reversal under the AOS involves three main actors:

- **The Bank initiating the SCTR:** is the SCT Participant and AOS User that sent the erroneous bulk of SCTs and as a consequence makes the Reversals in accordance with the provisions of the AOS.
- **The Beneficiary Bank:** is the SCT Participant and AOS User that was the Beneficiary Bank in the initial SCT to be reversed and that consequently receives the SCTR instruction from the Bank initiating the SCTR. On the basis of the information provided in the instruction and in accordance with the provisions of the AOS, it debits the Beneficiary's account if and only if it has obtained his/her consent to the SCTR transaction. This consent can be obtained by the Bank in a comprehensive manner in the form of a contractual agreement or on a case by case basis.

The Bank initiating the SCTR and the Beneficiary Bank may be one and the same AOS User.

- **The Beneficiary:** is the customer (Beneficiary of the credit transfer subject to the Reversal) identified in the SCTR transaction and whose account is debited.

Banks initiating SCTR and Beneficiary Banks, both Users of the AOS, are responsible for meeting their obligations under the User Guide. This responsibility is irrespective of either the means or the parties by which Originator Banks or Beneficiary Banks choose to discharge those obligations and for which they remain responsible under the AOS.

The operation of the AOS also involves other parties indirectly: **CSMs** and **Intermediary Banks**

3.3 Clearing and Settlement Mechanisms

They are free to offer services under the AOS on a voluntary basis. This is a matter between them and their participants. If they do so, they have to manage the list of their SCT Participants which have subscribed to the AOS and make such a list available to all their participants.

3.4 Intermediary Banks

They are free to offer services under the AOS on a voluntary basis. This is a matter between them and the banks to which they provide intermediation services

4. BUSINESS AND OPERATIONAL RULES

This chapter describes the business and operational rules of the AOS which must be observed by the AOS Users and by other actors as necessary such that the AOS can function properly. It also describes the specific datasets used in the AOS, and the specific data attributes within these datasets.

It is recognised that actors will also be required to establish complementary operational rules and data requirements in relation to the roles they perform and these will be defined separately by those actors.

Datasets and attributes will be represented and transmitted using generally accepted, open, interoperable standards wherever accepted by the EPC (see chapter 0).

4.2 Overview of the Credit Transfer Reversal Process & Time Cycle

This section describes the terms used to define the execution time cycle.

Sections 4.3 and 4.4 below provide a more detailed explanation of the process.

4.2.2 Cut-off Times

They are agreed between the Bank initiating the SCTR and the CSM it sends it to. Such Cut-off times are out of scope of the AOS.

4.2.3 Execution Time

The SCTR is to be executed as soon as possible according to the CSM procedures. In principle, it is a same day transaction.

4.2.4 Charging Principles

No charges whatsoever can be deducted from the amount of the SCTR, of the SCTR Reject, the SCTR Return or the SCTR Refund.

4.3 SEPA Credit Transfer Processing Flow

4.3.3 SCTR Processing Flow (SCTR-PR-03)

The main characteristics of a SCTR (SCTR-DS-07) are:

- the reversed amount will be the Original Amount of the Credit Transfer Instruction,
- SCTR message is routed through the same path taken by the original credit transfer, with no alteration of the data contained in the original credit transfer,
- a record of the relevant data relating to the initial credit transfer, sufficient to provide an audit trail, is included,
- SCTR messages contain a reason code (attribute SCTR-AT-R3, see below),
- 'SCTR R-transaction' messages are processed on a same day basis.

The following diagram identifies a number of process steps of the SCTR itself as well as of its associated R-Transactions, which are described in section 4.4 below.

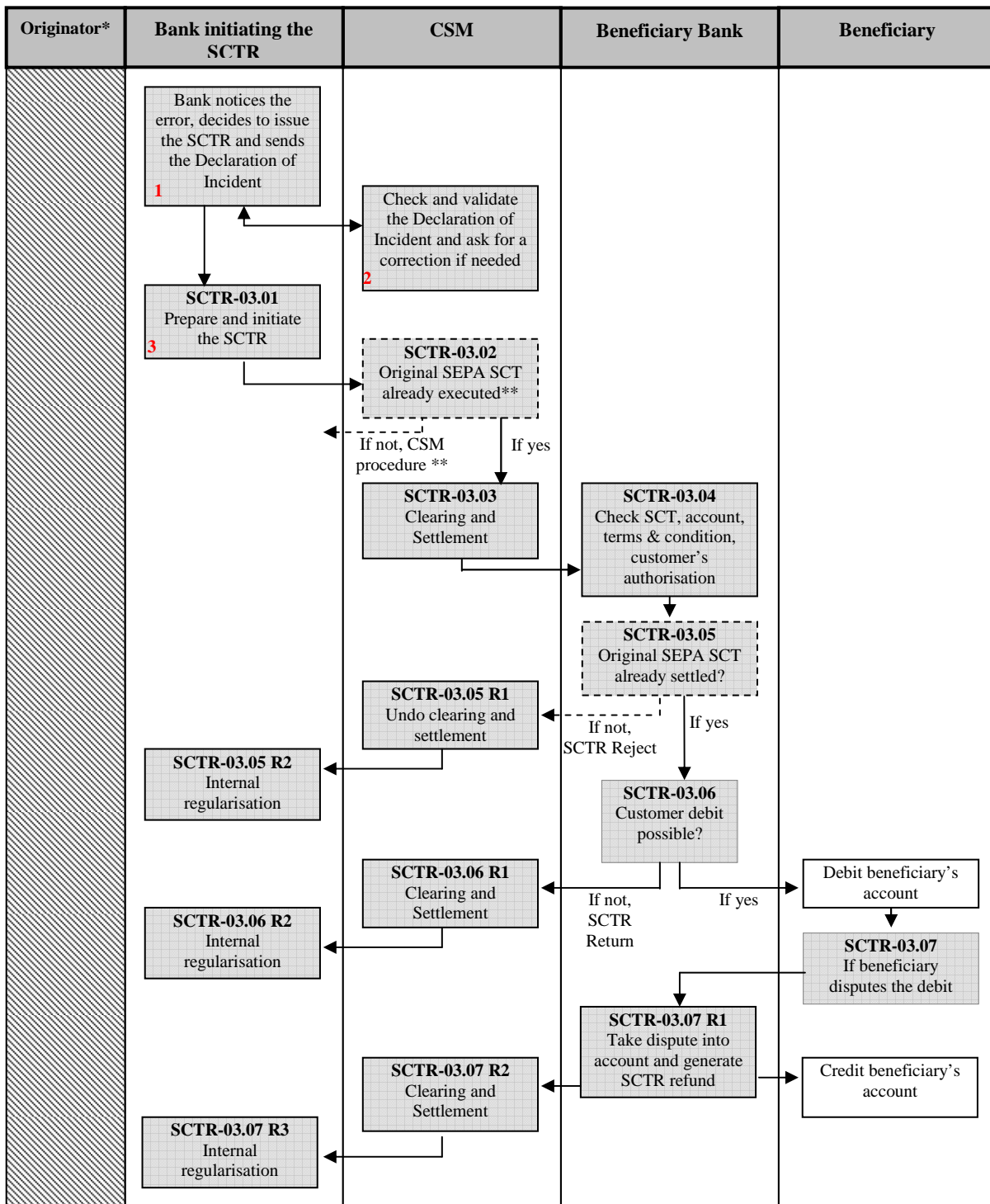


Figure 5: SCTR and SCTR R-transactions Process

* In case where the originator's account is impacted by the error of the bank, the latter has to regularize the account.

** If the CSM offers a verification service, it can, when the original transactions are not already executed, apply the procedure defined with its participants for SCTR's issued before execution.

Steps prior to the issuance of SCTR:

The Bank

- notices the error,
- decides to issue the SCTR after having checked if the SCTs are subject to the Reversal:
 - had an interbank settlement date towards the CSM of less than 5 Banking Business Days prior to the Reversal
 - had been wrongly executed for one of the reasons listed below:
 - Bank's duplicate sending
 - Duplicates are transactions for which all the data have been duplicated, i.e. transaction type, amount, interbank settlement date (unless the duplicate transactions were issued after D), ordering customer, beneficiary, remittance information...
 - Technical problems at bank's level resulting in erroneous SCTs with:
 - Erroneous bank coordinates (BIC-IBAN) of the beneficiary account
 - Erroneous amounts
- and sends a Declaration of Incident.

The goal of the Declaration of Incident is to inform the users of the AOS on the CSM that SCTRs will be issued. The mandatory data elements and the rules of the Declaration of Incident are defined in the Appendix II

The CSM checks whether the Declaration of Incident is correct and requests correction if necessary.

SCTR-03.01 Once the steps above achieved, the Bank prepares the bulk of SCTR and sends it to the CSM

SCTR-03.02 When the CSM offers a verification service, it will check if the SCT has already been executed, and:

- If not, it should apply the procedure defined with its participants for SCTRs issued before execution.
- If yes: see SCTR-03-03

SCTR-03.03 The CSM processes the SCTR and transfers it to the Beneficiary Bank.

SCTR-03.04 The Beneficiary Bank checks if it has received the original SCT subject to Reversal, if the account is accessible and if it has got the customer's authorisation

- SCTR-03.05** When the CSM offers an SCTR reject procedure, the Beneficiary Bank checks if the SCT has already been settled
- If the settlement did not occur, the Beneficiary Banks issues a SCTR reject, see above in Figure 5 SCTR-03.05 R1 and R2.
 - If the settlement already occurred, refer to SCTR-03.06 below
- SCTR-03.06** The Beneficiary Bank checks whether the debit of the customer account is possible and the funds have not already been returned.
- If not, the Beneficiary Bank issues a SCTR return within 10 Banking Business Days after settlement of the SCTR, see above in Figure 5 SCTR-03.06 R1 and R2.
 - If all the conditions of SCTR-03.06 are met, the Beneficiary Bank debits the account of the Beneficiary.
- SCTR-03.07** If the beneficiary disputes the debit, the Beneficiary Bank generates an SCTR refund, see above in Figure 5 SCTR-07 R1, R2 and R3.

4.4 Exception Processing Flow

SCTR Exception Processing Flow applies if, for whatever reason, any party cannot handle the SCTR transaction in the normal way as described in section 4.3 above. The process of SCTR exception handling starts at the point in the process where the problem is detected. SCTR transactions that result in exception processing are referred to as 'SCTR R-transactions'.

The different messages resulting from these situations are all handled in a standardised way, at process level as well as at dataset level.

The main characteristics of a SCTR R-transaction (SCTR-DS-08) are:

- The transferred amount of the SCTR R-transaction will be the Original Amount of the SCTR Instruction,
- the 'R-transaction' message is routed through the same path taken by the SCTR with no alteration of the data contained in the related SCTR,
- a record of the relevant data relating to the related SCTR, sufficient to provide an audit trail, is included,
- the related SCTR is identified by the original reference of the Bank which has initiated the SCTR,
- 'SCTR R-transaction' messages contain a reason code (attribute SCTR-AT-R3, see below),
- 'SCTR R-transaction' messages are processed on a same day basis.

A '**SCTR Reject**' occurs when a SCTR is not accepted by the Beneficiary Bank for normal execution before interbank Settlement of the SCTR and of the original SCT. It is sent by the Beneficiary Bank to the CSM (if it offers its participants such a facility) to undo the SCTR transaction before settlement. Nota: This scenario only exists with CSMs which deliver the transactions before settlement.

'SCTR Reject' messages must be processed on a same day basis and transmitted to the Bank which has initiated the SCTR on the same Banking Business Day. They must be sent as specified in SCTR-DS-08 below.

A '**SCTR Return**' occurs when a SCTR is diverted from normal execution after **interbank Settlement**, and is sent by the Beneficiary Bank to the Bank which has initiated the SCTR. It is used when the SCTR cannot be executed for valid reasons such as wrong account number or a closed account.

'SCTR Return' messages initiated by the Beneficiary Bank must be processed on a same day basis and transmitted to the Bank which has initiated the SCTR within ten Banking Business Days after the Settlement Date.

A '**SCTR Refund**' occurs when the beneficiary of the original SCT, who has been debited of the Reversal amount, claims for reimbursement of the debit. Such a Refund is sent by the Beneficiary Bank to the Bank which has initiated the Reversal with the consequence that the Beneficiary account is credited as provided for by the PSD.

'SCTR Refund' messages initiated by the Beneficiary Bank must be transmitted to the Bank which has initiated the SCTR within the timeframe foreseen by the PSD².

The step by step process flow for SCTR Rejects (Process Steps SCTR-03.05Rx), SCTR Returns (Process Steps SCTR-03.06Rx) and SCTR Refunds (Process Steps SCTR-03.07Rx) is described in Figure 5 in section 4.3 above.

4.5 Business Requirements for Datasets

The specific datasets for the SCTR are the following:

- **SCTR-DS-07** SCTR Dataset
- **SCTR-DS-08** SCTR Reject Dataset
- **SCTR-DS-09** SCTR Return or SCTR Refund Dataset

4.5.7. SCTR-DS-07 SCTR Dataset

Identification:	SCTR-DS-07
Name:	The SCTR Dataset
Description:	This dataset contains the messages for description of the minimum information that a Bank initiating a SCTR needs to make available to the Beneficiary Bank (mandatory unless otherwise indicated).
Attributes contained:	<ul style="list-style-type: none"> • An exact copy of the original Interbank payment dataset (DS-02) which is being reversed. • 04 The amount of the SCTR in euro

² A bank shall not debit its client's account with a SCTR if the client has not given his/her consent to such a transaction. Consequently, a client's request for the refund of a SCTR is justified if the amount of the SCTR has been debited from his/her account despite his/her refusal and/or lack of consent to the execution of such a transaction. In these two cases, the execution of the SCTR constitutes an unauthorized payment transaction defined by article 54 of the Payment Services Directive. As provided for by article 58 of the PSD, the payer shall be entitled to present his request for the refund of the SCTR for a period of up to 13 months after the debit date of the disputed operation and benefit from an immediate refund as stated in article 60 of the PSD.

Identification:	SCTR-DS-07
Name:	The SCTR Dataset
	<ul style="list-style-type: none"> • SCTR-AT-R1 The type of “R” message • SCTR-AT-R2 The identification of the type of party initiating the SCTR or the SCTR R-transaction • SCTR-AT-R3 The Reason code for initiating a SCTR or a SCTR Reject/Return/Refund • SCTR-AT-R4 The settlement date of the SCTR transaction or the SCTR Return/Refund • SCTR-AT-R5 The specific reference of the bank initiating the SCTR
Remarks	These attributes reflect business requirements and do not prescribe fields in the SEPA Credit Transfer Reversal Interbank Implementation Guidelines as defined in Chapter 0.5

4.5.8. SCTR-DS-08 SCTR Reject Dataset

Identification:	SCTR-DS-08
Name:	The SCTR Reject dataset
Description:	This dataset describes the content of a SCTR Reject (mandatory unless otherwise indicated)
Attributes contained	<ul style="list-style-type: none"> • SCTR-AT-R1 The type of “R” message • SCTR-AT-R2 The identification of the type of party initiating the SCTR or the SCTR R-transaction • SCTR-AT-R3 The Reason code for initiating a SCTR or a SCTR Reject/Return/Refund • SCTR-AT-R4 The settlement date of the SCTR transaction or the SCTR Return/Refund • SCTR-AT-R5 The specific reference of the bank initiating the SCTR • SCTR-AT-R6 The specific reference of the bank initiating SCTR R-transaction • An exact copy of all the attributes of the received SCTR-DS-07 which is being rejected
Remarks	These attributes reflect business requirements and do not prescribe fields in the SEPA Credit Transfer Reversal Interbank Implementation Guidelines as defined in Chapter 0.5

4.5.9. SCTR-DS-09 SCTR Return or SCTR Refund Dataset

Identification:	SCTR-DS-09
Name:	The SCTR Return or SCTR Refund dataset
Description:	This dataset describes the content of a SCTR Return or SCTR Refund (mandatory unless otherwise indicated)
Attributes contained	<ul style="list-style-type: none"> • SCTR-AT-R1 The type of “R” message • SCTR-AT-R2 The identification of the type of party initiating the SCTR or the SCTR R-transaction • SCTR-AT-R3 The Reason code for initiating a SCTR or a SCTR Reject/Return/Refund • SCTR-AT-R4 The settlement date of the SCTR transaction or the SCTR Return/Refund • SCTR-AT-R5 The specific reference of the bank initiating the SCTR • SCTR-AT-R6 The specific reference of the bank initiating the SCTR R-transaction • An exact copy of all the attributes of the received SCTR-DS-07 which is being returned/refunded
Remarks	These attributes reflect business requirements and do not prescribe fields in the SEPA Credit Transfer Reversal Interbank Implementation Guidelines as defined in Chapter 0.5

4.6 Business Requirements for Attributes

This section defines the business requirements for the attributes specific to the SCTR AOS.

- SCTR uses the following SCT “R”-attributes

SCTR-AT-R1	The type of “R” message
SCTR-AT-R2	The Identification of the type of party initiating the SCTR or the SCTR R-transaction
SCTR-AT-R3	The Reason code for initiating a SCTR or a SCTR Reject/Return/Refund
SCTR-AT-R4	The Settlement Date for the SCTR or the SCTR Return/Refund
SCTR-AT-R5	The specific reference of the bank initiating the SCTR
SCTR-AT-R6	The specific reference of the bank initiating the SCTR R-transaction

4.6.1 Attribute Details

Identification:	SCTR-AT-R1
Name:	The type of “R” message
Description:	This code allows to identify the type of “R” message in the handling of the SCTR transaction
Value range:	<p>Value applying to SCTR:</p> <ul style="list-style-type: none"> • SCTR <p>Values applying to SCTR R-messages:</p> <ul style="list-style-type: none"> • Reject • Return • Refund

Identification:	SCTR-AT-R2
Name:	The Identification of the type of party initiating the SCTR or the SCTR R-transaction
Description:	This attribute contains a code identifying the type of party initiating the SCTR message or the SCTR R-transaction message.
Value range:	<p>Values applying to SCTR:</p> <ul style="list-style-type: none"> • Originator Bank • Intermediary Bank <p>Values applying to SCTR Reject/Return/Refund:</p> <ul style="list-style-type: none"> • Beneficiary Bank (Reject/Return) • Beneficiary (Refund)

Identification:	SCTR-AT-R3
Name:	The Reason code for initiating a SCTR or a SCTR Reject/Return/Refund
Description:	The codes defines the reason for initiating a SCTR transaction or a SCTR Reject/Return/Refund
Value range:	<p>Codes applying to a SCTR</p> <ul style="list-style-type: none"> • Duplicate SCT sending • Technical problem resulting in <ul style="list-style-type: none"> • Erroneous BIC in the SCT • Erroneous IBAN in the SCT • Erroneous amount in the SCT <p>Codes applying to SCTR Reject and SCTR Return:</p> <ul style="list-style-type: none"> • Invalid IBAN in the SCTR

	<ul style="list-style-type: none"> • Account closed • Account blocked • Insufficient funds (on the account of the Beneficiary) • Duplicate SCTR • Already returned original SCT • Beneficiary's Refusal (of the debit procedure) • Beneficiary deceased • Regulatory Reason • Original SCT never received • No response from Beneficiary (to the debit procedure) • Incorrect BIC of the Beneficiary Bank in the SCTR <p>Codes applying to SCTR Refund:</p> <ul style="list-style-type: none"> • Already returned original SCT • Original SCT never received • Unauthorised transaction
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Identification:	SCTR-AT-R4
Name:	The Settlement Date for the SCTR or the SCTR Return/Refund
Description:	The date on which the amount of the SCTR or the SCTR Return/Refund is settled by the CSM

Identification:	SCTR-AT-R5
Name:	The specific reference of the bank initiating the SCTR transaction
Description:	<p>SCTR: This reference is determined by the bank that initiates the SCTR transaction and must be forwarded in the handling of the SCTR message to the Beneficiary Bank and optionally to the Beneficiary. It must be specified in any request sent by the Beneficiary or the Beneficiary Bank to the Bank that initiated the SCTR to obtain more information about the reasons for the SCTR</p>

Identification:	SCTR-AT-R6
Name:	The specific reference of the bank initiating the SCTR R-transaction
Description:	<p>SCTR R-transaction: This reference is determined by the bank that initiates the SCTR R-transaction and must be forwarded in the handling of the SCTR R-message to the Bank that initiated the SCTR. It must be specified in any request sent by the Bank that initiated the SCTR to the Beneficiary Bank to obtain more information about the reasons for the non acceptance of the SCTR</p>

5. RIGHTS AND OBLIGATIONS OF AOS USERS

5.1 The AOS

The AOS starts operation on 17 November 2012.

Adherence to the AOS is subject to compliance with the following guiding principles:

- All SEPA Credit Transfer Reversal Users shall comply with this User Guide.
- AOS Users need to ensure that Title III and Title IV of the Payment Services Directive from November 2007 affecting debits enabled by the SEPA Credit Transfer Reversal AOS are effectively represented in law or substantially equivalent binding practice.

5.2 Compliance with the User Guide

A User shall comply with:

- the User Guide, including amendments once they have been posted on the web site of the AOS Owner
- the SEPA Credit Transfer Reversal AOS Implementation Guidelines

The parties to the User Guide are the Owner of the AOS and each User.

The User Guide is a multilateral agreement between:

- the AOS Owner and each User
- each User and every other User.

A person who is not a party to the User Guide shall have no rights nor obligations under the User Guide.

A User shall ensure that its employees, its agents and the employees of its agents comply with all applicable obligations under the User Guide.

5.3 Reachability

Each User shall offer services relating to the AOS in the capacity of both Originator Bank and Beneficiary Bank.

A User which uses the services of an Intermediary Bank to perform any functions in relation to an obligation arising under the User Guide shall ensure that its arrangements with such Intermediary Bank are consistent with, and do not detract from, the requirements of the User Guide and the other documents listed in section 5.2.

A User resorts to the services of a CSM or Intermediary Bank at its own risk.

5.4 Eligibility for using the AOS

In order to be eligible as a User, a User must at all times be a registered Participant in the SCT Scheme of the EPC and comply with all the requirements of section 5.4 “Eligibility for participation” of the SEPA Credit Transfer Rulebook v6.0 (and following versions).

5.5 Becoming a User

Only SCT Scheme Participants which are eligible under section 5.4 above may apply to become a User of the AOS.

Applications shall be submitted in writing to the AOS Owner. An application must contain:

- Name and location of the applicant
- BIC of the applicant
- Date of registration to the AOS
- Date of exit from the AOS

Each User must inform the AOS Owner of any modification of above mentioned information (e.g termination of activity, merger/acquisition, change of name or identifier (BIC) for example).

5.6 SEPA Credit Transfer Reversal AOS List of Users

The List of Users is maintained by the AOS Owner and disclosed on its web site. It contains the information details requested in section 5.5 above.

Any changes to Users’ details will be provided by Users.

By submitting an application to become an AOS User, a SCT Scheme Participant consents to publication of the details referred to in this section 5.6.

5.7 Obligations of a SCTR initiating Bank

The SCTR initiating Bank shall:

- ensure that it sends SCTR only in relation with the reasons listed in sections 2.2, 4.3.3 and 4.6.1 (SCTR-AT-R3);
- ensure that it sends SCTR in the time frame described in section 4.2 above;
- provide the Beneficiary Bank the required Reversal information (as described in SCTR-DS-07, in chapter 4) in sufficient time and manner to allow the Beneficiary Bank to comply with its obligations under the User Guide;
- identify the SCTR to the Beneficiary Bank as a Reversal made under the terms of the AOS;
- ensure that all SCTR Instructions comply with the standards set out in the SEPA Credit Transfer Reversal Interbank Implementation Guidelines.

5.8 Obligations of a Beneficiary Bank

The Beneficiary Bank shall:

- provide Beneficiaries with adequate information on the respective rights and obligations of the Originator, Beneficiary, Originator Bank and Beneficiary Bank in relation to the AOS, information about the service level offered and any charges that apply to the service being performed;
- apply the standards set out in the SEPA Credit Transfer Reversal Interbank Implementation Guidelines to the processing of received payment instructions;
- apply the provision of information to its Customers;
- receive the Reversal from the SCTR Initiating Bank and debit the account of the Beneficiary identified by the IBAN in the Credit Transfer Reversal Instruction as the unique identifier, provided that applicable regulations in relation to money laundering and terrorist financing have been complied with;
- validate the syntax of the SCTR Instruction, accept it if it is in accordance with the requirements of the User Guide, and carry out a Return if it is invalid together with a reason code;
- debit the account of the Beneficiary with the full amount of the Reversal;
- effect all Returns and Refunds in relation to its Beneficiaries' accounts, in accordance with the User Guide.

5.10 Liability of the AOS Owner

The AOS Owner, its agents, employees or the employees of its agents shall not be liable for anything done or omitted in the exercise of any discretion under the User Guide unless it is shown that the act or omission was effected in bad faith.

The AOS Owner, its agents, its employees and the employees of its agents shall not be liable for any losses which are not foreseeable.

5.11 Termination

A User terminates its status as an AOS User by giving no less than six months' prior written notice to the AOS Owner. The information will be displayed in the Users List.

The effective date of termination of a User's status as a User is the effective date of such a notice, or (in any other case) the date on which the User's name is deleted from the AOS List of Users.

5.12 Intellectual Property

The Users acknowledge that any copyright in the AOS User Guide belongs to the AOS Owner. The Users shall not assert contrary claims, or deal with the User Guide in a manner that infringes or is likely to infringe the copyright held by the AOS Owner in the AOS User Guide.

5.16 Other provisions

Every document that is required to be provided under the User Guide shall be provided in the English language.

Headings in the User Guide are used for ease of reference only.

The User Guide is drawn up in the English language. If the User Guide is translated into any other language, the English language text prevails.

6. SEPA CREDIT TRANSFER REVERSAL AOS MANAGEMENT

The AOS Owner is CFONB.

The only valid AOS supporting documents are those to be found on the web site of the AOS Owner.

6.1 Development and Evolution

The development and evolution function shall be performed by the AOS Owner. Possible evolutions shall be displayed on the web site of the AOS Owner before their entry into force.

7. DEFINED TERMS IN THE USER GUIDE SPECIFIC TO THE SCTR AOS

Term	Definition	Source
AOS Owner	The body issuing the AOS documentation and maintaining the AOS List of Users, see also section 0.4 and chapter 6 of this User Guide.	
AOS User	SCT Scheme participant having registered to the AOS and acting as Bank initiating the SCTR (see below) and/or Beneficiary Bank (see below).	
Application Form	The form to be completed as part of the process by which a SCT Participant applies to become an AOS User. The Application Form is found as Annex 1 of this User Guide.	
Bank initiating the SCTR	<i>As defined in section 3.1 of this User Guide.</i>	
Beneficiary	Beneficiary of the original SCT	
Beneficiary Bank	<i>As defined in section 3.1 of this User Guide.</i>	
Declaration of Incident	The preliminary declaration to be made by the Bank to the CSM in order to inform of the imminent sending of SCTR transactions.	
List of Users	The list of AOS Users displayed by the AOS Owner on its web site.	
Reversal	<i>See SCTR below</i>	
SCTR (or only Reversal)	A reversal transaction under the SEPA Credit Transfer Reversal mechanism, see sections 2.2 and 4.3.	
SCTR Reject	<i>See section 4.4 of this User Guide.</i>	
SCTR Return	<i>See section 4.4 of this User Guide.</i>	
SCTR Refund	<i>See section 4.4 of this User Guide.</i>	
SEPA Credit Transfer Reversal AOS (or only “AOS”)	The SEPA Credit Transfer Reversal AOS, as described in the User Guide	

Term	Definition	Source
SEPA Credit Transfer Reversal AOS Interbank Implementation Guidelines	The SEPA Credit Transfer Reversal Interbank Implementation Guidelines set out the rules for implementing the reversal ISO 20022 XML standards in the interbank space, constitute a binding supplement to this User Guide, described with reference [3] in this User Guide.	
User	<i>See AOS User above.</i>	
User Guide	The SEPA Credit Transfer Reversal AOS User Guide as amended from time to time.	

Annex I to Sepa Credit Transfer Reversal AOS User Guide



Sepa Credit Transfer Reversal Application Form

The application form must be sent by mail to CFONB

sctr.cfonb@fbf.fr

DATA

From: *Name of Application Form submitter*

Applicant:

- BIC8 or BIC11 :
- Name of Applicant :
- Street Address :
- Post Code :
- City :
- Country :
- Date of registration to the AOS :

Annex II to Sepa Credit Transfer Reversal AOS User Guide

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Sepa Credit Transfer Reversal

Declaration of incident

Minimum content of the Declaration of Incident:

- The BIC and Name of the Bank initiating the SCTR
- The reason for issuance either :
 - Duplicate sending
 - Technical problems resulting in erroneous SCTs
- Date of settlement of the original SCTs
- The sending date of SCTR
- The number of SCTR issuance
- The global amount of the issuance

Rules :

Bank initiating the SCTR must send a preliminary Declaration of Incident to each of the CSM used for the issuance of the SCTR

Upon receipt of the Declaration of Incident, the CSM checks the compliance with the authorised reversal reasons and routes it to its other participants. If needed, the CSM can activate its crisis management procedure.

If the Declaration of Incident does not respond to the required criteria, the CSM sends it back to the bank, in the shortest time.

If it responds to the criteria, the CSM follows the procedure it has defined with its participants.

Even if reactivity is a key element when confronted with such incidents, each CSM shall use all reasonable endeavours to insure that the Declaration of Incident is made and routed in sufficient time and manner to avoid difficulties at the level of the banks receiving the SCTR.