

Service Catalogue

Non-SEPA Portfolio

Final

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1 Introduction

This catalogue informs banks and their business customers about the domestic payment services Equens offers them in the Netherlands. 'Non-SEPA' means the services were originally developed for domestic use, but most of them can be taken in combination with SEPA payment services.

This edition appears on the occasion of publication of the catalogue on www.equens.com. Formerly the guide was distributed on CD-ROM and by e-mail respectively. The changes compared to the previous edition of October 2008 are the following.

- 1 Restore is not allowed with Acceptgiro.
- 2 With the services Payment and *Incasso* Payment information also contains items cancelled on request of the sender.
- 3 Textual improvements.

Equens also supplies a Dutch version of the catalogue.

For general information the bank can contact its Equens account manager.

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2 Payment

Introduction

The service Payment allows a bank to send [bank payments](#) and [business payments](#) to Equens for [settlement](#) and through [notification](#) to other banks and to receive from Equens settled payments from other banks.

The bank may allow its business customers to send business payments directly to Equens. In such cases the bank supplies Equens with a form containing the relevant customer data.

Equens will request fiat from the bank by fax or on-line for processing payments sent in directly. The business customer has previously informed the bank with a copy of the [Order Letter](#) (unless otherwise agreed).

Delivery

Banks deliver their payments to Equens in BetOpd layout, business customers use the ClieOp layout.

After delivery they may request Equens to cancel a whole batch or certain items in the batch.

A batch is cancelled by sending Equens (a copy of) the completed Order Letter saying VERVALLEN (expired).

One or more items are cancelled by sending Equens an *Annuleringsopdracht* (cancellation order).

Users of Equens Internet Services can submit item cancellations electronically.

Validation

Equens checks form and content of batches and items. See the BetOpd and the ClieOp description for the requirements.

Upgrading

In transactions successfully validated Equens checks whether the creditor account is to be [diverted](#), either because it is a [seven-digit account](#), or because of the [Bank Switch Service](#).

Next, Equens adds name and bank identifier of debtor and creditor to the transaction.

Settlement

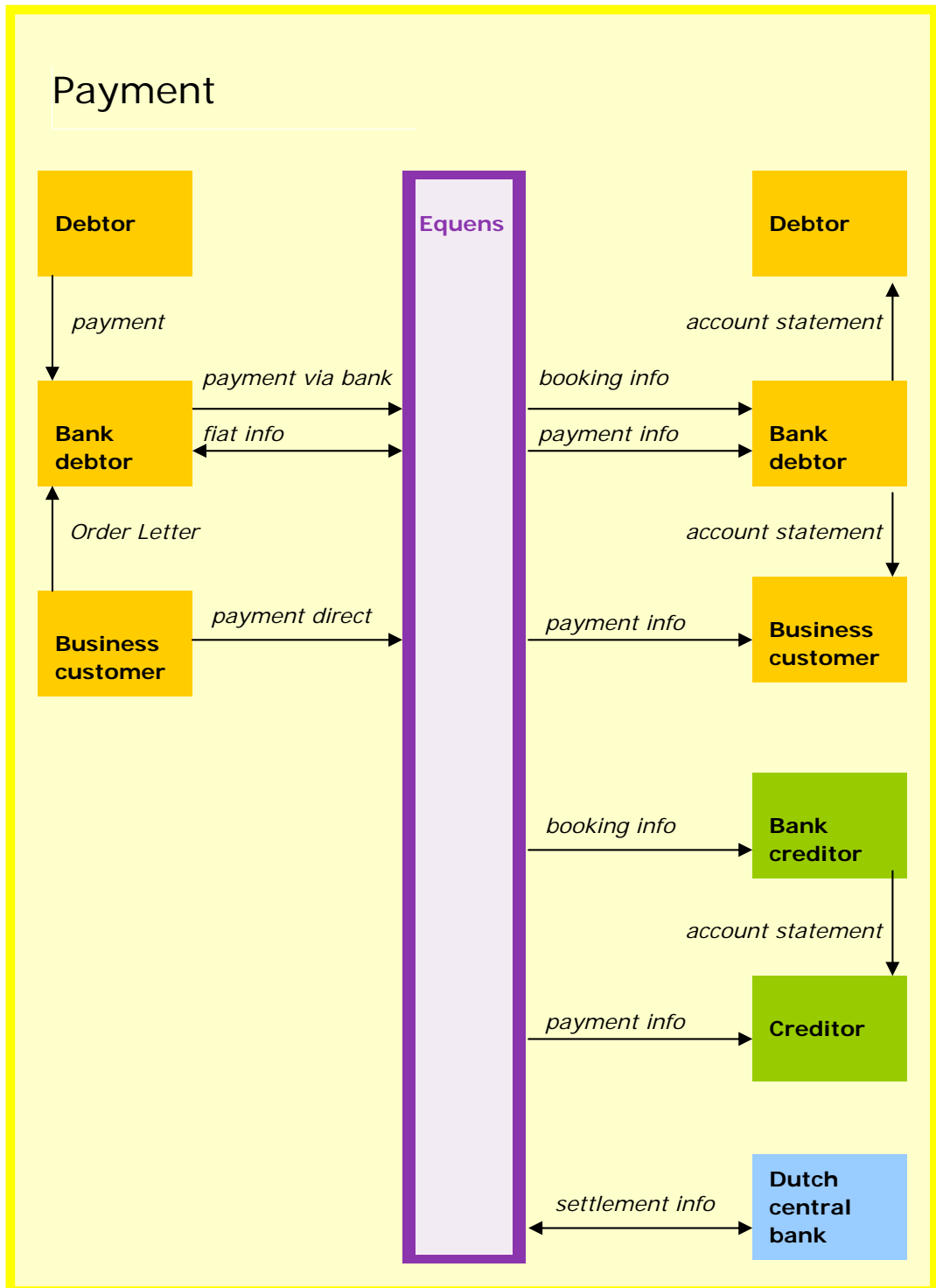
Equens assigns a number of payment batches to a debit parcel and requests the Dutch central bank to settle it.

Booking information

The final step in the processing cycle is the creation of [booking information](#) for the bank, containing all settled transactions to be notified back or through.

Payment information

The submitter receives rejected and cancelled transactions electronically in [VerwInfo](#) layout (Batch type A) or on paper.



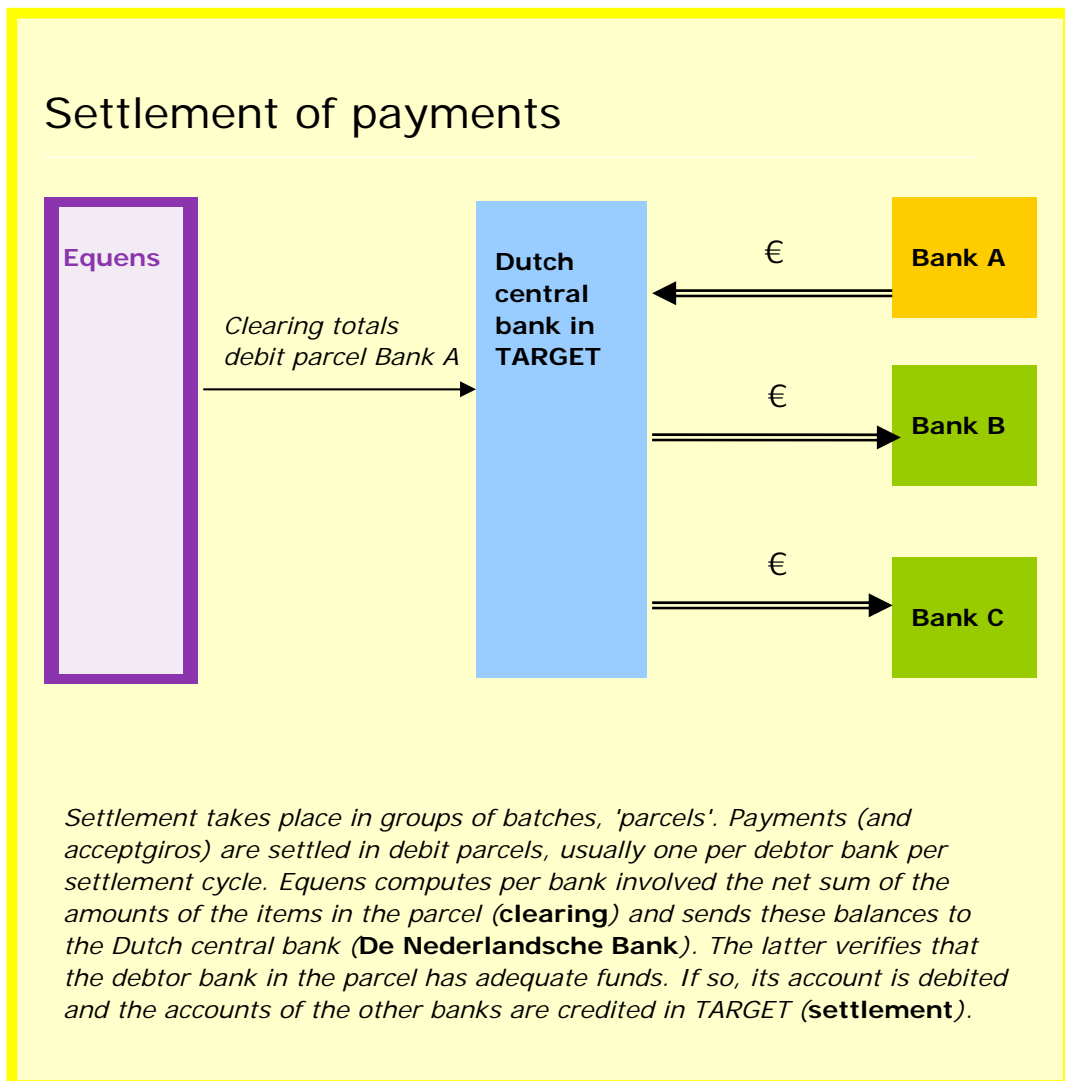
Restore

Within a certain period after settlement the bank may request Equens to restore a batch wholly or partly, for instance because it was processed twice. If the request is legitimate, Equens retrieves the transactions from its archive and interchanges debtor and creditor data. By processing this restore batch the original transactions are undone.

Additional: VerwInfo payment information

As an additional service Equens supplies electronic payment information in VerwInfo layout. For submitters of payments the following batch types are of interest:

- through notification of payments (and acceptgiros - Batch type C);
- back notification of names and addresses of creditors (Batch type D).



3 *Incasso*

Introduction

The service *Incasso* allows a bank to send [debit transfers](#) to Equens for [settlement](#) and through [notification](#) to other banks and to receive from Equens settled debit transfers from other banks.

The bank supplies Equens with a form containing the relevant data of every business customer sending debit transfers to Equens either directly or through the bank.

Equens checks whether a batch with debit transfers exceeds a limit stipulated in the contract between bank and customer. If so, Equens will request fiat from the bank by fax for processing the batch.

Delivery

Banks deliver their debit transfers to Equens in BetOpd layout, business customers use the ClieOp layout.

After delivery they may request Equens to cancel a whole batch or certain items in the batch.

A batch is cancelled by sending Equens (a copy of) the completed Order Letter saying VERVALLEN (expired).

One or more items are cancelled by sending Equens an *Annuleringsopdracht* (cancellation order).

Users of Equens Internet Services can submit item cancellations electronically, together with the electronic Order Letter.

Validation

Equens checks form and content of the batches and items. See the BetOpd and the ClieOp description for the requirements.

Upgrading

In transactions successfully validated Equens checks whether the debtor account is to be [diverted](#) because of the [Bank Switch Service](#).

Next, Equens adds name and bank identifier of debtor and creditor to the transaction.

Settlement

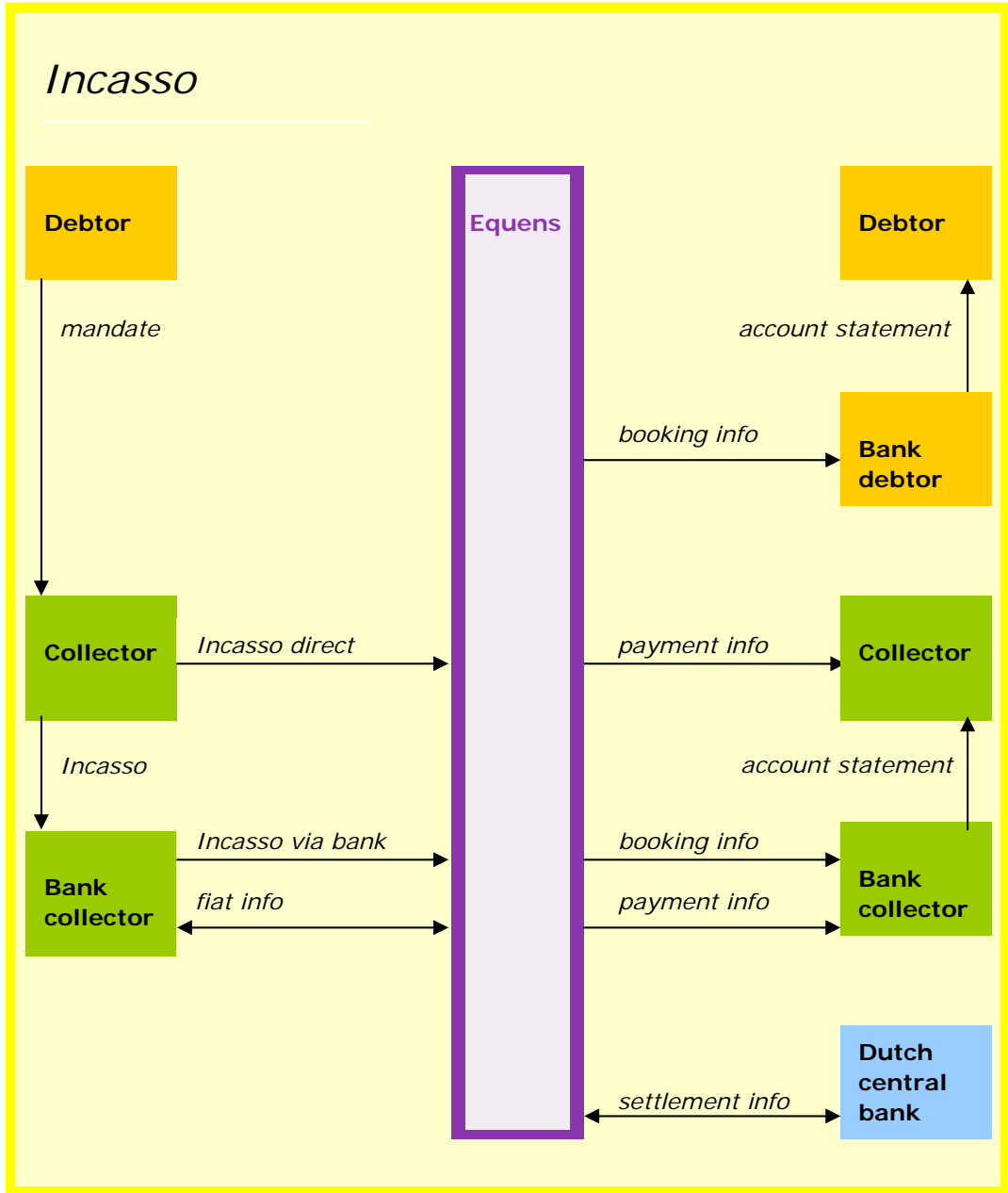
Equens assigns the batches to a credit parcel and requests the Dutch central bank to settle it.

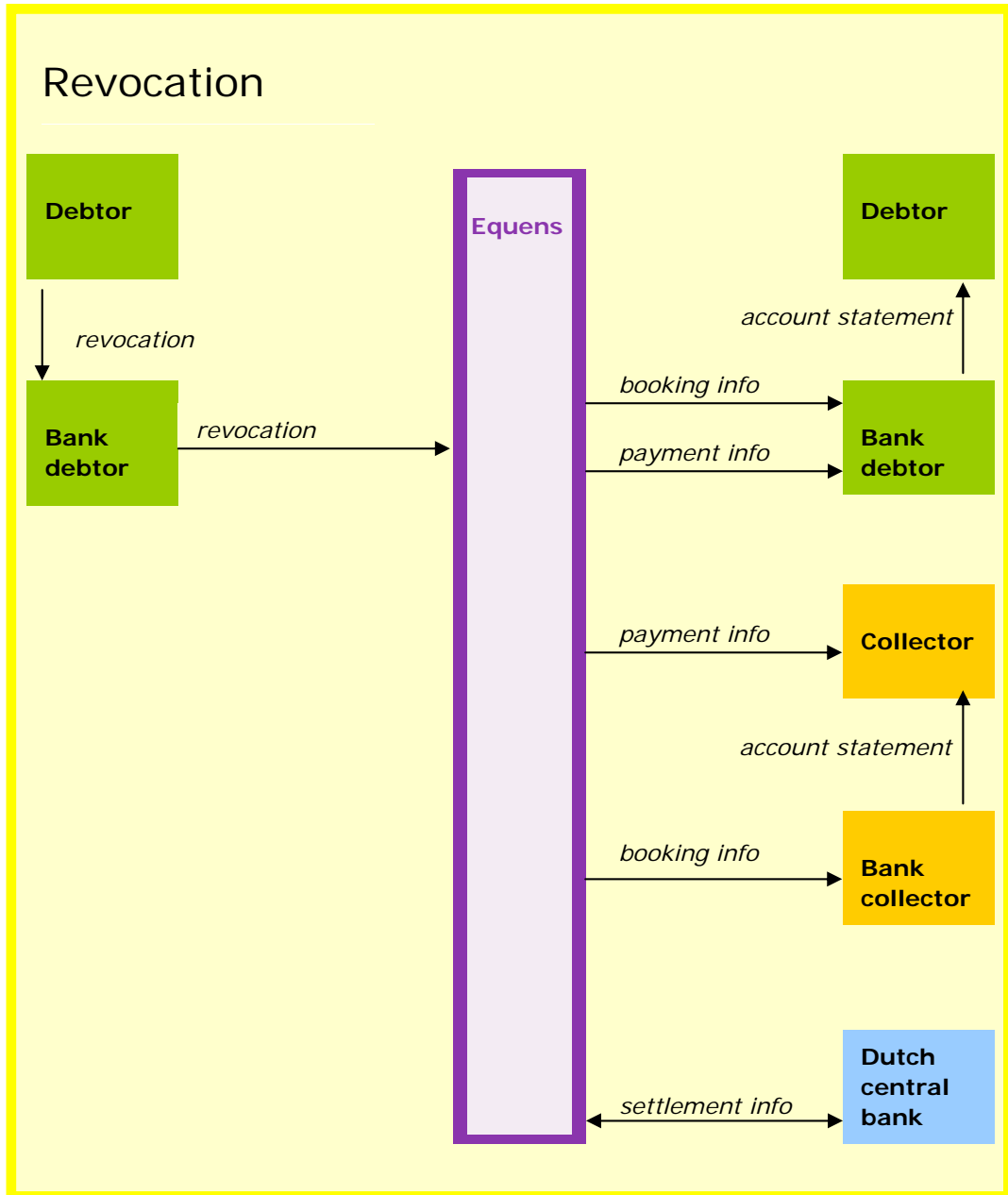
Booking information

The final step in the processing cycle is the creation of [booking information](#) for the bank, containing all settled transactions to be notified back or through.

Payment information

The submitter receives rejected and cancelled transactions electronically in [VerwInfo](#) layout (Batch type A) or on paper.





Revocation

Depending on the type of *Incasso*, the debtor bank or the debtor may [revoke](#) the debit transfer within a certain period after settlement. Revocations are sent to Equens by the debtor bank in BetOpd layout.

Equens validates the items: it checks for instance:

- is there a corresponding debit transfer in the archive?
- has this debit transfer already been revoked or restored?
- is the revocation on time?

Subsequently Equens upgrades and settles the revocations and creates booking information.

Restore

Within a certain period after settlement the bank may request Equens to restore a batch wholly or partly, for instance because it was processed twice. Equens retrieves the transactions from its archive and checks whether the debit transfer has already been revoked. If not, Equens interchanges debtor and creditor data. By processing this restore batch the original transactions are undone.

Additional: VerwInfo payment information

As an additional service Equens supplies electronic payment information in VerwInfo layout. For submitters of *Incasso* Batch type B is of interest: through notification of revocations.

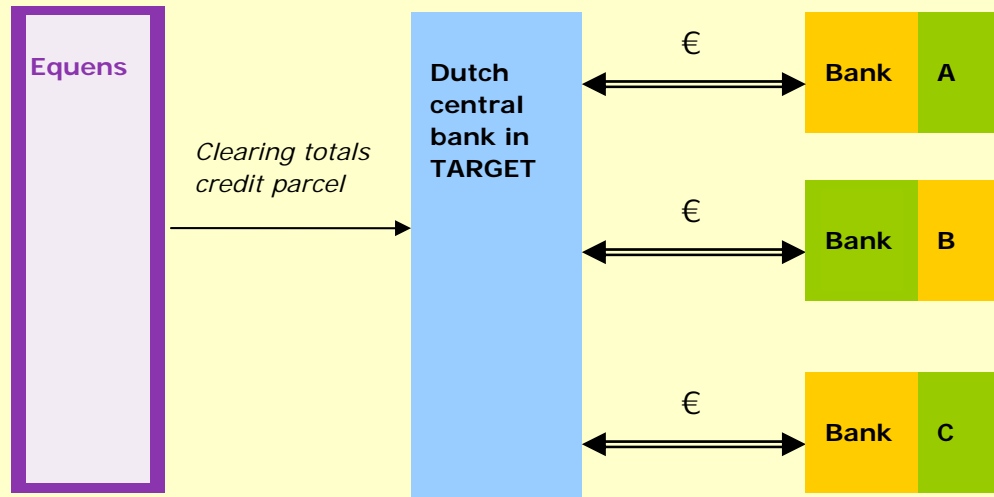
Additional: Automatic Repeated Delivery (ARD)

As an additional service Equens offers ARD for debit transfers to accounts belonging to ING Bank. If a debit transfer is revoked by the ING Bank due to insufficient funds, Equens delivers it again to the ING Bank a maximum of four times until the ING Bank either processes the debit transfer or revokes it for the fifth time. In the latter event, Equens notifies it back to the bank of the collector. Because the revocation period commences at the moment the client is debited, participation in ARD implies that this period may be extended.

Additional: : Selectieve Incasso Blokkade (SIB)

As an additional service Equens offers the bank the possibility to block an account against a specific collector. The service is supplied by an interactive module of Equens Internet Services. The module allows the bank to enter blocks, by supplying the account numbers of its customer and the collector, to remove blocks and to receive reports.

Settlement of debit transfers and revocations



Settlement takes place in groups of batches, 'parcels'. Debit transfers and revocations are settled in a credit parcel, usually one per settlement cycle for all banks. Equens computes per bank involved the net sum of the amounts of the items in the parcel (**clearing**) and sends these balances to the Dutch central bank (**De Nederlandsche Bank**). The latter verifies that the debtor banks in the parcel have adequate funds. If so, their accounts are debited and the accounts of the other banks are credited in TARGET (**settlement**). In the illustration banks A, B and C are credited or debited, depending on the outcome of the netting process.

4 Acceptgiro

Introduction

The service Acceptgiro allows a bank to send [acceptgiros](#) to Equens for [settlement](#) and through [notification](#) to other banks and to receive from Equens settled acceptgiros from other banks.

The bank supplies Equens with a form containing the relevant data of its Acceptgiro distributors.

Delivery

Equens does not process paper acceptgiro forms. The bank will have to convert them, or have a third party do this (for instance Unisys Payment Services & Solutions in Leusden).

Submitters deliver their acceptgiros to Equens in BetOpd layout. After delivery they may request Equens to cancel one or more batches.

A batch is cancelled by sending Equens (a copy of) the completed Order Letter saying VERVALLEN (expired).

Validation

Equens checks form and content of the batches and items. See the BetOpd description for the requirements.

If a creditor does not have an Acceptgiro contract, Equens returns the item.

Upgrading

In transactions successfully validated Equens checks whether the creditor [seven-digit account](#) is to be [diverted](#).

Next, Equens adds name and bank identifier of debtor and creditor to the transaction.

Settlement

Equens assigns the batches to a debit parcel and requests the Dutch central bank to settle it.

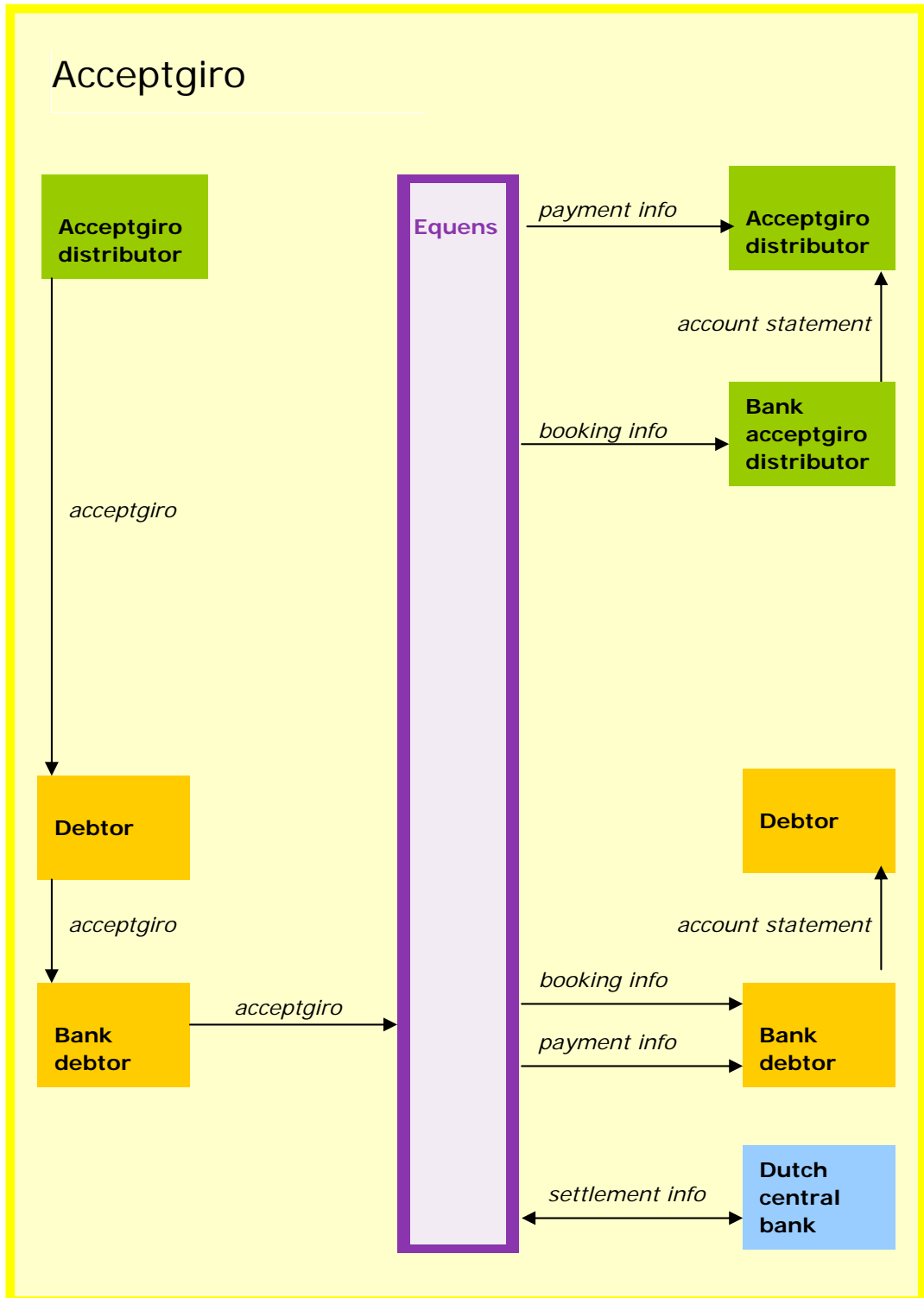
Booking information

The final step in the processing cycle is the creation of [booking information](#) for the bank, containing all settled transactions to be notified back or through.

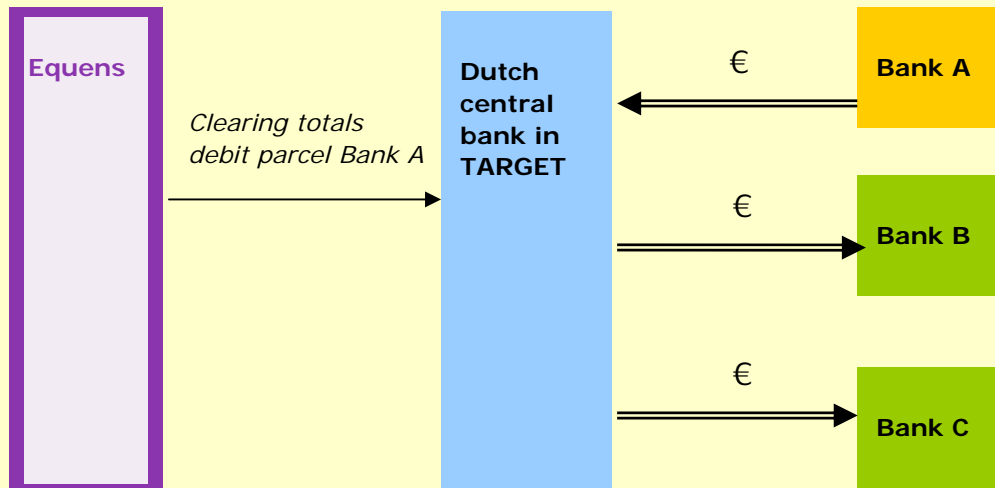
Payment information

The bank receives rejected transactions electronically in [VerwInfo](#) layout (Batch type A) or on paper.

The Acceptgiro distributor receives his transactions electronically in VerwInfo layout (Batch type C - if required together with payments to his credit), or on paper.



Settlement of acceptgiros



Settlement takes place in groups of batches, 'parcels'. Acceptgiros (and payments) are settled in debit parcels, usually one per debtor bank per settlement cycle. Equens computes per bank involved the net sum of the amounts of the items in the parcel (**clearing**) and sends these balances to the Dutch central bank (**De Nederlandsche Bank**). The latter verifies that the debtor bank in the parcel has adequate funds. If so, its account is debited and the accounts of the other banks are credited in TARGET (**settlement**).

5 Account Administration

Introduction

The service Account Administration allows a bank to register the accounts that are used in payment traffic with Equens, excepting [seven-digit accounts](#).

Equens and the Dutch central bank together issue (ranges of) account numbers to banks.

Delivery

Banks deliver their account data in NMUT layout. Instances of data submitted:

- entry new account, including name and address of the holder;
- changing existing account:
 - address account holder;
 - expiration code;
 - blocking account against debiting and / or crediting;
 - blocking account against *Incasso*.

Back notification

Each month Equens supplies banks with a file containing account numbers that can be reissued, after having expired.

Validation

Equens matches all transactions with its Account file, checking for instance whether the accounts involved are not expired or blocked. If the transaction is not rejected, name and bank identifier of debtor and creditor are added to it.

Additional: Account Information Service (AIS)

As an additional service Equens offers the bank the possibility to query Bank Identifier Code (BIC) and IBAN (International Bank Account Number) of a given account number. BIC and IBAN are obligatory in international (SEPA) payment traffic. The service is supplied through Equens Internet Services, either interactively or automated. If the account number is registered at Equens, the bank receives not only BIC and IBAN, but also other characteristics, for instance

- branch number;
- savings account code;
- block code;
- expiration code;
- optional: the new account number if the account holder is using the Bank Switch Service to migrate his payment traffic to another bank.

6 NAW Service

Introduction

The *NAW Service* (*NAW* = *Naam-Adres-Woonplaats* = Name-Address-City) allows a bank to receive names, or names and addresses, belonging to a given account.

The bank may allow its business customers to send files requesting names directly to Equens. In such cases the bank supplies Equens with a form containing the relevant customer data. Addresses are supplied only to banks and certain government agencies.

Business customers use the names to verify that they have the correct account number registered. For instance, collectors accepting mandates by telephone check whether the names of the telephone number and the account number match.

Another example are [seven-digit account numbers](#). Since these do not have a check algorithm, the customer is obliged to supply the account holder's name as well in the transaction, unless he has checked that the number is correct by comparing the names registered by him and by the bank.

Delivery

Requests for names (and addresses) belonging to bank account numbers are submitted in file layout NAVRAAG.

Equens supplies names in file layout BGCNAAM, names and addresses in file layout BGCNAW.

Requests for names (and addresses) belonging to seven-digit account numbers are submitted in file layout N01, or together with a transaction in the ClieOp file layout. Equens supplies names (and addresses) in file layout N11.

7 Inquiries

Introduction

The service Inquiries allows a bank to receive a record (or copy) of a document, a transaction or a batch processed by Equens or to receive a copy of output sent earlier. Banks use this information to answer questions from their clients.

Types

The service is supplied by an interactive module of Equens Internet Services. The module supports the following types of inquiry.

1 Copy document

Equens supplies the information of the transaction as processed and asks the converting party for an image.

2 Item information

The bank receives a full record of the transaction and the way Equens has processed it.

The answer contains name and address belonging to the other account at the time of the transaction. The current address is supplied or retrieved from the other party on request.

3 Processing information

Processing information refers to groups of items, for example:

- acceptgiro's notified through to the distributor in a given period;
- a batch submitted;
- refused items from a batch submitted.

On request the module provides reports of inquiries submitted and their status. Space permitting, answers are shown on screen, with the options to print or download the answer. Extensive answers can only be downloaded.

8 Bank Switch Service

(The Bank Switch Service is described in Dutch on www.overstapservice.nl. This chapter provides speakers of English with the essentials).

Introduction

The Bank Switch Service allows (business) customers to migrate their payment traffic to an account at another bank. The service aims to minimise the effort on the customer's part. The customer remains responsible for matters involving (legal) agreements with the old bank.

The Bank Switch Service is a product from the *Nederlandse Vereniging van Banken* (NVB - Dutch banking association).

All communication between the old bank, the new bank and Equens proceeds through Equens Internet Services.

Delivery

The customer applies for the switch at the new bank, which notifies Equens. Equens validates the switch notification and forwards it to the old bank. The old bank sends a confirmation of the switch to the new bank and to Equens.

Diversion

Equens [diverts](#) domestic payments and debit transfers (*Incasso*) from the old account to the new account for a period of 13 months. Diverted transactions contain as text "*Overstapservice via [oude rekeningnummer]*" (Bank Switch Service via [old account number]).

Each time Equens diverts a debit transfer, it sends a letter to the collector asking him to change the account in his books.

With payments, requesting the debtor to change the account is the customer's own responsibility, because debtors often want extra information (for example a registration number). He receives Switch Cards for this purpose.

Reporting

Equens supplies banks with an report of customers won and lost through switching - ***Overstaptabel***.

9 Detailed Invoice

All banks receive the standard Equens invoice containing an item per service.
The service Detailed Invoice allows a bank to receive a file (in *SpecInfo* layout) detailing this invoice.
The bank can use the Detailed Invoice for instance to bill its customers.

10 Management Information

Introduction

The service Management Information allows a bank to receive quantitative historical information about every aspect of Equens' business: from (card) payment processing to client data management and inquiries.

Content

Equens can provide

- daily figures for the last 60 days;
- monthly figures for the last 24 months;
- yearly figures for the years since 1997.

The information can be used for all kinds of analyses. For instance, a bank may use Management Information to monitor the rate at which payment traffic moves from domestic to SEPA standards. Or the bank can determine its debit and credit market share per payment product - information which can be used for interbank fee management.

Supply

Equens supplies its management information in the form of cubes, for which the bank will have to purchase software from Cognos (www.cognos.com).

Equens also supplies management information in the form of Microsoft Excel files, on a regular basis or in response to a specific query.

Preparation

As a first step in this service, a team of business intelligence experts from Equens will visit the bank to discuss what information the bank exactly needs. Next they will construct one or more cubes, modifying them until the bank is satisfied. The cube(s) will then be supplied monthly. Further adaptations are included in the subscription fee.

11 Annex: Glossary

Term	Meaning
Acceptgiro	name of the Dutch domestic product (owned by Currence; see www.currence.nl) for payment deriving from Acceptgiro form: a standardized form sent by business customer (distributor) to his debtor, who sends it to his bank on paper or through electronic banking
bank payment	converted order, standing order or iDEAL payment (see elsewhere in this glossary)
batch	group of payments, debit transfers or acceptgiros sent in together
BetOpd	layout of file intended for Equens with bank transactions;
booking information	file from Equens containing settled transactions that are either being notified back to the bank (bank's own customer initiated the transaction) or notified through to the bank (customer from other bank initiated the transaction)
business customer	customer licensed to send in business payments and / or debit transfers and / or acceptgiros
business payment	creditor payment or salary payment made by business customer
clearing	adding and subtracting of transaction amounts in a batch or batches to arrive at net total amounts due between banks involved
ClieOp	layout of file intended for Equens with business payments or debit transfers; documentation available on www.equens.com
collector	customer licensed to send in debit transfers
converted order	payment received by bank from customer on paper or through electronic banking
counter transaction	transaction in which debtor and creditor accounts have changed places
creditor	customer who receives money from another customer, called debtor
customer	holder of a bank account

Term	Meaning
debit transfer	move of money from one account to another account on the initiative of the creditor <i>In stead of 'direct debit' this catalogue uses 'debit transfer' to avoid confusion with the SEPA product Direct Debit</i>
debtor	customer who pays money to another customer, called creditor
divert	<ul style="list-style-type: none"> Equens replaces the seven-digit account of the creditor in a payment or acceptgiro by his ten-digit account; or: Equens replaces the old account of the Bank Switch Service user by his new account in a payment or in a debit transfer
H layout	layout of file received from Equens with booking information
iDEAL payment	internet payment received by bank from customer through electronic banking
Incasso	name of the Dutch domestic product (owned by Currence; see www.currence.nl) for debit transfer
item	transaction (in a file)
mandate	written or electronic authorisation given by debtor to creditor to execute a debit transfer
notify	<i>see booking information</i>
Order Letter	request to Equens, on paper or electronic, to process a specified batch
parcel	group of batches settled together
payment	move of money from one account to another account on the initiative of the debtor <i>see also bank payment, business payment</i> <i>Note that in the SEPA documentation of the European Payments Council (EPC), 'payment' means both payment and Incasso. Equens complies with EPC usage in its SEPA documentation. In non-SEPA documentation, however, Equens conforms to Dutch domestic usage.</i>
payment information	file from Equens containing transactions that are either being notified back (rejects and returns) or notified through (revocations, payments, acceptgiros) <i>Note that payment information is not limited to payments only</i>

Term	Meaning
reject	Equens stops a transaction before settlement
restore	Equens undoes a transaction after settlement by generating a counter transaction
return	Equens undoes a payment or acceptgiro prior to settlement by replacing the creditor account by the debtor account (so the debtor is both debited and credited)
reverse	the ING Bank undoes a payment after settlement by submitting a counter transaction to Equens
revoke	the debtor or his bank undo a debit transfer after settlement by submitting a counter transaction <i>Note that in the SEPA documentation of the European Payments Council (EPC), such an annulment is called a 'return' if initiated by the debtor bank and 'refund' if initiated by the debtor (and 'revocation' means annulment by the collector). Equens complies with EPC usage in its SEPA documentation. In non-SEPA documentation, however, Equens conforms to Dutch domestic usage.</i>
R-transaction	a transaction rejected, restored, returned, reversed or revoked (<i>see elsewhere in this glossary</i>); with the exception of rejects, R-transactions appear in the booking information; rejects are notified back separately on paper or electronically
SEPA	Single Euro Payment Area, area of Europe in which only international payment products will eventually be allowed, supplanting the present national products described in this catalogue
settlement	interbank payment of amounts resulting from clearing
seven-digit account	account issued by the former Postbank, now belonging to the ING Bank, identified by a number under 10.000.000, without a check algorithm; payments and acceptgiros can be diverted from a seven-digit account to a regular account
standing order	payment resulting from order given once to bank by customer for regular transfer of money
TARGET	Trans-European Automated Real-time Gross settlement Express Transfer system for settlement of national and international payment traffic through the national central banks

Term	Meaning
transaction	move of money from one account to another (payment, debit transfer, acceptgiro, counter transaction)
VerwInfo	layout of file received from Equens with payment information; documentation available on www.equens.com