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AUSTRALIAN PAYMENTS NETWORK LIMITED

ABN 12 055 136 519

A Company limited by Guarantee

PROCEDURES

for

**BULK ELECTRONIC CLEARING SYSTEM
FRAMEWORK**

(CS2)

Commenced 12 December 1994

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ABN 12 055 136 519

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PROCEDURES
FOR
BULK ELECTRONIC CLEARING SYSTEM FRAMEWORK
(CS2)
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PART 1 PRELIMINARY

Definitions

1.1 The following words have these meanings in these Procedures unless the contrary intention appears.

“**Account Details**” means the BSB number and/or the account number.

Inserted
effective 20/03/13

“**Appointor**” means a Framework Participant or a Non-member which enters into a Representation Arrangement with a Representative and (in the case of a Non-member) provides an undertaking to the Company substantially in the form of Annexure 1 of the Regulations.

“**AusPayNet**” means Australian Payments Network Limited.

Inserted
effective 04/09/17

“**AusPayNet Mail Box**” means the facility established by the Company for the purposes of facilitating the exchange of requests for Regular Payments Lists, Regular Payments Lists and account switching notices between Framework Participants.

Inserted
effective 01/07/12

“**Australian Sanctions Regime**” means the sanctions regime as administered by the Australian Department of Foreign Affairs and Trade.

Inserted
effective 03/10/23

“**BECS**” means Bulk Electronic Clearing System Framework (CS2).

“**BECS Connect**” means the online application platform administered by AusPayNet which hosts the BUDS and TNA centralised database and workflow system.

Inserted
effective 16/09/19

“**BSB Number**” means a BSB Number assigned to a financial institution. BSB Numbers, titles and abbreviations are set out in the Company's current publication entitled "BSB Numbers in Australia".

“**BUDS**” means BECS UserID Database System.

Inserted
effective 16/09/19

“Bulk Electronic Clearing System Framework (CS2)” means the framework of systems and procedures contained in the Regulations for:

- (a) the purpose of co-ordinating, facilitating and protecting the conduct and settlement of exchanges of Items between Framework Participants and all aspects of the related clearing cycle; and
- (b) the exchange of financial data.

“Bureau” means a person which either creates a File on behalf of a single User and lodges it with a Lodgement FI or creates Multi-User Files on behalf of more than one User and lodges these with a Lodgement FI on behalf of those Users.

“Chief Executive Officer” means the person appointed as a chief executive officer of the Company under Article 7.13 and a reference in these Procedures to the Chief Executive Officer includes a reference to a person nominated by the chief executive officer to be responsible for the matter referred to in that reference.

Amended
effective 21/05/12

“Claim Request” means a document in the form of Appendix A16.

“Commonwealth Government File”: Deleted effective 1/04/02, refer “Government File”

“Commonwealth Government Payment”: Deleted effective 1/04/02, refer “Government Payment”

“Company” means Australian Payments Network Limited (ABN 12 055 136 519).

“Confirmation of Recall” means a document in the form of Appendix A1.

“Contingency” means any Disabling Event and any other event or circumstance specified by the Management Committee for the purposes of Regulation 9.1.

Inserted
effective 28/10/96

“Contingency Exchange Testing Schedule” means the schedule published by the Company and approved by the Management Committee as required but certainly at a minimum of every four years, showing testing partners for all BECS Tier 1 Framework Participants for mandatory testing, each calendar half year, of contingency exchange arrangements pursuant to clause 10.10 of these Procedures. The schedule will be published on the Company’s extranet.

Last amended
effective 1/11/08

“Contingency File Exchange Form” means a document, substantially in the form of Appendix M1, used by a sending or Disabled Tier 1 Framework Participant to advise a receiving Tier 1 Framework Participant that a pending/expected file exchange will take place using a bilaterally agreed contingency exchange arrangement (as set out in Appendix L).

Inserted
effective 30/6/03

“Contingency Procedures” means the procedures in Part 10 and in any contingency plans formulated and approved by the Management Committee under Regulation 9.1.

Inserted
effective 28/10/96

“Counterparty” means a Tier 1 Framework Participant which receives Items exchanged pursuant to these Procedures, and which is the party identified in the File Settlement Instruction submitted by an Originator in accordance with these Procedures and the requirements of the RITS Low Value Settlement Service.

Inserted
effective 21/05/12

“Credit Items” includes all credit payment instructions contained in a File, addressed to a Ledger FI, except as may be specifically excluded by the Regulations or these Procedures.

“Credit User” means a person who issues Credit Items through a User FI for distribution to a Ledger FI. *Note: A person does not become a Credit User by reason only of issuing Reversing Items.*

Last amended
effective 4/8/2000

“Credit User Application” means an application in the form of Appendix A2.

“Customer” means the customer of the Ledger FI:

Last amended
effective 28/10/96

- (a) into whose account(s) a User’s Record Type 1 Credit Items are credited; or
- (b) from whose account(s) a User’s Record Type 1 Debit Items are debited; or
- (c) in respect of whose account(s) a combination of (a) and (b) occurs.

“Customer Claim” means a document in such form as the relevant Ledger FI may approve and, at a minimum, satisfying the requirements of clause 7.8(a)(iii).

Last amended
effective 11/6/08

“Daily Summary Report” means a report containing any additions, deletions or other changes to Users’ details.

Amended
effective 16/09/19

“DDR” means a Direct Debit Request.

Inserted
effective 31/3/2000

“DDR Claims Evidence” means evidence of the authority of a Debit User to debit a Customer’s account and includes:

Inserted
effective 5/07/19

- (a) a copy of a valid and binding written Direct Debit Request containing the Customer’s signature; or
- (b) in the case of a DDR established electronically or by telephone, details of the method used by the Debit User to identify the Customer and indicate the Customer’s approval of the DDR, and records in support.

“DDR Compliance Date”: Deleted effective 5/07/19

Deleted
effective 5/07/19

“DDR Implementation Date”: Deleted effective 5/07/19

Deleted
effective 5/07/19

“DDR Service Agreement” means a Debit User’s binding agreement given for the benefit of a Customer as to the basis on which it will provide direct debit services to that Customer through BECS, in such form as the relevant Sponsor may approve, which if given in writing is substantially in the form of Appendix A28 and, at a minimum, satisfying the requirements of clause 7.11.

Last amended
effective 23/12/09

“DDR Transitional Period”: Deleted effective 5/07/19

Deleted
effective 5/07/19

“Debit Items” includes all debit payment instructions, contained in a File, addressed to a Ledger FI, except as may be specifically excluded by the Regulations or these Procedures.

“Debit User” means a person who issues Debit Items through a User FI for distribution to a Ledger FI. *Note: A person does not become a Debit User by reason only of issuing Reversing Items.*

Last amended
effective 4/8/2000

“Debit User/Credit User - Change of Name or Other Details Advice” means an advice of supplementary change of name or other details for a Debit User or Credit User in the form of Appendix A17.

Last amended
effective 24/01/12

“Debit User Indemnity”: Deleted effective 31/3/2000.

“Debit User - Transfer of Business Advice” means an advice of supplementary transfer of business details for a Debit User in the form of Appendix A18.

Inserted
effective 14/12/95

“Deferred Settlement Obligation” has the meaning given in clause 9.2F.

Inserted
effective 25/11/13

“DE File Reversal Specifications” means the technical specifications set out in Appendix C5 for Reversal Files.

Inserted
effective 4/8/2000

“DE File Specifications” means DE File User Item Specifications, DE File Return Specifications, DE File Refusal Specifications and DE File Reversal Specifications. (See Part 12 and Appendices C1, C2, C3 and C5).

Last amended
effective 4/8/2000

“DE File User Item Specifications” means the technical specifications set out in Appendix C1 for Record Type 1 Credit Items and Debit Items issued by Users.

Inserted
effective 28/10/96

“DES Advice” means a Direct Entry System Advice in the form of Appendix A4.

“Detail Record” in relation to any Item, means the record on the relevant File which contains information on that Item. (See Appendices C1, C2, C3 and C5).

Last amended
effective 4/8/2000

“DE File Refusal Specifications” means the technical specifications set out in Appendix C3 for Refusal Files.

Inserted
effective 28/10/96

“DE File Return Specifications” means the technical specifications set out in Appendix C2 for Return Files.

Inserted
effective 28/10/96

“Direct Debit Cancellation Request” means a document in the form of Appendix A21.

Amended
effective 01/07/12

“Direct Debit Request” means an authority and request to debit amounts to a specified account of a Customer with the Ledger FI satisfying the requirements of clause 7.4 and which, if given in writing, is substantially in the form of Appendix A27.

Last amended
effective 23/12/09

(Note: a requirement for “writing” is interpreted in clause 1.2 (Interpretation)).

“Direct Entry Returned or Refused - Debit Voucher”: Deleted effective 31/03/04.

“Disabling Event” means any:

Last amended
effective 4/8/2000

- (a) processing, communications or other failure of a technical nature;
- (b) inaccessibility (total or partial) of facilities by means of which exchanges are conducted;
or
- (c) manifestation of industrial action,

which affects, or may affect, the ability of any Framework Participant to participate to the normal and usual extent in exchanges of Items (including Record Type 1 Items issued by any User, Returned Items, Refused Items and Reversing Items).

“Disabled Framework Participant” means a Framework Participant experiencing a disabling event which affects their ability to participate in the normal (primary) exchange and/or processing of data file(s) in the Framework.

Inserted effective
23/09/02

“ePayments Code” means the electronic payments code issued by ASIC in September 2011, as updated from time to time, including any substitute document howsoever entitled.

Amended
effective 03/06/23

“Error Adjustment Voucher”: Deleted effective 31/03/04.

“Error of Magnitude” is an error (or a series of errors on the one exchange) of or exceeding \$2 million.

Last amended
effective 12/7/09

“Evening Settlement Session” has the meaning given in the RITS Regulations.

Inserted
effective 25/11/13

“Exchange Settlement Funds” has the meaning given in the RITS Regulations.

Inserted
effective 21/05/12

	“Exchange Summary” Deleted effective 21/05/12.	Deleted effective 21/05/12
	“Exchange Summary Data File Transfer Facility” Deleted effective 21/05/12.	Deleted effective 21/05/12
	“Failure to Match Rules” Deleted effective 21/05/12.	Deleted effective 21/05/12
	“File Cleansing”: Deleted effective 14/12/95	
	“File Cleansing Lists”: Deleted effective 14/12/95	
<p>“File” means one or more Items in an electronic format (and, for the avoidance of doubt, includes Files containing Record Type 1 Items issued by any User, Return Files, Refusal Files and Reversal Files). (See Part 12 and Appendices C1, C2, C3 and C5 for required specifications).</p>		Last amended effective 4/8/2000
<p>“File Recall Instruction” means a file in the format prescribed by the Reserve Bank of Australia and complying with the specifications for the RITS Low Value Settlement Service which can be accessed via a link on the Company’s extranet.</p>		Inserted effective 21/05/12
<p>“File Recall Response” means a response to a File Recall Instruction, generated by the RITS Low Value Settlement Service.</p>		Inserted effective 21/05/12
<p>“File Settlement Advice” means an advice in relation to a File Settlement Instruction, generated by the RITS Low Value Settlement Service.</p>		Inserted effective 21/05/12
<p>“File Settlement Instruction” means a file in the format prescribed by the Reserve Bank of Australia and complying with the specifications for the RITS Low Value Settlement Service which can be accessed via a link on the Company’s extranet.</p>		Inserted effective 21/05/12
<p>“File Settlement Response” means a response to a File Settlement Instruction, generated by the RITS Low Value Settlement Service.</p>		Inserted effective 21/05/12
<p>“Framework” has the meaning set out in the Constitution.</p>		Inserted effective 01/07/14
<p>“Framework Participant” means a body corporate which in accordance with the Regulations is a participant in BECS.</p>		Amended Effective 01/07/14
	“ Form PD C ” Deleted effective 19/10/15	Deleted Effective 19/10/15
<p>“Government File” means a File containing Government Payments.</p>		Last amended effective 1/04/02
<p>“Government Payment” means a Credit Item which is:</p>		Last amended effective 1/04/02
<p>(a) initiated by a Credit User which is:</p>		
<p>(i) a Commonwealth or State Government department, instrumentality or agency, or</p>		
<p>(ii) some other statutory body wholly owned or controlled, directly or indirectly, by the Commonwealth Government or a State Government and approved by the Management Committee, and</p>		
<p>(b) subject to arrangements to the contrary under any bilateral agreement, transmitted in a File which specifies as the PD Day the next business day after the date of the exchange of the File and with a Receiving Dataset nominated under clause 6.7(f).</p>		
<p>“Guidelines for Establishing Direct Debit Requests over the Internet” means the document entitled as such issued and varied by the Company from time to time including any substitute document howsoever entitled.</p>		Inserted effective 31/03/04

“Guidelines for Mistaken Payments” means the document entitled as such and issued and varied by the Company from time to time including any substitute document howsoever entitled. Inserted effective 20/03/13

“Incoming FI” means a Ledger FI which makes a request under clause 6.7B or clause 7.12A. Inserted effective 01/07/12

“Inter-bank Settlement Interest Rate” means the interest rate determined in accordance with clause 9.2F. Amended effective 21/05/12

“Inter-organisation Compensation Rules” means the document (as amended or replaced) known as the Inter-organisation Compensation Rules, Publication No. 6.1 of the Company. Inserted effective 13/06/01

“International Funds Transfer Instructions or IFTI” has the meaning given to it in the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth). Inserted effective 03/10/23

“Interposed Institution” has the meaning given to it in s64 of the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth). Inserted effective 03/10/23

“Items” means Credit Items and Debit Items (and, for the avoidance of doubt, includes Record Type 1 Items issued by any User, Returned Items, Refused Items and Reversing Items). Last amended effective 4/8/2000

“Ledger FI” means in relation to an Item, the Framework Participant or Appointor to which the Item is addressed.

“Linking Indemnity”: Deleted effective 31/3/2000.

“Lodgement FI” means a Framework Participant or Appointor with which Files are lodged.

“LVSS” means the RITS Low Value Settlement Service. Inserted effective 21/05/12

“LVSS BCP Arrangements” means the contingency plan and associated documents published by the Reserve Bank of Australia for the purposes of the RITS Low Value Settlement Service, and which can be accessed via a link on the Company’s extranet. Inserted effective 21/05/12

“LVSS Contact” means the person nominated by a Tier 1 Framework Participant as its primary contact for LVSS enquiries, as listed in Appendix B. Inserted effective 21/05/12

“Management Committee” means the committee constituted pursuant to Part 7 of the Regulations.

“Missorted Item” means an Item received in an exchange and for which the BSB Number does not belong to the Receiving Member or any Appointor of that Receiving Member. Inserted effective 28/10/96

“Mistaken Payment” means an Item lodged by a Sending Member pursuant to a payment instruction given by a customer who benefits from the provisions of the ePayments Code, where the Item was lodged in error because that customer provided incorrect Account Details, as a result of error or of being advised of the wrong Account Details. Inserted effective 20/03/13

Note: The definition of mistaken internet payment is intended to relate to typographical errors when inputting an identifier or selecting the incorrect identifier from a list. It is not intended to cover situations in which the user transfers funds to the recipient as a result of a scam. Inserted effective 03/06/23

“Morning Settlement Session” has the meaning given in the RITS Regulations. Amended effective 21/05/12

“Multilateral Intraday Settlement” means the multilateral net settlement of obligations which is scheduled to occur in RITS five times each day that RITS is open, between approximately:

Inserted effective 25/11/13

- (a) 10.45am and 11.15am;
- (b) 1.45pm and 2.15pm;
- (c) 4.45pm and 5.14pm;
- (d) 7.15pm and 7.45pm; and
- (e) 9.15pm and 9.30pm.

Amended effective 25/11/13

“Multi-User File” means media containing more than one File.

“National Collator”: Deleted effective 20/08/04.

“National Public Holiday” means any day which is gazetted as a public holiday in each State and Territory in Australia.

Inserted effective 17/01/11

“Nine AM (9am) Settlement” means the multilateral net settlement of obligations arising from previous days’ clearings of low value payments which occurs in RITS at approximately 9am each business day that RITS is open.

Inserted effective 21/05/12

“Notification of Reversal of Items Sent in Error”: Deleted effective 11/6/08.

“Notice of Redirection of a Direct Entry Item” means a notice in the form set out in Appendix A10.

“Notice of Unapplied Credit Item (Superannuation)” means a document substantially in the form of Appendix A26.

Inserted effective 1/12/08

“9.00am Funds”: Deleted effective 21/05/12.

Deleted effective 21/05/12

“Notice of Variation of Account Details” means a direction to a Debit User or Credit User to change the account to be debited or credited substantially in the form of Appendix A24.

Inserted effective 01/07/12

Note: the Notice of Variation of Account Details is designed to replace previous version of Appendix A24 (Switch of Financial Institution and Account Details). By signing a single Notice of Variation of Account Details, the customer authorises:

1. the Ledger FI under clauses 6.7G and 7.12E; or
2. the Incoming FI under clauses 6.7B or 7.12A,

to notify those Debit Users and Credit Users, with whom the customer has direct debit arrangements and credit arrangements, via the relevant Sponsors and User FIs, of the change to the customer’s financial institution and account details.

“Official Government File Exchange Time” means the times referred to as such in clause 4.2.

Last amended effective 1/04/02

“Official Exchange Times” means the times referred to as such in clause 4.2.

Inserted effective 28/10/96

“Originator” means a Tier 1 Framework Participant which, as a result of an outward exchange of Items to another Tier 1 Framework Participant, is responsible for the submission of a File Settlement Instruction and, if necessary, a File Recall Instruction, in accordance with these Procedures and the requirements of the RITS Low Value Settlement Service.

Inserted effective 21/05/12

<p>“Outgoing FI” means a Ledger FI which receives a request to provide a Regular Payments List under clause 6.7B or clause 7.12A.</p>	<p>Inserted effective 01/07/12</p>
<p>“Personal Account” means a transaction account that is owned by one or more persons (either individually or jointly) for non-business purposes. Any account owned by a corporation is not a Personal Account.</p>	<p>“Participating Member” [deleted] Deleted effective 01/07/14 Amended effective 01/07/12</p>
<p>“PD Day” means in relation to a File the day on which that File is to be processed, following exchange of the File by the Lodgement FI, and in relation to an Item, the day on which the File containing that Item is to be processed following exchange of the File by the Lodgement FI.</p>	<p>Last amended effective 18/01/02</p>
<p>“PDN” means a Processing Difficulty Notification form, substantially in the form of Appendix J, used by a Framework Participant to notify other Framework Participants of a processing difficulty or Disabling Event in accordance with paragraph 3.3 of Appendix I.</p>	<p>Amended effective 10/10/16</p>
<p>“Recall” means a recall of the entire amount of an Item or File prior to the exchange of the Item or File.</p>	
<p>“Receiving Dataset” means, in relation to the transmission of a File, the receiving destination details for that File, nominated by the Ledger FI to which that File is addressed.</p>	<p>Inserted effective 18/01/02</p>
<p>“Receiving Member” in relation to any Item (including Record Type 1 Items issued by any User, Returned Items and Refused Items), means the Framework Participant (whether or not it is the institution to which that Item is addressed) to which such Item is in fact delivered by the Sending Member.</p>	<p>Last amended effective 28/10/96</p>
<p>“Record Type” has the same meaning as in clause 12.2 and Appendices C1, C2, C3 and C5, and clause 14.2 and Appendix C6. Any reference to any particular Record Type means that particular Record Type specified in clause 12.2 and, as applicable, the DE File User Item Specifications (Appendix C1), DE File Return Specifications (Appendix C2), DE File Refusal Specifications (Appendix C3) and DE File Reversal Specifications (Appendix C5), and in clause 14.2 and, as applicable, the Summary File Specification (Appendix C6).</p>	<p>Last amended effective 28/10/05</p>
<p>“Refusal” means refusal to accept a Returned Item.</p>	<p>Inserted effective 28/10/96</p>
<p>“Refusal Codes” means the codes specified as such in clause 4.8. Any reference to a particular Refusal Code means that particular Refusal Code specified in clause 4.8.</p>	<p>Inserted effective 28/10/96</p>
<p>“Refusal File” means a File containing Refused Items. (See Part 12 and Appendix C3 for required Specifications).</p>	<p>Inserted effective 28/10/96</p>
<p>“Refused Item” means, in relation to any Returned Item, an Item which is used to effect Refusal (using Record Type 3) by the Receiving Member of that Returned Item.</p>	<p>Inserted effective 28/10/96</p>
<p>“Regular Payments List” means a list of recurring Debit Items and Credit Items applied to a Personal Account within the last 13 months, substantially in the form of Appendix A25.</p>	<p>Amended effective 01/07/12</p>
<p>“Regulations” means the regulations of BECS as prescribed by the Company.</p>	
<p>“Required Transfer Information” has the meaning given to it in the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth).</p>	<p>Inserted effective 03/10/23</p>
<p>“Return” means return of the value of a Credit Item or Debit Item, in accordance with clause 5.16, to the person entitled to receive such value after the exchange of that Item.</p>	<p>Last amended effective 24/11/03</p>
<p>“Return File” means a File containing Returned Items (See Part 12 and Appendix C2 for required specifications).</p>	<p>Inserted effective 25/5/07</p>

“Returned Item” means, in relation to any Record Type 1 Item issued by a User, an Item which is used to effect return (using Record Type 2) by the Receiving Member of that User’s Item. Inserted effective 4/8/2000

“Returning/Refusing FI ID Number” means the special identification number assigned to a Framework Participant by the Company under clause 4.16. Inserted effective 28/10/96

“Reversal” means the reversal, in accordance with clause 5.16A, of a Record Type 1 Item, issued by a User, Bureau or Sending Member that has been sent in error. Last amended effective 25/5/07

“Reversal File” means a File containing Reversing Items (see Part 12 and Appendix C5 for required specifications). Inserted effective 25/5/07

“Reversing FI” means a Framework Participant that initiates a Reversal File. *Note: The Reversing FI ID Number of that Framework Participant appears in the Reversal File.* Inserted effective 4/8/2000

“Reversing FI ID Number” means the special identification number assigned to a Framework Participant by the Company under clause 4.17. Inserted effective 4/8/2000

“Reversing Item” means an Item which is used to effect a Reversal. Inserted effective 4/8/2000

“RITS” means the Reserve Bank Information and Transfer System.

“RITS Low Value Settlement Service” means the Reserve Bank’s settlement file transfer facility which must be used by each Tier 1 Framework Participant: Inserted effective 21/05/12

- (a) to submit File Settlement Instructions and associated File Recall Instructions; and
- (b) if it so elects, to receive File Settlement Advices, File Settlement Responses and File Recall Responses.

“RITS Regulations” means the regulations for RITS published by the Reserve Bank of Australia. Inserted effective 21/05/12

“Sending Member” in relation to any Item (including Record Type 1 Items issued by any User, Returned Items and Refused Items), means the Framework Participant which delivers that Item to a Receiving Member. Last amended effective 28/10/96

“Settlement Session”: Deleted effective 21/05/12. Deleted effective 21/05/12

“Specified Location”: Deleted effective 28/10/96

“Sponsor” means a Framework Participant which sponsors a Debit User pursuant to Part 7.

“Summary File” means a File containing summary information relating to a File or Government File (see Part 14 and Appendix C6 for required specification). Inserted effective 28/10/05

“Summary File Specification” means the technical specification set out in Appendix C6 for a Summary File. Inserted effective 28/10/05

“Superannuation Entity” has meaning given to that term in the *Superannuation Industry (Supervision) Act 1993*. Inserted effective 1/12/08

“Switch of Financial Institution and Account Details”: Deleted effective 01/07/12. Deleted effective 01/07/12

“Switching Customer” means a person who has an account with the Outgoing FI and has opened a new account with the Incoming FI. Inserted effective 01/07/12

“TNA” means an authority (substantially in the form set out in Appendix A8) entitled "Transaction Negotiation Authority" given by a TNA Issuer to a Lodgement FI (in the manner set out in clause 6.9) to process a File containing a User's Credit Items, the total of which do not exceed a specified amount during a specified frequency. Last amended effective 16/09/19

“**TNA Issuer**” in relation to a TNA in support of a Credit User's File means the relevant User FI or, to the extent that the Credit User's funding account is held with a Framework Participant or Appointor which is not the User FI, that Framework Participant or Appointor.

Inserted effective 14/12/95

“**Trace Record**” means the BSB Number and account number to which an Item (including any Record Type 1 Item issued by any User, any Returned Item, any Refused Item and any Reversing Item) must be returned if it cannot be applied. A Trace Record must be the User's own account or an account which the User has authority to operate and/or use as a Trace Record. The Trace Record is to be included in character positions 81 to 96 inclusive of a Detail Record (refer clause 5.11 and Appendix C1).

Last amended effective 27/07/07

(Note: In many cases the Trace Record is also used to satisfy the requirements of the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) concerning the inclusion of Tracing Information in electronic funds transfer instructions. Please refer to Part 5 of the Act for details.)

“**Trace Record Institution**” in relation to any Item (including Record Type 1 Items issued by any User, Returned Items, Refused Items and Reversing Items) means the financial institution specified (by reference to its BSB Number) in the Trace Record for that Item.

Last amended effective 4/8/2000

“**Unwanted Credit**” means a direct entry credit payment to a Customer account where the Customer cannot identify the source or the reason for the payment.

Inserted effective 15/05/17

“**Unwanted Credit FI ID Number**” means the special identification number assigned to a Framework Participant by the Company under clause 4.16A.

Inserted effective 15/05/17

“**User**” means a Debit User or a Credit User.

“**User FI**” means, in respect of a User at any time, the Framework Participant or Appointor which at that time represents the User in BECS.

“**User Identification Number**” means in relation to a User, its User Identification Number assigned to it in accordance with clause 5.12.

“**Valid Claim**” has the meaning ascribed to that term in clause 7.6.

“**Valid Request**” means a request for a Regular Payments List:

Inserted effective 01/07/12

- (a) made by an Incoming FI on behalf of a Switching Customer;
- (b) in writing;
- (c) relating to a Personal Account;
- (d) signed by the Switching Customer and each person whose signature is required to operate the particular Personal Account;
- (e) specifying account information which corresponds with the Outgoing FI's account identification information for that Switching Customer, including BSB and account number and the names of persons authorised to operate the account; and
- (f) submitted to the Outgoing FI via the AusPayNet Mail Box.

Interpretation

1.2 In these Procedures, except where the context requires otherwise:

Last amended effective 01/01/23

- (a) “person” includes a firm, a body corporate, an unincorporated association or an authority;

Last amended effective 31/3/2000

-
- (b) the singular includes the plural and vice versa; and
- (c) a reference to a statute, code or the Corporations Law (or to a provision of a statute, code or the Corporations Law) means the statute, the code, the Corporations Law or the provision as modified or amended and in operation for the time being, or any statute, code or provision enacted in lieu thereof and includes any regulation or rule for the time being in force under the statute, the code, the Corporations Law or the provision;
- (d) a requirement to:
- (i) give any information in writing (which, without limitation, includes making a claim or request or providing an authority, notification or advice);
- (ii) retain a document; or
- (iii) produce or deliver a document,
- may be done by means of an electronic communication generated by a method which enables that information or the information contained in that document to be readily accessible so as to be useable for subsequent reference and which provides a reasonable means of assuring the integrity of that information or the information contained in that document, except to the extent the validity of that means of electronic communication is otherwise limited by any applicable law;
- (e) a requirement for a signature of a person may be met in relation to an electronic communication if a method is used to identify that person and indicate that person's approval of the information communicated, provided that:
- (i) the person to whom the signature is required to be given consents to the signature being given by way of that method (The requirement in this clause 1.2(f)(i) does not apply if a reproduction of the Customer's signature appears in the electronic communication); and
- (ii) either:
- (A) having regard to all the relevant circumstances at the time the method was used, the method was as reliable as reasonably appropriate for the purposes for which the information was communicated; or
- (B) if the Management Committee has specified that such method be in accordance with particular information technology requirements (including whether hardware, software or otherwise) or procedural/process requirements, these requirements have been met.
- (f) a reference to a Direct Debit Request in relation to a Debit User is to be taken to include a Direct Debit Request referable to a third-party Debit User from which the relevant Debit User has acquired a business involving direct debit arrangements under BECS, which continued after that acquisition for the benefit of the relevant Debit User; and
- (g) a reference to a Debit User making payment otherwise than in accordance with a Direct Debit Request or failing to make payment in accordance with a Direct Debit Request is to be taken to include any failure on the part of the Debit User to debit in accordance with the debit arrangements set out in the Debit User's DDR Service Agreement applicable to it at the relevant time.

Inserted
effective 31/3/2000

Last amended
effective 31/03/04

Last amended
effective 10/09/2001

Last amended
effective 1/11/08

Last amended
effective 31/03/04

Last amended
effective 31/03/04

Last amended
effective 31/03/04

Amended
effective 19/10/15

Inserted
effective 31/3/2000

- (h) where these Procedures permit a Framework Participant to use facsimile or email as methods of sending and receiving requests to another Framework Participant, those communications should be consistent with any prudential guidance issued by the Australian Prudential Regulation Authority (APRA) on information security.

Inserted
effective 7/12/20

- 1.3 Words defined in the Corporations Law have, unless the contrary intention appears, the same meaning in these Procedures.
- 1.4 Words defined in the Regulations have, unless the contrary intention appears, the same meaning in these Procedures.
- 1.5 These Procedures have been determined by the Management Committee and take effect on the date specified by the Chief Executive Officer pursuant to Regulation 1.2.
- 1.6 Headings are inserted for convenience and do not affect the interpretation of these Procedures.

Inconsistency with Articles or Regulations

- 1.7 If a provision of the Regulations or these Procedures is inconsistent with a provision of the Articles, the provision of the Articles prevails.
- 1.8 If a provision of these Procedures is inconsistent with a provision of the Regulations, the provision of the Regulations prevails.

Governing Law

- 1.9 These Procedures are to be interpreted in accordance with the same laws which govern the interpretation of the Articles.

Copyright

- 1.10 Copyright in these Procedures is vested in the Company.

Application of Procedures

- 1.11 The procedures contained in these Procedures apply to the Framework commonly known or referred to as the direct entry system, whereby payment instructions are exchanged electronically in bulk. If any other bulk electronic clearing systems or Frameworks evolve over time which are subject to the Regulations and for which the Management Committee becomes responsible, additional separate procedures will be required for those systems.

Relationship to other Legislation and compliance requirements

Inserted
effective 03/10/23

- 1.12 Pursuant to Regulation 4.2(c), all Framework Participants must be able to comply with all applicable laws. In particular, and without limitation to any other laws which may apply, Framework Participants must comply with all applicable sections of the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) and associated reporting obligations in the processing of any data file(s) in the Framework.

(Note: Framework Participants are expected to be aware of, and comply with, their obligations in relation to international funds transfer instructions (IFTI) and the Australian Sanctions Regime for the purposes of processing, screening, monitoring and reporting transactions. In particular, it is expected that any Framework Participant that is the first recipient of an inbound IFTI will report the IFTI to AUSTRAC, perform adequate sanctions screening in compliance with Australian laws, and ensure the data file(s) has the Required Transfer Information if the Framework Participant is an interposed Institution and chooses to on-send the data file(s) via the Framework.)

The next page is 2.1

PART 2 EFFECT

These Procedures have the effect set out in Part 2 of the Regulations.

The next page is 3.1

PART 3 PROCEDURES AND AMENDMENT

Conduct of Clearings

- 3.1 Pursuant to Regulation 11.1 and in addition to and subject to the Regulations, the conduct of clearings effected between Framework Participants and the settlement of balances arising as a result of the exchange of Items must be undertaken in accordance with the practices, procedures, standards and specifications specified in these Procedures.

Amendment

- 3.2 These Procedures may be varied by the Management Committee in accordance with Regulation 11.3 and clause 3.3 of these Procedures. Any variation to these Procedures must contain an editorial note setting out the effective date of such variation.

- 3.3 Each:

- (a) Framework Participant must notify the Company of any changes to its contact points as specified in Appendix B in accordance with clause 4.1; and Last amended effective 11/6/08
- (b) Tier 1 Framework Participant must notify the Company of any changes to its Primary Exchange Arrangements as specified in Appendix K or its Contingency Exchange Arrangements in Appendix L in accordance with clause 10.2. Last amended effective 11/6/08

The Chief Executive Officer may vary Appendix B, Appendix K and Appendix L in accordance with any such notification without the need to obtain the approval of the Management Committee or any other person, provided that a variation to Appendix K or Appendix L may only be made if both of the relevant Tier 1 Framework Participants have notified the Company of the change. Last amended effective 11/6/08

The Chief Executive Officer may vary Appendix F, Appendix G1 and Appendix G2 as may be required to ensure that they are accurate and up to date without the need to obtain the approval of the Management Committee or any other person. Last amended effective 11/6/08

A variation made by the Chief Executive Officer pursuant to this clause 3.3 will, upon publication by the Company, be binding on Framework Participants. Last amended effective 11/6/08

The next page is 4.1

PART 4 GENERAL OPERATIONAL REQUIREMENTS**Centralised Contact Point Details in Appendix B**Last amended
effective 11/6/08

- 4.1 Each Framework Participant must nominate, in writing to the Company, contact points for the handling of various operational issues or processes, including settlement of payment obligations via the RITS Low Value Settlement Service, as specified in these Procedures. Details for these contact points are published in Appendix B – Centralized Contact Points.

Last amended
effective 21/05/12

Framework Participants must advise the Company, in writing, of changes to these contact details, not less than 5 business days prior to such changes taking effect, clearly identifying the effective date in their advice.

Last amended
effective 1/01/12**BSB Number**

- 4.1A To facilitate participation in BECS each Framework Participant and each other financial institution which participates in BECS must have a BSB Number.

Last amended
effective 11/6/08

If a Framework Participant or other financial institution has not already been allocated a BSB Number by virtue of its participation in another Framework managed by the Company (which BSB Number is also valid for BECS), a prospective Framework Participant must request allocation of a BSB Number from the Company when applying to join BECS. Any other financial institution must have or receive a BSB Number from the Company before it takes any action in connection with BECS.

Times of Exchange

- 4.2 Official Exchange Times for Files other than Government Files are 10.00am, 1.00pm, 4.00pm, 6.30pm, 8.45pm and 10.30pm Sydney time each Monday to Friday, excluding National Public Holidays. Official Exchange Times for Government Files are 7.00am, 6.15pm and 9.00pm Sydney time each Monday to Friday excluding National Public Holidays on the business day prior to PD Day. Exchanges of Files with a same day PD Day (on any day on which they are permitted) must be completed by 10.00pm. Each Tier 1 Framework Participant may only commence transmitting Files (including Files containing Record Type 1 Items issued by any User, any Return Files, any Refusal Files):

Last amended
effective 25/11/13

- (a) with respect to Files other than Government Files, at any Official Exchange Time;
- (b) with respect to Government Files, at any Official Government File Exchange Time; or
- (c) otherwise by bilateral agreement.

Last amended
effective 1/04/02Last amended
effective 1/04/02Inserted effective
18/01/02

Each Tier 1 Framework Participant must be ready and able to receive transmissions of Files commenced at any Official Exchange Time or Official Government File Exchange Time.

Last amended
effective 3/10/06

Each Tier 1 Framework Participant is encouraged to transmit Files other than Government Files at each of the Official Exchange Times each Monday to Friday excluding National Public Holidays.

Last amended
effective 25/11/13

Each Tier 1 Framework Participant should ensure that each File transmitted by the Tier 1 Framework Participant contains all Items available for exchange at that time.

Last amended
effective 3/10/06

For the avoidance of doubt and notwithstanding any other provision in these Procedures, if a File is exchanged at the 10.30pm Official Exchange Time then:

Last amended
effective 14/9/09

- (a) the PD Day for that File is the business day after it is exchanged; and

(b) settlement for that File is to be effected, in accordance with Part 9, on the PD Day.

Last amended
effective 25/11/13

Tier 1 Framework Participants may agree bilaterally to exchange Files at other times, provided the Tier 1 Framework Participants observe all other provisions of the Regulations and these Procedures.

Last amended
effective 3/10/06

4.2A At, or around, the time of transmission of each File or Government File, the transmitting Tier 1 Framework Participant must submit a File Settlement Instruction to the RITS Low Value Settlement Service, specifying the amount owed to, or by, its Counterparty, calculated by reference to the net value of Credit Items and Debit Items contained in the File or Government File transmitted to the Counterparty at that exchange time.

Inserted
effective 21/05/12

4.3 Settlement of obligations arising from exchange of Files, other than Government Files, will be effected in terms of Part 9 of these Procedures regardless whether exchanges are conducted at Official Exchange Times or by bilateral agreement. Settlement of obligations arising from exchange of Government Files will be effected in terms of clause 9.1A of these Procedures, regardless of whether exchanges are conducted at Official Government File Exchange Times or by bilateral agreement.

Last amended
effective 1/04/02

Exchange of Items (other than by bilateral agreement) will not take place on National Public Holidays. On any day other than a National Public Holiday, Tier 1 Framework Participants in those States/Territories which are closed (for example, because of State/Territory public holidays) must be available to receive transmissions from all other Tier 1 Framework Participants.

Last amended effective
17/01/11

4.4 Where normal operations have been adversely affected by extraordinary circumstances, the Chief Executive Officer may vary the Official Exchange Times, Official Government File Exchange Times and/or the time by which exchanges must be completed. The Chief Executive Officer will notify all Framework Participants in writing of any variations under this clause which apply overnight or longer.

Last amended
effective 1/04/02

DE File Specifications

4.5 All Items (including Record Type 1 Items issued by any User, Returned Items, Refused Items, and Reversing Items) and Files (including Files containing Record Type 1 Items issued by any User, Return Files, Refusal Files and Reversal Files) exchanged between Framework Participants must conform with requirements set out in Part 12 and the applicable DE File Specifications in Appendices C1, C2, C3 and C5.

Last amended
effective 4/8/2000

Transaction Codes

4.6 The following transaction codes form part of the DE File User Item Specifications and apply to Record Type 1 Items issued by Users and exchanged in BECS. All Framework Participants must ensure that these transaction codes are used where applicable:

Inserted
effective 28/10/96

- 13 externally initiated Debit Items
- 50 externally initiated Credit Items with the exception of those bearing transaction codes 51-57 inclusive
- 51 Australian government security interest
- 52 basic family payments/additional family payment
- 53 pay
- 54 pension
- 55 allotment
- 56 dividend
- 57 debenture/note interest.

Clauses 4.7 to 4.16A inclusive are Confidential

Reversing FI ID Number

- 4.17 To facilitate Reversals, each Framework Participant must have a special identification number in the form “997XXX” (where “XXX” is the relevant BSB Number). That number is referred to in these Procedures as the Reversing FI ID Number. The Company assigns the Reversing FI ID Numbers to Framework Participants (see Appendix G1).

Inserted
effective 4/8/2000

Processing by Account Number Details only

- 4.18 Ledger FIs are entitled to rely solely on Account Number Details in all circumstances when processing Items received by them, regardless of whether any account name details are transmitted with the Account Number Details or are otherwise known to the Ledger FI. Ledger FIs are not obliged (including under any duty to the Lodgement FI which may but for this clause 4.18 arise at law or in equity) to check whether the Account Number Details are correct.

Last amended
effective 3/05/04

Last amended
effective 3/05/04

- 4.19 (a) Subject to clause 4.19(b), if an amount has been credited or debited by the Ledger FI in accordance with the Account Number Details provided by the Lodgement FI but the amount has been credited or debited to the wrong account, then as between the Lodgement FI and the Ledger FI, the Ledger FI is not liable to compensate the Lodgement FI, any person on whose behalf the Lodgement FI exchanges an Item, the intended beneficiary of a Credit Item, a customer whose account has been wrongly debited or any other person for any loss or damage. In these circumstances, liability, if any, for compensating any person for any loss or damage which a person may suffer directly or indirectly in connection with the wrong crediting or debiting is the responsibility of the Lodgement FI. If a Ledger FI suffers loss or damage, or receives any claim for loss or damage arising because the Ledger FI has relied solely on Account Number Details provided by the Lodgement FI when processing an Item, the Lodgement FI must fully indemnify the Ledger FI in relation to such loss, damage or claim. A Ledger FI must give the Lodgement FI written notification as soon as possible after the Ledger FI has suffered loss or damage or received a claim for loss or damage, and in any case before the Ledger FI agrees to settle or accept a claim. Last amended effective 7/12/20
- (b) If an amount has been credited or debited by the Ledger FI in accordance with the Account Number Details provided by the Lodgement FI but the amount has been credited or debited to the wrong account due to an account number being reissued or duplicated by the Ledger FI, then as between the Lodgement FI and the Ledger FI, the Lodgement FI is not liable to compensate the Ledger FI, any person on whose behalf the Lodgement FI exchanges an Item, the intended beneficiary of a Credit Item, a customer whose account has been wrongly debited or any other person for any loss or damage. In these circumstances, liability, if any, for compensating any person for any loss or damage which a person may suffer directly or indirectly in connection with the wrong crediting or debiting is the responsibility of the Ledger FI. If a Lodgement FI suffers loss or damage, or receives any claim for loss or damage arising because the Ledger FI has relied solely on Account Number Details provided by the Lodgement FI when processing an Item, but the loss, damage or claim arises because the relevant account number had been reissued or duplicated by the Ledger FI, the Ledger FI must fully indemnify the Lodgement FI in relation to such loss, damage or claim. A Lodgement FI must give the Ledger FI written notification as soon as possible after the Lodgement FI has suffered loss or damage or received a claim for loss or damage, and in any case before the Lodgement FI agrees to settle or accept a claim. Amended effective 7/12/20
- (Note: 1. *For the purposes of clauses 4.18 and 4.19, Account Number Details means the BSB number and the account number or, in the case of a Ledger FI which has a unique account numbers system, the account number only.*
2. *The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) requires that certain information must be included in electronic funds transfer instructions. Please refer to Part 5 of the Act for details.* Inserted effective 16/04/07

Summary File Specification Inserted effective 28/10/05

- 4.20 A Summary File must accompany each File and Government File. A Summary File must conform with requirements set out in Part 14 and the Summary File Specification in Appendix C6. Inserted effective 28/10/05

Encryption of Direct Connection

Inserted
effective 23/12/2009

- 4.21 Each Tier 1 Framework Participant must ensure that all of its Direct Connections to Tier 1 Framework Participants are encrypted using, at a minimum, triple DES or its equivalent. It is recommended that Direct Connections between each Representative and Appointor should be encrypted using, at a minimum, triple DES or its equivalent.

Amended
effective 3/10/23

(Note: It is recommended that Direct Connections between each Representative and Appointor should be encrypted using triple DES or its equivalent.)

The next page is 5.1

PART 5 GENERAL REQUIREMENTS IN RELATION TO USERS

Approval and Termination

- 5.1 A User FI must ensure that a prospective User is approved in accordance with these Procedures before the processing of any Items belonging to that User takes place. See clause 5.2 below.

If the User FI gives written notice of termination of its arrangements with a User to the User then the arrangements between the User and its User FI will be terminated as to future Items but without prejudice to any right or liability arising under the terms of any proprietary arrangements with regard to Debit Items between them or under any Credit User Application in force in accordance with these Procedures.

Last amended effective 31/3/00

A User FI must notify the details of any of its new Users, any changes to any existing User and termination of any arrangements with its Users to Framework Participants in accordance with clause 5.3.

Amended effective 16/09/19

A Lodgement FI must give at least 30 days' prior written notice to all Tier 1 Framework Participants before it exchanges any Government Files for the first time in BECS. The notice must specify the date on which the Lodgement FI will commence exchanging Government Files in BECS (which must not be sooner than 30 days after the expected date of receipt of the notice by all Tier 1 Framework Participants).

Inserted effective 22/04/02

Compliance by Users

- 5.2 User FIs must ensure that Users wishing to:
- (a) issue Credit Items (including by using a Bureau), comply with the requirements specified in Part 6; and
 - (b) issue Debit Items, comply with the requirements specified in Part 7.

Notification of User Details

- 5.3 In the case of a Credit User, the User FI, and in the case of a Debit User, the Sponsor, must enter the details of any new User, any changes to any existing User and any termination of arrangements with a User in BECS Connect. The details required to be entered are set out in the Direct Entry System Advice (Appendix A4), Debit User/Credit User – Change of User Details (Appendix A17) and Debit User – Transfer of Business Advice (Appendix A18).

Amended effective 16/09/19

Last amended effective 16/09/19

Each time a User FI or a Sponsor enters new data in BECS Connect, they warrant to the Company and each Framework Participant that they have fulfilled the requirements of Parts 5, 6 and 7 of the BECS Procedures relating to the new data.

Inserted effective 16/09/19

BECS Connect will automatically generate, for the purpose of notifying all Framework Participants of any changes, a Daily Summary Report, which will issue no later than the following business day after the changes were entered.

Last amended effective 16/09/19

A User FI must ensure that a Credit User does not, and a Sponsor must ensure that a Debit User does not, commence lodging Items or Items reflecting changed details until 3 business days (inclusive of State/Territory public holidays where these fall on a business day) after the issue of the relevant Daily Summary Report, or earlier if the relevant Lodgement FI consents.

Last amended effective 16/09/19

Paragraph (including sub-clauses (a) and (b) deleted. Effective 31/3/00.

-
- | | | |
|-----|-----------|---|
| 5.4 | [Deleted] | <small>Deleted
effective 14/12/95</small> |
| 5.5 | [Deleted] | <small>Deleted
effective 14/12/95</small> |
| 5.6 | [Deleted] | <small>Deleted
effective 14/12/95</small> |

Change of Credit User FI or Debit User SponsorLast amended
effective 16/09/19

- 5.7 When a change identified below occurs, the responsible party must carry out the required actions promptly:
- (a) When the Credit User changes its User FI, the **new User FI** must:
 - (i) ensure the Credit User executes fresh Credit User documentation;
 - (ii) enter the changed details in BECS Connect, based on the content required in Appendix A17;
 - (iii) change the name of the User FI on the descriptive record of the User's File;
 - (iv) change the BSB Number and account number in the Trace Record on the User's File; and
 - (v) (if applicable), establish a new TNA for those Users lodging Credit Items through a Bureau or Lodgement FI.
 - (b) When the Credit User changes its User FI, the **outgoing User FI** must cancel the existing TNA (if applicable).
 - (c) Any person making a claim under a Credit User Application must make a claim under the most recently executed Credit User Application existing as at the date of the occurrence of the event or circumstance in respect of which the claim is being made.
 - (d) When the Debit User changes its Sponsor:
 - (i) the **new Sponsor** must enter the changed details in BECS Connect based on the content required in Appendix A17; and
 - (ii) the **outgoing Sponsor** must notify of the terminated arrangements in BECS Connect based on the content required in Appendix A17.
 - (iii) the **outgoing Sponsor** must retain contact details of the Debit User for 6 years after the sponsorship has ended; and Inserted
effective 01/01/23
 - (iv) the **outgoing Sponsor** must provide to the **new Sponsor** its relevant DDR Claims Contact (for the purposes of any indemnity claims). Inserted
effective 01/01/23

Liquidation or Insolvency of User

- 5.8 In the event of the liquidation or insolvency of a User, the User may continue to have access to BECS if:
- (a) the User FI and, in the case of the Debit User, the Sponsor is prepared to continue its arrangements with the User. If a Sponsor is prepared to continue to permit a Debit User access to BECS it does so at its own risk under these Procedures, in particular, clauses 7.5 and 7.6 of these Procedures; and
 - (b) the liquidator, trustee in bankruptcy or other person responsible for the administration ("**Administrator**") of that User confirms that the User, under the administration of the Administrator, wishes to continue using BECS and, in the case of a Credit User, confirms the terms of the Credit User Application.

Last amended effective 16/09/19

Change of User's Name and/or Transfer of Business

- 5.9 When one of the following changes occurs, the required actions must be carried out within a reasonable time prior to lodgement of the first File under the new name.
- (a) When a **Credit User** changes its name, the **User FI** must:
 - (i) ensure that the User executes a Credit User application;
 - (ii) enter the name change details in BECS Connect, based on the content required in Appendix A17;
 - (iii) instruct the User to change the details on the User's File (eg User Identification Number, name of remitter, User preferred name and Trace Record); and
 - (iv) issue a new TNA (if applicable).
 - (b) When a **Debit User** changes its name, the **Sponsor FI** must:
 - (i) advise the User to notify its clients of the change as soon as practicable within a specified period;
 - (ii) enter details of the change in BECS Connect based on the content required in Appendix A17; and
 - (iii) instruct the User to change the details on the User's File (eg User Identification Number, name of remitter, User preferred name and Trace Record);
 - (c) When a **Credit User** transfers its business to another User ('Transferee User') by merger, takeover, or sale of business, the **User FI** must:
 - (i) ensure that the Transferee User executes a Credit User Application;
 - (ii) enter details of the change in BECS Connect based on the content required in Appendix A18;
 - (iii) instruct the Transferee User to change the details on the Transferee User's File (eg User Identification Number, name of remitter, User preferred name and Trace Record); and
 - (iv) issue a new TNA (if applicable).

Amended effective 16/09/19

- (d) When a **Debit User** transfers its business to another User ('Transferee User') by merger, takeover, or sale of business, the **Sponsor FI** must:
- (i) advise the Transferee User to notify its clients of the change as soon as practicable within a specified period;
 - (ii) assess and determine if the Transferee User is suitable for continued access to BECS as Debit User;
 - (iii) enter details of the change in BECS Connect;
 - (iv) instruct the Transferee User to change the details on the transferee User's File (eg User Identification Number, name of remitter, User preferred name and Trace Record); and
 - (v) maintain proprietary arrangements with the Transferee User, including regarding indemnity arrangements for claims in connection with Direct Debit Requests originally given to the User.

5.10 [Deleted]

Deleted
effective 31/3/00

Trace Record

5.11 Each User FI must ensure that each User which it represents in BECS includes in each of that User's Files in character positions 81 - 96 of Record Type 1 a correct Trace Record to which an Item must be returned electronically if it cannot be applied. A Trace Record is usually the same for each Item on any one File but may be different for some Items or for groups of Items if required by the User. A financial institution which is not the User FI may be specified in the Trace Record, but only if it has given its prior written consent to the User FI.

Last amended
effective 27/07/07

(Note: In many cases the Trace Record is also used to satisfy the requirements of the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) concerning the inclusion of Tracing Information in electronic funds transfer instructions. Please refer to Part 5 of the Act for details.)

User Identification Numbers

Amended
effective 16/09/19

5.12 Each User must have a unique User Identification Number issued to it.

A Framework Participant may, from time to time, apply via BECS Connect for a block allocation of User Identification Numbers as configured by BECS Connect. Where a block allocation is made available, the Framework Participant will issue User Identification Numbers from the block allocation to its new Users. Alternatively, a Framework Participant may apply via BECS Connect for the issue of a User Identification Number to each individual User and enter the full User name and other relevant details.

In all cases, all newly approved Users and their User Identification Numbers must be entered in BECS Connect by Framework Participants in accordance with clause 5.3.

Framework Participants which issue User Identification Numbers from a block allocation must:

- (a) establish an appropriate process within their institutions for the accurate and systematic assignment of User Identification Numbers ; and

- (b) before issuing a User Identification Number, ensure that the User is not already recorded in BECS Connect as a User. If it is, consider treatment as an extension of usage of the system under the previously issued User Identification Number.

Clauses 5.14 to 5.22 inclusive are Confidential

The next page is 6.1

PART 6 DIRECT CREDIT SYSTEM**Persons Authorised to Approve Credit Users**

6.1 Any User FI may approve a person as a Credit User.

User FI Approval

6.2 A User FI must ensure that a prospective Credit User makes application to the User FI by lodging Credit User documentation in accordance with these Procedures and such other documentation as the User FI requires. Upon receipt of such documentation and if the User FI approves of the application, the User FI must obtain for, or issue to, the prospective Credit User a User Identification Number in accordance with clause 5.12 and notify the details of the prospective Credit User (including the name of any Bureau) in accordance with clause 5.3. The User FI is not obliged to approve any application by a prospective Credit User.

Amended
effective 16/09/19

6.3 A User FI may approve a Credit User without reference to any Framework Participants but before that approval it must:

Last amended
effective 14/12/95

(a) subject to clause 6.4, ensure the proper completion, execution, stamping (where relevant) and maintenance of legally binding Credit User documentation (including a Credit User Application) prior to the prospective Credit User being permitted to lodge Credit Items in BECS. Credit User documentation must be made available by the User FI (by way of certified copy) to the Company and any Framework Participant upon request; and

(b) if the User FI is not also the Lodgement FI, ensure the completion of a TNA in accordance with clause 6.9 prior to the prospective Credit User being permitted to lodge Credit Items in BECS.

Amended
effective 16/09/19

6.4 The requirement set out in clause 6.3(a) may be waived or varied with the prior written consent of the Management Committee. The Management Committee will provide its consent where the User FI undertakes to the satisfaction of the Management Committee to fulfil the obligations of both a Credit User and a User FI whether or not a Credit User Application is or has been obtained from the Credit User. In these circumstances, the documentation which exists between the User FI and the Credit User is proprietary.

User FI Responsibilities

6.5 A User FI which approves a Credit User must:

(a) ensure that the Credit User:

Last amended
effective 1/11/08

(i) completes and executes in a legally authorised manner all Credit User documentation as required by the User FI;

(ii) promptly verifies (by signature comparison or other means) and if verified processes a Notice of Variation of Account Details. If there is any doubt as to the Customer's authorisation, then the Credit User must contact the Customer to verify; and

Amended effective
01/07/12

(iii) promptly notify the Customer upon completion of processing a Notice of Variation of Account Details.

Inserted effective 01/07/12

- (b) maintain control over the Credit User's lodgement of Credit Items and be solely accountable for terminating the Credit User's right to lodge Credit Items as it sees fit;

ensure that:

Inserted
effective 28/10/96

- (i) the Credit User has a correct Trace Record for each transaction on its File; and
- (ii) if the Trace Record Institution specified or to be specified in respect of the Credit User's Credit Items is not the User FI, that Trace Record Institution has consented in writing to be specified as the Trace Record Institution for that User's Credit Items.
- (c) If the User FI conducts the account nominated in the Trace Record, the User FI must accept every Returned Item which is sent to it electronically by the Ledger FI as a Record Type 2 in accordance with the Regulations and these Procedures (see in particular clauses 5.16A(f), 5.17, 5.18 and 8.1);
- (d) except in relation to Government Payments, not exchange Credit User's Credit Items with a "Date to be Processed" in Record Type "0" other than on the date which is the date specified in that field (although future dated Credit Items may be exchanged with other financial institutions in accordance with bilateral arrangements);
- (e) accept Returned Items on behalf of the Credit User where such Items were incorrectly applied to a Ledger FI account by virtue of incorrect details being supplied by the Credit User;
- (f) notify other Framework Participants within the appropriate time frame prior to change of Credit User name, mergers and the like taking effect in accordance with clause 5.3;
- (g) keep copies of all Credit User documentation while the Credit User remains a Credit User and for a period of seven years from the date that Credit User ceases to be a Credit User;
- (h) promptly forward to the Credit User any Notice of Redirection of a Direct Entry Item received (addressed to the Credit User) from a Ledger FI (as referred to in clause 5.21); and

Last amended
effective 11/6/08

Last amended
effective 1/04/02

Last amended
effective 16/09/19

Last amended
effective 1/11/08

Inserted effective 1/11/08

(Note: A User FI is required to promptly forward any Notice of Redirection of Direct Entry Items received from Ledger FIs. Where this involves a large number of accounts, a User FI must use best endeavours to do so within 3 months from receipt of the Notice.)

Inserted
effective 03/06/23

- (i) forward a Notice of Variation of Account Details (addressed to the Credit User) to the Credit User within 3 business days of receipt.

Amended effective
01/07/12

- 6.6 Each User FI agrees that upon exchange of Credit Items, each such Credit Item represents cleared funds and that Recalls and Returns of the Credit Items cannot be made without consent of the Ledger FI or its Representative. See clauses 5.14, 5.16 and 5.17. Each User FI also agrees that Reversals may only be made in accordance with the procedures set out in clause 5.16A.

Last amended
effective 18/01/02

Ledger FI Responsibilities

- 6.7 A Ledger FI must: Last amended effective 28/10/96
- (a) subject to Regulations 2.5 to 2.7 inclusive: Last amended effective 08/01/07
- (i) receive each Credit User's Credit Items sent by the Sending Member, apply funds to the relevant Customers' accounts as at a date no later than the PD Day (or the next business day after the PD Day if the PD Day is a public holiday in the relevant State/Territory) and effect settlement in accordance with the Regulations and these Procedures; Last amended effective 5/12/07
- (ii) unless otherwise agreed bilaterally between the User FI and the Ledger FI, Credit Items received by the Ledger FI must be posted to the Ledger FI's accounts dated as at PD Day (or the next business day after PD Day if the PD Day is a public holiday in the relevant State/Territory); Last amended effective 5/12/07
- (iii) subject to clause 6.7A, make Credit Items which have been posted to the Ledger FI's accounts pursuant to clause 6.7(a)(ii), other than Government Payments, available to the Customer in the normal course of operations by 9.00 am local time on the next business day after PD Day (or the second business day after PD Day if the PD Day is a public holiday in the relevant State/Territory); and Last amended effective 5/12/07
- (iv) subject to clause 6.7A, with respect to Government Payments, use reasonable endeavours to make Credit Items which have been posted on the Ledger FI's accounts pursuant to clause 6.7(a)(ii) available to the Customer by 9.00 am on PD Day (or the next business day after PD Day if the PD Day is a public holiday in the relevant State/Territory); Last amended effective 5/12/07
- (Note: The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) imposes pre-conditions which must be satisfied before financial institutions may initiate, pass on or take any other action to carry out electronic funds transfer instructions. Please refer to Part 5 of the Act for details.)* Inserted effective 16/04/07
- (b) return any Credit Users' Credit Items electronically which cannot or will not be applied, no later than the close of business on the next business day after the PD Day (or the second business day after PD Day if the PD Day is a public holiday in the relevant State/Territory); Last amended effective 5/12/07
- (c) assist its Customers with enquiries on Credit Items made to the Customers' accounts, and follow the Unwanted Credits process in clause 5.17A if applicable; Amended effective 15/05/17
- (d) ensure that the name of remitter and, where present, the lodgement reference details from the Detail Record are printed on all Customer statements;
- (e) if it receives any Refused Item (Record Type 3) which it cannot accept, ascertain from the Detail Record for that Refused Item the identity of the relevant User FI and arrange on-forwarding of the Refused Item in accordance with that User FI's directions; and Last amended effective 1/11/08
- (f) nominate a Receiving Dataset for transmission of Government Files. Last amended effective 1/11/08
- 6.7A A Ledger FI is only obliged to make Credit Items available to the Customer for which it has received value settlement in accordance with Part 9 of these Procedures. Inserted effective 08/01/07

Account Switching: Switching Initiated by Incoming FIInserted effective
01/07/12

The following provisions (clauses 6.7B to 6.7G) provide two alternative mechanisms to facilitate account switching and the establishment of new Regular Payments arrangements, either by enabling a Customer to easily obtain a Regular Payments List from its existing financial institution (clause 6.7G) or by enabling a Switching Customer's new financial institution to obtain the Regular Payments List on their behalf (clause 6.7B). The Customer has the option of requesting either its existing financial institution (Ledger FI), or new financial institution (Incoming FI), to assist with establishing new direct debit arrangements (see Part 7) and new direct credit arrangements (Part 6).

Amended effective
01/01/23

6.7B An Incoming FI must, upon request by a Switching Customer:

Inserted effective
01/07/12

- (a) request, via the AusPayNet Mailbox, and obtain, a Regular Payments List on behalf of the Switching Customer from the Outgoing FI; and
- (b) upon receipt of the Regular Payments List (whether from the Switching Customer or from the Outgoing FI via the AusPayNet Mailbox) assist the Switching Customer to notify Credit Users of a change in the account to be credited by:
 - (i) assisting the Switching Customer to identify the Credit Users on the Regular Payments List that need to receive a Notice of Variation of Account Details;
 - (ii) completing a Notice of Variation of Account Details, attaching a schedule detailing Credit Users identified pursuant to clause 6.7B (b)(i), for the Switching Customer to sign; and
 - (iii) forwarding a copy of the signed Notice of Variation of Account Details to each applicable User FI via the AusPayNet Mailbox or to each applicable User FI's Account Switching Contact Point (specified in Appendix B12) within 2 business days of the Switching Customer signing it.

(Note: under clause 6.7G the Outgoing FI is obliged to provide the Customer with a Regular Payments List upon request.)

Inserted effective
01/07/12

6.7C An Outgoing FI which receives a request, which it determines to be a Valid Request, must provide an Incoming FI with a Regular Payments List via the AusPayNet Mailbox as soon as practicable and in any event within 3 business days of receiving the Valid Request.

Amended effective
04/09/17

(Note: The Outgoing FI should make such inquiries as is necessary, having regard to the type of account to which the request relates, to satisfy itself that a request received from an Incoming FI is a Valid Request as defined. This may include comparison of the customer's signature (as provided on the request) with any specimen signature for that customer held by the Outgoing FI, checking account name(s) and account authority/ies. Under no circumstances will the Outgoing FI be obliged to contact its customer to validate the request.)

Inserted effective
01/07/12

6.7D If an Outgoing FI determines that a request is not a Valid Request, it must immediately notify the Incoming FI and provide reasons for its determination.

Inserted effective
01/07/12

6.7E An Outgoing FI is deemed to have received a request under clause 6.7C if the request is sent by the Incoming FI to the Outgoing FI via the AusPayNet Mailbox.

Inserted effective
01/07/12

- 6.7F An Incoming FI which obtains a Regular Payments List on behalf of a Switching Customer from an Outgoing FI under clause 6.7B, indemnifies the Outgoing FI in respect of all claims, liabilities, expenses and losses suffered or incurred by the Outgoing FI arising from the Outgoing FI's disclosure of the Regular Payments List.

Inserted effective
01/07/12**Account Switching: Switching Initiated by Customer**Inserted effective
01/07/12

- 6.7G A Ledger FI must, if requested by a Customer:

Inserted effective
01/07/12

- (a) provide the Customer with a Regular Payments List as soon as practicable and in any event within 3 business days of receiving the request; and
- (b) assist the Customer to notify Credit Users of a change in the account to be credited by:
- (i) assisting the Customer to identify the Credit Users on the Regular Payments List that need to receive a Notice of Variation of Account Details;
- (ii) completing a Notice of Variation of Account Details, attaching a schedule detailing Credit Users identified pursuant to clause 6.7G(b)(i) for the Customer to sign; and
- (iii) forwarding a copy of the Notice of Variation of Account Details to the applicable User FI via the AusPayNet Mailbox or to the applicable User FI's Account Switching Contact Point (specified in Appendix B12) within 2 business days of the Customer signing it.

Amended effective
04/09/17

The obligations in clause 6.7G only apply to a Personal Account.

Inserted effective
01/07/12

(Note: The Notice of Variation of Account Details is used whenever a Credit User is to be notified via the User FI of a change in its customer's account to be credited.)

Inserted effective
01/07/12**Lodgement FI Responsibilities**

- 6.8 The Lodgement FI must ensure that:

Last amended
effective 18/01/02

- (a) each Credit User's Files and Items which are exchanged conform with the DE File User Item Specifications (see Appendix C1) prior to them being exchanged;
- (b) the Credit User has a correct Trace Record for each transaction on the Credit Files lodged by the Lodgement FI; and
- (c) when Government Files are exchanged, they are not transmitted with other Files except pursuant to a bilateral agreement (see clause 4.2 for exchange times).

Last amended
effective 27/07/07Last amended
effective 27/07/07Last amended
effective 27/07/07

(Note: The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) requires that certain information must be included in electronic funds transfer instructions and that certain information must be obtained in respect of those instructions before financial institutions may initiate, pass on or take any other action to carry out the electronic funds transfer instructions. Please refer to Part 5 of the Act for details.)

Inserted
effective 16/04/07

Lodgement FIs processing and receiving transactions for a third party should agree with that third party as to who is to check Files received for correctness and who will create any necessary Return Files, Refusal Files and Reversal Files.

Last amended
effective 4/8/2000

The Lodgement FI must check that, if a TNA is required in accordance with clause 6.9, a TNA is held for the relevant Credit User's File and that the total value of such File is within the amount authorised by the TNA.

Last amended effective 27/07/07

Where the Lodgement FI is not the User FI and the Lodgement FI processes a File for a User where the total value of the File exceeds the amount authorised by the current TNA for that User, the File is processed at the risk of the Lodgement FI unless the excess is first approved by the User FI as an exception. The Lodgement FI should seek the User FI's approval via BECS Connect. As a fallback in a contingency event only, the Lodgement FI may seek the User FI's approval by some other mutually agreed method through the TNA Excesses Contact Point of the User FI specified in Appendix B4.

Last amended effective 16/09/19

It is the Lodgement FI's responsibility to satisfy itself that any File received from a Bureau or User for processing under TNA drawings is genuine (ie that it has in fact been provided by the Bureau or User).

Transaction Negotiation Authority (TNA)

- 6.9 Establishment of a TNA by the User FI is mandatory whenever a Credit User's File (prepared either by the Credit User or a Bureau) is to be processed by a Lodgement FI which is other than the User FI. Each relevant TNA Issuer is to create the necessary TNA via BECS Connect (incorporating the content set out in Appendix A8) in favour of the Lodgement FI.

Last amended effective 16/09/19

For the avoidance of doubt, nothing in these Procedures requires a TNA to be obtained where the Lodgement FI is also the User FI but the funding account is held with another financial institution.

The TNA, which is to be approved in accordance with the relevant TNA Issuer's internal requirements, authorises processing of a File up to the value of a specified processing limit, limit frequency and period and guarantees payment of the drawing for the total value of such File plus any charges levied by the Lodgement FI, as applicable.

Last amended effective 16/09/19

A TNA Issuer may temporarily increase the authorised amount of a TNA, in order to accommodate certain extraordinary payments (eg Christmas payroll). A temporary increase of the authorised amount of the TNA should be approved by the TNA Issuer in accordance with its internal requirements and entered via BECS Connect.

Last amended effective 16/09/19

A TNA or a notice of temporary increase in authorised amount is activated upon the Lodgement FI's acknowledgement of it via BECS Connect.

Last amended effective 16/09/19

Subject to clause 6.10, where there is any change to the instructions contained in the original TNA, a replacement TNA must be prepared and authorised via BECS Connect.

Last amended effective 16/09/19

A TNA may be terminated by the relevant TNA Issuer, by notice given via BECS Connect. Termination is effective upon acknowledgement of the notice by the Lodgement FI via BECS Connect, provided that a Lodgement FI may be unable to immediately act on advice of termination of a TNA which is received after commencement of processing of the User's File to which the TNA relates.

Last amended effective 16/09/19

If a Lodgement FI becomes aware (other than by notice from the TNA Issuer) that an arrangement for lodging TNAs with it has ceased, it should advise the TNA Issuer, and the TNA Issuer should record the termination or transfer of TNA, as the case may be, via BECS Connect.

Inserted effective 16/09/19

Change of Lodgement FI by a User or BureauLast amended
effective 16/09/19

- 6.10 If a User or Bureau wishes to change its Lodgement FI, the relevant TNAs must be transferred or replaced at the relevant TNA Issuer's option. If transfer is the preferred method the parties must co-operate to complete the transfer process promptly, including the following steps:
- (a) the parties agree a start date that allows time to complete (b) – (d) before the changes are entered in BECS Connect and any files are processed by the new Lodgement FI;
 - (b) the User or Bureau requests the new Lodgement FI to take over the processing role and provides details of the existing TNAs;
 - (c) the TNA Issuer and the new Lodgement FI communicate with each other to confirm details of each TNA;
 - (d) the TNA Issuer ensures that the Credit User is aware of the change if the change is initiated by the Bureau;
 - (e) the TNA Issuer approves individual changes via BECS Connect;
 - (f) the existing Lodgement FI receives email notice of the TNA transfers to the new Lodgement FI via BECS Connect;
 - (g) the new Lodgement FI ensures that the Record Type 0 (Header) field is amended as necessary.

Credit Users who are Responsible Entities/Trustees/Managers of Trusts, Superannuation Funds etc.Last amended
effective 15/10/99

- 6.11 Where a prospective Credit User is a responsible entity/trustee/manager of a managed investment scheme, trust, superannuation fund or other fund, the User FI must, with the help of such legal expertise as appropriate, ascertain from the Memorandum and Articles of Association of the Credit User (if a corporate Credit User) and the trust deed/constitution (as appropriate) establishing the managed investment scheme, trust, superannuation fund or other fund whether the responsible entity/trustee/manager is empowered to give an indemnity under the Credit User Application. If it is not, the application cannot proceed.

Last amended
effective 15/10/99

Where the responsible entity/trustee/manager has the power to give but has insufficient assets of its own to support such an indemnity, or otherwise refuses personal liability under such an indemnity, the User FI must ascertain whether the responsible entity/trustee/manager is entitled under the trust deed/constitution (as appropriate) to recover from the assets of the managed investment scheme, trust, superannuation fund or other fund any amount which it may become liable to pay under the indemnity given under a Credit User Application.

Last amended
effective 15/10/99

If the responsible entity/trustee/manager has recourse to the assets of the managed investment scheme, trust, superannuation fund or other fund, the application may be supported by the balance sheet of the managed investment scheme, trust, superannuation fund or other fund and the following clause may be added to the Credit User application (without the need to obtain the consent of the Management Committee):

Last amended
effective 15/10/99

- "8. The indemnity contained in Clause 3 of this Credit User Application is given by the Credit User as responsible entity/trustee/manager of the (Managed Investment Scheme/Trust/Fund) and, except in the case of fraud, negligence, breach of trust or breach of duty by the Credit User, liability under that Clause 3 is limited to the value of the assets of the said (Managed Investment Scheme/Trust/Fund) under its administration from time to time."

Last amended
effective 15/10/99

If the responsible entity/trustee/manager has no recourse to the assets of the managed investment scheme, trust, superannuation fund or other fund under the trust deed/constitution (as appropriate), this clause must not be included, the responsible entity/trustee/manager will be liable in its own right, and any Credit User Application must be supported by the responsible entity/trustee/manager's own balance sheet.

Last amended effective 15/10/99

Credit User Application - Stamp Duty

- 6.12 It is the responsibility of the User FI to appropriately stamp the Credit User Application in the relevant stamp duty jurisdiction. (In this regard note that at the date these Procedures come into effect all State and Territories of Australia apply their respective stamp duty laws to instruments signed in those States or Territories, and there are additional nexus provisions (which vary from State to State and Territory to Territory) which may apply if a Credit User Application signed in one State or Territory is physically held in another State or Territory or relates to a matter to be done in another State or Territory)."

Inserted effective 21/3/95

Notification of an Unapplied Credit Item and Request for Information (Superannuation Entities)

Inserted effective 7/12/08

- 6.13 If a Credit Item is posted by a Ledger FI to the account of a Superannuation Entity on or after 1 December 2008 and the funds cannot be:
- (a) applied by the Superannuation Entity to a superannuation fund maintained by the Superannuation Entity; and
 - (b) returned electronically in accordance with clause 6.7 (b),

then the Ledger FI may seek further particulars of the Credit Item from the Credit User by sending a Notice of Unapplied Credit Item (Superannuation) form set out in Appendix A26 to the Lodgement FI's Notice of Unapplied Credit Item (Superannuation) Contact Point specified in Appendix B13 by facsimile or email.

Amended effective 7/12/20

On receipt of a Notice of Unapplied Credit Item (Superannuation) a Lodgement FI must:

- (a) contact the Credit User to obtain further particulars; and
- (b) within 20 business days from the date of receipt of the Notice of Unapplied Credit Item (Superannuation), send a written response to the Ledger FI (to the fax number or email address specified in the Notice of Unapplied Credit Item (Superannuation)).

If on receipt of any further particulars supplied by the Credit User the funds still cannot be applied or if no response to the Notice of Unapplied Credit Item (Superannuation) is received within 20 business days from the date of sending the Notice of Unapplied Credit Item (Superannuation) to the Lodgement FI, then the unapplied Credit Item may be returned by the Superannuation Entity to the Trace Record account as a new Record Type 1 using transaction code 50 and quoting the:

- (a) reference details from Notice of Unapplied Credit Item (Superannuation) in the lodgement reference field; and
- (b) title of account from the original Credit Item in the name of remitter field.

Any return of an unapplied Credit Item by a Superannuation Entity pursuant to this clause 6.13 must be sent to the Trace Record account within 90 business days of receipt of the Credit Item.

If the unapplied Credit Item is returned by the Superannuation Entity to the Trace Record account and the account has been closed then the Credit Item must be returned with the answer “Account Closed”. The Superannuation Entity should then treat the funds as Unclaimed Moneys.

Changes to contact details in Appendix B13 must be promptly notified to the Company in accordance with clause 4.1

(Note: Clause 6.13 is only to be used as a last resort. Superannuation Entities should have appropriate reconciliation systems in place, so that a Notice of Unapplied Credit Item (Superannuation) is only issued when absolutely necessary (for example due to a Credit User (Employer) error.)

The next page is 7.1

PART 7 DIRECT DEBIT SYSTEM**Framework Participants Authorised to Sponsor Debit Users**

- 7.1 Subject to Regulation 4.3(e)(ii)(B), any Framework Participant may sponsor a person as a Debit User. A Tier 2 Framework Participant must, however, have the agreement of its Representative to sponsor a person as a Debit User. Where a Tier 2 Framework Participant has the agreement of its Representative to sponsor a person as a Debit User, the Representative will be deemed to have given the indemnification set out in clause 7.7. The arrangements under which a Tier 2 Framework Participant's Representative agrees to the Tier 2 Framework Participant sponsoring a person as a Debit User are proprietary.

Amended effective
1/1/15

(Note: a Framework Participant may be a Debit User. In such a case, the Framework Participant is responsible for complying with the provisions of this Part 7 as a Sponsor and as a DE User.)

Inserted
effective 20/03/13**Sponsor Approval**

- 7.2 A Sponsor may approve a person as a Debit User without reference to any other Framework Participants, but before that approval it must carry out a credit risk assessment of the prospective Debit User and satisfy itself that the financial strength, integrity and reliability of the prospective Debit User qualify it as a suitable Debit User in BECS. A Sponsor is not obliged to approve any prospective Debit User.

Last amended
effective 31/3/00

Documentation brought into effect between the Sponsor and a Debit User in connection with the Debit User's participation in BECS in that capacity and the Sponsor's obligation, as Sponsor, to ensure the Debit User meets certain obligations and responsibilities required of it under this Part 7 (see, for example, clauses 7.5, 7.10 and 7.11) is proprietary.

Inserted
effective 31/3/00

(Note: Ledger FIs have recourse against a Sponsor for claims arising pursuant to the Debit User's participation in BECS: see clauses 7.5(b) and 7.6.)

Each Framework Participant may use a logo approved by the Company in connection with direct debits in BECS on any of that Framework Participant's proprietary documentation published in accordance with these Procedures and relating to the provision by it of direct debit services through BECS. Each Framework Participant acknowledges and agrees for the benefit of the Company that its entitlement to use any such logo ceases immediately upon its ceasing to act in the capacity of a Framework Participant in BECS, and that subsequent use of the logo by it will be taken to be an infringement of the Company's rights in that mark.

Inserted
effective 31/3/00

- 7.3 If a Sponsor approves a person as a Debit User, the Sponsor must obtain for, or assign to, the prospective Debit User a User Identification Number in accordance with clause 5.12. The Sponsor must notify the details of the prospective Debit User and, in the case of a Sponsor which is a Tier 2 Framework Participant, its Representative's agreement to the Tier 2 Framework Participant sponsoring the prospective Debit User, to the Chief Executive Officer in accordance with clause 5.3.

Last amended
effective 31/3/00**Direct Debit Requests**

- 7.3A A Direct Debit Request may only be given in writing or by telephone by the relevant Customer to and in favour of a Debit User (or to a third party in its capacity as agent for that named Debit User).

Inserted
effective 31/3/00Last amended
effective 5/07/19

(Note: A DDR may be given in writing by electronic communication – see clauses 1.2 (e) and (f) and 7.10 (a).)

Inserted effective date
03/03/06

- 7.4 A Direct Debit Request must: Amended effective date
03/03/06
- (a) be identified as a Direct Debit Request; Last amended
effective 31/03/04
 - (b) authorise and request a Debit User to debit a Customer's account through BECS;
 - (c) identify (by name and BSB Number) the Ledger FI to which the relevant debit payment instructions are to be given; Last amended
effective 5/07/19
 - (d) identify (by name and account number) the Customer's account to be debited;
 - (e) identify (by name and User Identification Number) the Debit User in favour of which the Customer's authority is given; and
 - (f) if given: Amended effective date
03/03/06
 - (i) in writing be in such form as the relevant Sponsor may approve, substantially in the terms of Appendix A27 and be dated and contain the Customer's signature (if the Direct Debit Request is given in writing by electronic communication then the requirements specified in clauses 1.2(e) and (f) must be satisfied); or Amended effective date
17/01/11
 - (ii) by telephone be given by a procedure that the relevant Sponsor has approved which must: Inserted effective date
03/03/06
 - (A) identify the Customer and indicate the Customer's approval of the information communicated (including the authority and request to the Debit User to debit the Customer's account through BECS), by a method that is in accordance with clause 1.2(f)(ii); and Inserted effective date
03/03/06
 - (B) provide the Customer with written confirmation of the Direct Debit Request (which must include the information described in 7.4(c), (d) and (e) above) and the terms and conditions of the applicable DDR Service Agreement within 7 days. Inserted effective date
03/03/06
- (Note: 1. *Clause 7.14 sets out further requirements in relation to the printing/ publication of written Direct Debit Requests and use of the Company logo.* Amended effective date
03/03/06
2. *A Debit User must obtain written authorisation from its Sponsor BEFORE it may obtain DDRs in writing by electronic communication or by telephone – see clause 7.10(b).*
3. *Appendix A27 is provided to assist Sponsors with preparation of their DDRs insofar as it suggests a form of DDR incorporating all required content. Notwithstanding any implied or express statement to the contrary in these Procedures, provided DDRs comply with substantive content provisions of these Procedures, a Sponsor may determine the form of DDR it uses in its absolute discretion.* Inserted
Effective 17/01/11

7.4A [Transitional – Deleted] Deleted
Effective 19/10/15**Sponsor Responsibilities**

- 7.5 A Sponsor which approves a Debit User must:
- (a) ensure that the Debit User complies with its responsibilities as set out in these Procedures;

- (b) indemnify each Ledger FI against claims arising from the Debit User issuing Debit Items through BECS, in the terms set out in clause 7.6; Last amended effective 31/3/00
- (c) ensure that: Inserted effective 28/10/96
- (i) the Debit User has a correct Trace Record for each transaction on its File; and
- (ii) if the Trace Record Institution specified or to be specified in respect of the Debit User's Debit Items is not the Sponsor, that Trace Record Institution has consented in writing to be specified as the Trace Record Institution for that Debit User's Debit Items.
- If the Sponsor conducts the account nominated in the Trace Record, the Sponsor must accept every Returned Item which is sent to it electronically as a Record Type 2 in accordance with the Regulations and these Procedures (*see in particular clauses 5.16A(f), 5.17, 5.18 and 8.1*). The Sponsor must inform the Debit User promptly of each such Returned Item referable to that Debit User; Last amended effective 11/6/08
- (d) manage the on-going conduct of the Debit User by ensuring that the Debit User's lodgements are consistent with the Debit User's normal business practice or needs and install a "User Profile" to monitor File lodgements and manage unusual variations to lodgement patterns on an on-going basis. In monitoring File lodgements by its Debit Users, a Sponsor must have regard to: Last amended effective 28/10/96
- (i) the total value of Debit Items contained in any one File being in excess of the agreed figure or in excess of the normal pattern;
- (ii) the frequency of lodgements; and
- (iii) any other relevant matters;
- (e) be satisfied as to the Debit User's continued financial stability and continued suitability for access to BECS and, where required, undertake reviews to the extent necessary; Last amended effective 31/3/00
- (f) be solely accountable for terminating the Debit User's right to lodge Debit Items as it sees fit; Last amended effective 28/10/96
- (g) immediately review a Debit User's suitability if the Sponsor becomes aware of any material change in the Debit User's circumstances. If, as a result of the review, the Sponsor cancels the Debit User's access to BECS as a Debit User, the Sponsor must notify the Company and the Debit User immediately of such cancellation (and the Debit User should also be notified of the withdrawal of its entitlement and access to any logo of the Company relating to direct debits). The Company will then issue a cancellation advice to the Framework Participants according to the urgency of the request. A change to a Debit User's circumstances may include, without limitation, reduced financial standing, integrity or reliability; Last amended effective 2/04/04
- (h) notify the Company within the appropriate time-frame prior to change of Debit User name, mergers, and the like taking effect in accordance with clause 5.3; Last amended effective 20/7/2001
- (i) notify the Company not less than 5 business days before making any change to its DDR Claims Contact or Claims Account details as published in Appendix B7, nominating an effective date for the change, to enable the Company to publish any amended details to Framework Participants before they take effect; Last amended effective 24/01/12
- (j) promptly forward to the Debit User a Direct Debit Cancellation Request received from a Ledger FI (as referred to in clause 7.12(h)); Last amended effective 01/07/12

- (k) promptly forward to the Debit User any Notice of Redirection of a Direct Entry Item received (addressed to the Debit User) from a Ledger FI (as referred to in clause 5.21);

Inserted effective 1/11/08

(Note: A Sponsor is required to promptly forward any Notice of Redirection of Direct Entry Items received from Ledger FIs. Where this involves a large number of accounts, a Sponsor must use best endeavours to do so within 3 months from receipt of the Notice.)

Inserted effective 03/06/23

- (l) forward a Notice of Variation of Account Details (addressed to the Debit User) to the Debit User within 3 business days of receipt; and

Amended effective 01/07/12

- (m) notify the Debit User that before obtaining Direct Debit Requests in writing by electronic communication or by telephone the Sponsor must review and approve the format, content, medium and procedures proposed for obtaining Direct Debit Requests in writing by electronic communication or by telephone.

Last amended effective 1/11/08

Sponsor Indemnification

- 7.6 A Sponsor which approves a Debit User indemnifies all Framework Participants on behalf of themselves and on behalf of each Non-member Appointor for which that Framework Participant is a Representative in respect of all claims, liabilities, expenses and losses suffered or incurred by the Framework Participant and each Non-member Appointor in respect of all Valid Claims in accordance with this clause.

In this clause, a "Valid Claim" is a claim, supported by full particulars, made in writing by a Framework Participant, addressed to the Sponsor in relation to the Framework Participant's Customer or its Non-member Appointor's Customer to whose account a Debit Item is debited, that:

Last amended effective 31/3/00

- (a) the account of any such Customer has been debited with, and payment made to the Debit User of, amounts not at the time authorised by a Direct Debit Request from that Customer, or to which the Debit User was not at the time legally entitled;
- (b) the account of any such Customer has been debited with, and payment made otherwise than in accordance with a Direct Debit Request in force at that time from that Customer; or
- (c) payment has failed to be made in accordance with a Direct Debit Request in force at that time from that Customer,

Last amended effective 31/3/00

Inserted effective 31/3/00

Inserted effective 31/3/00

and includes any claim:

- (d) that the Sponsor has accepted as meeting all conditions under this clause; or
- (e) that the Sponsor has accepted liability for irrespective of the circumstances; or
- (f) where any relevant industry ombudsman or a court makes a decision or an order that the Sponsor make a payment in respect of the claim.

Last amended effective 31/3/00

Last amended effective 31/3/00

Last amended effective 31/3/00

The indemnification contained in this clause 7.6 shall apply to each Debit User which has or should have been advised to be a Debit User by the Sponsor to the Company in accordance with these Procedures whether such advice was given on or before the commencement of BECS. In the case of a Debit User which was not using the direct entry system operating immediately prior to the commencement of BECS this indemnification commences to apply to that Debit User upon the Debit User lodging Files in accordance with these Procedures.

Representative Indemnification

- 7.7 A Representative which has agreed to allow a Tier 2 Framework Participant to sponsor a person as a Debit User indemnifies all Framework Participants (other than the Tier 2 Framework Participant), on behalf of themselves and on behalf of each Non-member Appointor for which that Framework Participant is a Representative, in respect of any loss caused by or arising from the Tier 2 Framework Participant's failure to comply with the indemnity which it has given under clause 7.6 as a Sponsor and its failure to comply with any other aspect of Sponsor obligations in clause 7.

Claim Procedures under Sponsor Indemnification and Representative Indemnification

- 7.8 The procedures for Ledger FIs to claim under the Sponsor's indemnification as set out in clause 7.6 and the Representative's indemnification as set out in clause 7.7 are as follows:

Last amended effective 1/3/2002

[Previous sub-paragraph (a) deleted.]

Deleted effective 1/3/2002

- (a) when a Customer approaches a Ledger FI to make a claim the Ledger FI must:
- (i) make reasonable enquiries as to the circumstances of the claim;
 - (ii) determine whether, in its reasonable opinion, the claim appears to be a Valid Claim;

[Previous note to paragraph deleted]

Deleted Effective 19/10/15

- (iii) if it determines that the claim appears to be a Valid Claim, obtain from the Customer a completed Customer Claim which must:

Last amended effective 31/3/00

- (A) be identified on its face as a "Direct Debit Customer Claim";
- (B) identify (by name and address) the Customer;
- (C) identify the Debit User or, if different, remitter named on the Customer's account statement;
- (D) identify (by date, amount, BSB Number and account number) the disputed debit transaction and include the lodgement reference details printed on the Customer's account statement;
- (E) set out the basis on which the Customer disputes the Debit User's authority to debit;
- (F) be dated; and

Inserted effective 31/3/00

Inserted effective 31/3/00

Inserted effective 31/3/00

Inserted effective 31/3/00

Inserted effective 31/3/00

Last amended effective 5/07/19

- (iv) advise the Customer that the claim may be disputed;

- (b) after receiving a completed Customer Claim, if the Ledger FI decides to make a claim under clause 7.6 and/or clause 7.7, the Ledger FI's DDR Claims Contact specified in Appendix B7 must, before close of business on the business day (in the State/Territory where that DDR Claims Contact is located) which next follows the date of the Customer Claim: Last amended effective 11/6/08
- (i) provide full particulars of the claim, including the date of the claim and the information referred to in clause 7.8(a)(iii)(B)-(E) inclusive, by facsimile or by e-mail to the Sponsor's DDR Claims Contact specified in Appendix B7, together with a completed Claim Request, demanding payment by the Sponsor, under the indemnity given by the Sponsor pursuant to clause 7.6, of the amount of the claim; and at the same time, Last amended effective 24/01/12
- (ii) if the Sponsor is a Tier 2 Framework Participant, also send to the Sponsor's Representative full particulars of the claim with a demand for payment by the Representative, under the indemnity which the Representative has given under clause 7.7, of the amount of the claim in the event that payment is not received by the Ledger FI from the Sponsor under the Sponsor's indemnity; Last amended effective 31/3/00
- (c) the Sponsor's DDR Claims Contact must: Last amended effective 11/6/08
- (i) forward the claim to the Debit User as soon as practicable and require it to produce evidence of its authority to effect the disputed debit transaction; and Inserted effective 31/3/00
- (ii) respond in writing to the Ledger FI's DDR Claims Contact (with a copy to the Sponsor's Representative, if any) as to whether the claim is accepted or refused (and if it is refused, written reasons for that, together with DDR Claims Evidence): Last amended effective 5/07/19
- (A) in the case of disputed debits made less than 12 months before the date of the Customer Claim (apart from disputed debits involving a Debit User that is under the administration of an Administrator (as defined in clause 5.8)), by no later than close of business on the fifth business day (in the State/Territory where the Sponsor's DDR Claims Contact is located) after its receipt of the claim; and Last amended effective 5/07/19
- (B) in the case of all other disputed debits, within one month of its receipt of the claim; Inserted effective 31/3/00
- (Note: the intention is to allow the Sponsor's DDR Claims Contact 5 clear business days to process a claim under (A) above. Ledger FIs must ensure, in calculating the date by which a response is required from the Sponsor, that they exclude public holidays in the State/Territory where the Sponsor's DDR Claims Contact is located.)* Last amended effective 11/6/08
- (d) the Ledger FI must inform the Customer of the Sponsor's response no later than the morning of the next business day (being a business day in each of the States/Territories (if different) where the Ledger FI and the Ledger FI's DDR Claims Contact are located) following the expiry of the period allowed for the Sponsor's response under clause 7.8(c)(ii)(A) or (B); Last amended effective 11/6/08
- (e) if the Sponsor accepts any claim or if it fails to respond to the Ledger FI's DDR Claims Contact within the specified period under clause 7.8(c)(ii)(A) or (B), the Ledger FI may: Last amended effective 11/6/08
- (i) refund to the Customer the amount of the claim; and Inserted effective 31/3/00

- (ii) draw on the Sponsor's (or if applicable, Sponsor's Representative's) claims account nominated for that purpose in Appendix B7, for an equivalent amount,

Last amended effective 04/03/08

at the time it notifies the Customer under clause 7.8(d). The Ledger FI must confirm its drawing by facsimile or email to the Sponsor's DDR Claims Contact on the same business day that it effects the drawing, providing in that facsimile or email adequate information to enable the Sponsor to identify the claim which is the basis of that drawing. All drawings pursuant to clause 7.8(e)(ii) must be made electronically in accordance with the specifications set out in Appendix C4;

Last amended effective 5/07/19

- (f) if:
- (i) the Sponsor refuses the claim and produces DDR Claims Evidence within the required period; and
 - (ii) the Customer wants to contest refusal of the claim; and
 - (iii) the Ledger FI determines, in its reasonable opinion, that the claim is still appropriate, then

Last amended effective 5/07/19

the Ledger FI must give written notice that rejection of the claim is disputed to the Sponsor, and if the Sponsor is a Tier 2 Framework Participant, copied to the Sponsor's Representative;

Last amended effective 31/03/00

- (g) upon receipt by the Sponsor and, if applicable, its Representative of notice under clause 7.8(f), the Sponsor and the Ledger FI and, if applicable, the Representative must use reasonable endeavours to resolve the dispute;
- (h) if a disputed claim is not resolved under clause 7.8(g) within 30 days from the date on which the Sponsor (or if applicable, the later of the respective dates on which the Sponsor and its Representative) received notice of the dispute under clause 7.8(f), the disputed claim may be referred to the Management Committee, pursuant to Regulation 13, by the Ledger FI or the Sponsor or, if applicable, the Sponsor's Representative;
- (i) any claim in respect of which the evidence does not include a copy of a valid and binding written Direct Debit Request containing the Customer's signature shall be determined in favour of the Ledger FI unless the Sponsor can establish that the Debit User has obtained a valid and binding Direct Debit Request from the Customer in writing by electronic communication or by telephone, based on evidence of the type described in paragraph (b) of the definition of DDR Claims Evidence.

Amended effective date 03/03/06

Amended effective date 03/03/06

Amended effective date 5/07/19

For the avoidance of doubt, nothing in the preceding provisions of this clause 7.8 will be taken to prevent a Ledger FI, having determined that in its opinion a claim is a Valid Claim, from refunding, from its own funds, to the Customer the amount of the disputed Debit Item *before* making its claim on the Sponsor in accordance with clause 7.8(b). In that case, once the Ledger FI makes a claim on the Sponsor under clause 7.8(b), clauses 7.8(c)-(i) inclusive will then apply in accordance with their terms EXCEPT THAT risk as to whether the claim will be accepted by the Sponsor (or, if disputed, as to whether it will ultimately be determined to be a Valid Claim) rests solely with the Ledger FI and any funds subsequently refunded to the Ledger FI pursuant to this clause 7.8 will be taken to be received or drawn by it for its own benefit.

Amended effective date 03/03/06

If the Customer commences legal action against the Ledger FI, the Ledger FI must keep the Sponsor and, if applicable, the Sponsor Representative reasonably informed about that legal action. Each Sponsor consents to being joined as a party to any such action if the Ledger FI so requires, with each party to be responsible in the first instance for its own costs. It may also be that the Sponsor and/or the Sponsor's Representative will wish to become involved in the legal action to defend its involvement in processing the transaction.

Last amended
effective 31/3/00

Cancellation of Sponsor Indemnification and Representative Indemnification

Last amended
effective 31/3/00

7.9 Upon notification to the Company of the cancellation of a Debit User's right of access to BECS as a Debit User, the Sponsor indemnification given under clause 7.6 and, if applicable, the Representative indemnification under clause 7.7 shall cease to apply in respect of that Debit User in relation to Items of that Debit User exchanged by it after that notification, but without prejudice to any right or liability arising under the Sponsor indemnification given under clause 7.6 in relation to that Debit User prior to such cancellation or in relation to any other Debit Users lodging for whom that Sponsor is responsible and, if applicable, the Representative indemnification given under clause 7.7.

Last amended
effective 31/3/00

Debit User Responsibilities

7.10 A Sponsor must not approve a prospective Debit User unless the Debit User agrees to comply with all the conditions, accountabilities and responsibilities required of a Debit User in these Procedures. Therefore, a Sponsor must ensure that its Debit Users:

- (a) in respect of each new Customer:
 - (i) obtain a valid and binding Direct Debit Request that meets the requirements specified in clause 7.4;
 - (ii) enter into a DDR Service Agreement that meets the requirements specified in clause 7.11 either in writing or by telephone and if the DDR Service Agreement is entered into:
 - (A) in writing by electronic communication then the information described in clause 7.11 must be communicated to the Customer in writing and the requirements specified in clause 1.2(e) and (f) must be satisfied in respect of that information; or
 - (B) by telephone then the information described in:
 - (1) clause 7.11(b); and
 - (2) unless the Customer elects not to receive it the remainder of clause 7.11;

Last amended
5/07/19

Amended effective date
03/03/06

Amended effective date
03/03/06

Inserted effective date
03/03/06

Inserted effective date
03/03/06

must be communicated to the Customer by a procedure that the Sponsor has approved which must identify the Customer and indicate the Customer's approval of the information communicated by a method that is in accordance with clause 1.2(f)(ii);

- (iii) provide the Customer with the terms and conditions of the DDR Service Agreement in writing. If the terms and conditions of DDR Service Agreement are provided to the Customer in writing by electronic communication then the requirements specified in clause 1.2(e) must be satisfied; and

Inserted effective date
03/03/06

- (iv) with respect to Direct Debit Requests obtained in writing by electronic communication or by telephone, use its best endeavours to comply with the Guidelines for Establishing Direct Debit Requests Electronically or by Telephone to the extent to which such guidelines are applicable.

Amended effective date
03/03/06

(Note: If a DDR is obtained by telephone then written confirmation of the DDR and the terms and conditions of the applicable DDR Service Agreement must be provided to the Customer within 7 days – see clause 7.4(f)(ii)(B).)

Inserted effective date
03/03/06

- (b) only obtain Direct Debit Requests in writing by electronic communication or by telephone if the Sponsor has authorised them in writing to do so and then subject to such conditions as the Sponsor may impose;

Inserted effective date
03/03/06

- (c) issue Debit Items strictly in accordance with the Direct Debit Request provided by the Customer to the Debit User, honour the spirit of the commitment made to the Customer under the Debit User's applicable DDR Service Agreement and do not exceed the conditions (if any) specified in the Direct Debit Request provided by the Customer;

Amended effective date
03/03/06

- (d) inform Customers of any change in the terms of the debit arrangements agreed between them (as set out in the Debit User's DDR Service Agreement and Direct Debit Request and includes, without limitation, any change to the Debit User's details as set out in the Direct Debit Request), at least 14 days before the change is implemented;

Last amended
effective 5/07/19

- (e) inform the Sponsor (within any notification period specified by the Sponsor) of any significant changes in arrangements made in relation to the issue of Debit Items including changes to File values and/or frequency;

Amended effective date
03/03/06

- (f) inform the Sponsor of any proposed change to Debit User name, mergers, and the like in accordance with any notification period specified by the Sponsor;

Amended effective date
03/03/06

(Note: such a notification period may be necessary to enable the Sponsor to evaluate the nature of the proposed change and to determine whether or not to agree to it and, in the event that it agrees, to act in accordance with clauses 5.3 and 5.9.)

Inserted
effective 31/3/00

- (g) in respect of processing a Notice of Variation of Account Details:

Inserted effective
01/07/12

- (i) promptly verify (by signature comparison or other means) a Notice of Variation of Account Details prior to processing. If there is any doubt as to the Customer's authorisation, then the Debit User must contact the Customer to verify; and

Amended effective
01/07/12

- (ii) promptly notify the Customer upon completion of processing a Notice of Variation of Account Details;

- (h) act promptly in accordance with any instruction given by a Customer to it directly or received from the Customer via the Ledger FI and the Sponsor or via the Incoming FI and the Sponsor to:

Last amended
effective 01/07/12

- (i) cancel or suspend a Direct Debit Request;

Last amended
effective 1/11/08

- (ii) stop or defer individual Debit Items from time to time;

Last amended
effective 1/11/08

- (iii) vary a Direct Debit Request in accordance with a verified Notice of Variation of Account Details; or

Amended effective
01/07/12

- (iv) vary a Direct Debit Request in accordance with a Notice of Redirection of a Direct Entry Item.

Inserted effective
1/11/08

(Note: In relation to any Returned Item referable to a Debit User, the Debit User must act promptly to take such action as may be necessary, which may include referring to the Customer, to ensure the continuing accuracy of each Direct Debit Request.)

Inserted effective
26.07.10

- (i) investigate and deal promptly and in good faith with any query, claim or complaint relating to alleged incorrect or wrongful debits that is received from a Sponsor, assist the Sponsor to deal with all such queries, claims or complaints and respond to the Sponsor within any period specified by the Sponsor, by either
- (i) accepting the claim and paying the disputed amount to the Sponsor in any manner agreed between them; or
- (ii) disputing the claim and providing the Sponsor with full particulars of reasons for disputing the claim, which must include DDR Claims Evidence;
- (j) are made aware of:
- (i) the Debit User's responsibility to ensure that correct account information appears on any Direct Debit Request given to it; and
- (ii) the Sponsor's potential liability under its indemnity in clause 7.6 (and the implications in terms of any liability of the Debit User to that Sponsor under their proprietary documentation) in circumstances where the Debit User has initiated debits in reliance on incorrect account information provided by a Customer in a Direct Debit Request;
- (k) ensure the correct User Identification Number for the Debit User appears on each Direct Debit Request, and all correspondence to the Customer which the Debit User initiates;
- (l) retain all Direct Debit Requests, Notice of Variation of Account Details, Notices of Redirection of a Direct Entry Item and instructions from Customers (whether received directly from a Customer or via a Ledger FI (or Incoming FI) and Sponsor) to cancel or suspend a Direct Debit Request given to the Debit User in writing (other than by electronic communication or by telephone) and reliable records of all such requests, forms or instructions given to the Debit User in writing by electronic communication or by telephone for a period of not less than 7 years from the date of the last debit made under the relevant Direct Debit Request, and produce these on request by the Sponsor or the Ledger FI for verification of the Debit User's authority to debit;
- (m) acknowledge and agree, for the benefit of the Company, that the Debit User's entitlement to use a logo approved by the Company on its form of Direct Debit Request and related material (in each case as approved by the Sponsor), is contingent on the Debit User's continuing to act in the capacity of a Debit User in BECS and to comply fully with its obligations in that capacity, such that if:
- (i) the Debit User's access to BECS is withdrawn by the Sponsor; or
- (ii) the Debit User otherwise ceases to be a Debit User in BECS,
- the Debit User's entitlement to use that logo will cease immediately and any further use of the logo by the Debit User will be taken to be an infringement of the Company's rights in that mark; and
- (n) acknowledge and agree that Customers are entitled to cancel or suspend Direct Debit Requests addressed by those Customers to those Debit Users by notice to the Ledger FIs in accordance with sub-paragraph 7.12(h).

Last amended
effective 1/11/08

Amended
effective 5/07/19

Last amended
effective 1/11/08

Last amended
effective 1/11/08

Last amended
effective 5/07/19

Last amended
effective 1/11/08

Last amended
effective 20/7/2001

Last amended
effective 1/11/08

DDR Service Agreement

- 7.11 Each DDR Service Agreement must:
- (a) be identified as a DDR Service Agreement and, if given in writing, be substantially in the terms of Appendix A28;
 - (b) set out reasonable details (or, if such details are contained in the DDR, refer the Customer to it) of the terms of the debit arrangements to apply between the Debit User and the Customer including, if applicable, the basis on which the Debit User will issue billing advices to the Customer;
 - (c) provide for not less than 30 days' notice to the Customer if the Debit User proposes to vary any of the terms of those debit arrangements;
 - (d) set out clearly and in reasonable detail the procedure available to the Customer to request deferment of, or alteration to, any of those arrangements;
 - (e) set out clearly and in reasonable detail the procedure available to the Customer to stop any Debit Item or cancel a Direct Debit Request with the Debit User, and advise the Customer that all requests for such stops or cancellations may be directed to the Debit User or the Ledger FI. ;
 - (f) set out in reasonable detail the procedure available to the Customer to dispute any Debit Item with the Debit User and the dispute resolution process to apply between them, and advise the Customer that claims may also be directed to the Ledger FI;
 - (g) indicate:
 - (i) that direct debiting through BECS may not be available on all accounts; and
 - (ii) that the Customer is advised to check account details against a recent statement from the Ledger FI,
 and direct the Customer, if uncertain, to check with the Ledger FI before completing the DDR;
 - (h) state that it is the responsibility of the Customer to have sufficient clear funds available in the relevant account by the due date to permit the payment of Debit Items initiated in accordance with the relevant Direct Debit Request;
 - (i) state its policy when the due date for payment falls on a day which is not a Business Day in the place of lodgement, and indicate that if the Customer is uncertain as to when the debit will be processed to the Customer's account, they should enquire direct of the Ledger FI;
 - (j) state its policy when Debit Items are returned unpaid by the Ledger FI, including the application by the Debit User of any related fees; and
 - (k) state its policy on the privacy to be accorded to the Customer's records and account details, while noting that the Sponsor may require such information to be provided in connection with a claim made on it relating to an alleged incorrect or wrongful debit.

(Note: 1. A DDR Service Agreement may be entered into in writing, in writing by electronic communication or by telephone – see clauses 1.2(e) and (f) and 7.10(a).

Amended effective date
03/03/06

2. Appendix A28 is provided to assist Sponsors with preparation of their DDR Service Agreements, insofar as it suggests a form of DDR Service Agreement incorporating all required content. Notwithstanding any implied or express statement to the contrary in these Procedures, provided DDR Service Agreements comply with substantive content provisions of these Procedures, a Sponsor may determine the form of DDR Service Agreement it uses in its absolute discretion.)

Inserted
Effective date 17/01/11

3. In preparing the DDR Service Agreement (and any additional terms), Sponsors are reminded (and should remind their Debit Users) to be mindful of unfair contract terms.)

Inserted
effective 01/12/24

Ledger FI's Responsibilities

7.12 A Ledger FI must:

(a) receive Debit Users' Debit Items from a Sending Member, draw funds from the relevant Customers' accounts as at a date no later than PD Day (or the next business day after PD Day if the PD Day is a public holiday in the relevant State/Territory) and effect settlement in accordance with the Regulations and these Procedures. Unless otherwise agreed bilaterally between the User FI and Ledger FI, Debit Items received by the Ledger FI must be posted to the Customer's account as at PD Day (or the next business day after PD Day if the PD Day is a public holiday in the relevant State/Territory).

Last amended
effective 5/12/07

(Note: The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) requires that certain information must be included in electronic funds transfer instructions and imposes pre-conditions which must be satisfied before financial institutions may initiate, pass on or take any other action to carry out the electronic funds transfer instructions. Please refer to Part 5 of the Act for details.)

Inserted
effective 16/04/07

(b) return any Debit Items which cannot or will not be paid, no later than the close of business on the next business day after the PD Day (or the second business day after PD Day if the PD Day is a public holiday in the relevant State/Territory) in accordance with clause 7.15;

Last amended
Effective 5/12/07

(c) promptly assist its Customers with enquiries on Debit Items made to the Customers' accounts;

Last amended
effective 5/07/19

(d) promptly process claims on behalf of Customers to the relevant Sponsors and, if applicable, Representatives of Sponsors which are Tier 2 Framework Participants, in each case through the relevant DDR Claims Contact listed in Appendix B7 and otherwise in accordance with these Procedures;

Last amended
effective 5/07/19

(e) ensure that the name of remitter and, where present, the lodgement reference details from the Detail Record are printed on all Customer statements;

Last amended
effective 31/3/00

(f) if it receives any Refused Item (Record Type 3) which it cannot accept, ascertain from the Detail Record for that Refused Item the identity of the relevant Sponsor and arrange on-forwarding of that Refused Item in accordance with that Sponsor's directions;

Last amended
effective 31/3/00

(g) notify the Company not less than 5 business days before making any change to its DDR Claims Contact or Claims Account details as published in Appendix B7, nominating an effective date for the change, to enable the Company to publish any amended details to Framework Participants before they take effect;

Last amended
effective 24/01/12

- (h) accept an instruction that it receives from a Customer to cancel a Direct Debit Request addressed by that Customer to a Debit User and act promptly on that instruction by forwarding to the Sponsor's DDR Claims Contact specified in Appendix B7 a Direct Debit Cancellation Request and ensuring, as far as practicable (having regard to the fact that some Debit Items may already have been exchanged and/or partly processed), that no further Debit Items under the Direct Debit Request which is the subject of the Customer's instruction to cancel are posted to the Customer's account.

Last amended effective 5/07/19

But nothing in this Part 7 is to be taken to require a Ledger FI to accept and post Debit Items to a Customer's account when:

Last amended effective 1/11/08

- (i) to do so would be contrary to the Customer's formal instructions to it; or
- (ii) the Debit Item will be returned in accordance with clause 7.15(b) because it will not be paid.

Last amended effective 1/11/08

Inserted effective 1/11/08

A Ledger FI that does not post a Debit Item to a Customer's account because of the circumstances described in (i) or (ii) above is not relieved of the obligation to effect settlement for that Debit Item in accordance with the Regulations and these Procedures.

Inserted effective 1/11/08

[Previous note to paragraph deleted.]

Deleted effective 20/7/2001

Debit Users who are Responsible Entities/Trustees/Managers of Trusts, Superannuation Funds etc.

Deleted effective 31/3/00

[Previous clause 7.12 deleted.]

Debit User Indemnity - Stamp Duty

Deleted effective 31/3/00

[Previous clause 7.13 deleted.]

Account Switching: Switching Initiated by Incoming FI

Inserted effective 01/07/12

The following provisions (clauses 7.12A to 7.12 E) provide two alternative mechanisms to facilitate account switching and the establishment of new Regular Payments arrangements, either by enabling a Customer to easily obtain a Regular Payments List from its existing financial institution (clause 7.12E) or by enabling a Switching Customer's new financial institution to obtain the Regular Payments List on their behalf (clause 7.12A). The Customer has the option of requesting either its existing financial institution (Ledger FI) or new financial institution (Incoming FI) to assist with establishing new direct debit arrangements (see Part 7) and new direct credit arrangements (Part 6).

Amended effective 01/01/23

The Incoming FI will also assist the customer to cancel any Direct Debit Requests the customer wishes to discontinue.

7.12A An Incoming FI must, upon request by a Switching Customer:

Inserted effective 01/07/12

- (a) request, via the AusPayNet Mailbox, and obtain a Regular Payments List, on behalf of the Switching Customer, from the Outgoing FI;
- (b) assist the Switching Customer to notify Debit Users of a change in the account to be debited by:
- (i) assisting the Switching Customer to identify the Debit Users on the Regular Payments List that need to receive a Notice of Variation of Account Details;

- (ii) completing a Notice of Variation of Account Details, attaching a schedule detailing Debit Users identified pursuant to clause 7.12A(b)(i), for the Switching Customer to sign; and
 - (iii) forwarding a Notice of Variation of Account Details to the applicable Sponsor via the AusPayNet Mailbox or to the applicable Sponsor's Account Switching Contact Point (specified in Appendix B12) within 2 business days of the Switching Customer signing it; and
- (c) assist a Switching Customer to notify a Debit User of its wish to cancel a Direct Debit Request by:
- (i) assisting the Switching Customer to identify, on the Regular Payments List, any Direct Debit Request that it wishes to cancel;
 - (ii) completing a Direct Debit Cancellation Request in respect of each such Direct Debit Request for the Switching Customer to sign; and
 - (iii) forwarding the signed Direct Debit Cancellation Request to the Outgoing FI and each applicable Sponsor via the AusPayNet Mailbox or to each applicable Sponsor's Account Switching Contact Point (specified in Appendix B12) within 2 business days of the Switching Customer signing it,

Note: In accordance with clause 7.5, a Sponsor is obliged to promptly forward a copy of a Direct Debit Cancellation Request to the Debit User, and under clause 7.10, to ensure each Debit User acts promptly in relation to any instruction given by or on behalf of a customer to cancel a Direct Debit Request.

- 7.12B Subject to clause 7.12C, an Outgoing FI which receives a request from an Incoming FI, which it determines to be a Valid Request must provide the Incoming FI with a Regular Payments List via the AusPayNet Mailbox as soon as practicable and in any event within 3 business days of receiving the Valid Request.

Amended effective
04/09/17

Note: The Outgoing FI should make such as enquiries as is necessary, having regard to the type of account to which the request relates, to satisfy itself that a request received from an Incoming FI is a Valid Request as defined. This may include comparison of the customer's signature (as provided on the request) with any specimen signature for that customer held by the Outgoing FI, checking account name(s) and account authority/ies. Under no circumstances will the Outgoing FI be obliged to contact its customer to validate the request.

- 7.12C If an Outgoing FI determines that a request is not a Valid Request, it must immediately notify the Incoming FI and provide reasons for its determination.

Amended effective
04/09/17

- 7.12D An Incoming FI which requests and obtains a Regular Payments List on behalf of a Switching Customer from an Outgoing FI under clause 7.12A, indemnifies the Outgoing FI in respect of all claims, liabilities, expenses and losses suffered or incurred by the Outgoing FI arising from the Outgoing FI's disclosure of the Regular Payments List. An Outgoing FI must give the Incoming FI written notification as soon as possible after the Outgoing FI suffers loss or damage or receives a claim for loss or damage, and in any case before the Outgoing FI agrees to settle or accept a claim.

Amended effective
7/12/20

Account Switching: Switching Initiated by CustomerInserted effective
01/07/12

7.12E A Ledger FI must, if requested by a Customer:

Inserted effective
01/07/12

- (a) provide the Customer with a Regular Payments List as soon as practicable and in any event within 3 business days of receiving the request; and
- (b) assist the Customer to notify Debit Users of a change in the account to be debited by:
 - (i) assisting the Customer to identify the Debit Users on the Regular Payments List that need to receive a Notice of Variation of Account Details;
 - (ii) completing a Notice of Variation of Account Details attaching a schedule detailing the Debit Users identified pursuant to clause 7.12E(b)(i) for the Customer to sign; and
 - (iii) forwarding a copy of the Notice of Variation of Account Details to the applicable Sponsor via the AusPayNet Mailbox or to the applicable Sponsor's Account Switching Contact Point (specified in Appendix B12) within 2 business days of the Customer signing it.

Amended effective
04/09/17

The obligations in clause 7.12E only apply to a Personal Account.

Inserted effective
01/07/12

Note: The Notice of Variation of Account Details is used whenever a Debit User is to be notified (via its Sponsor) of a change in its customer's account to be debited.

Inserted effective
01/07/12**Lodgement FI's responsibilities**Inserted
effective 31/3/00

7.13 A Lodgement FI must ensure that:

Inserted
effective 31/3/00

- (a) each Debit User's Files and Items which are exchanged conform with the DE File User Item Specifications (see Appendix C1) prior to their being exchanged;

(Note: The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) requires that certain information must be included in electronic funds transfer instructions and that certain information must be obtained in respect of those instructions before financial institutions may initiate, pass on or take any other action to carry out the electronic funds transfer instructions. Please refer to Part 5 of the Act for details.)

Inserted
effective 16/04/07

- (b) if it is not itself the Sponsor, approval in writing has been obtained from the Sponsor prior to lodging the Debit Files on behalf of the User;
- (c) the Debit User has a correct Trace Record for each transaction on the Debit Files lodged by the Lodgement FI ;
- (d) if the Trace Record Institution specified or to be specified in respect of the Debit User's Debit Items is not the Sponsor, that Trace Record Institution has consented in writing to be specified as the Trace Record Institution for that Debit User's Debit Items; and
- (e) the Debit User's lodgements are consistent with the Debit User's normal business practice or needs and systems are in place to monitor File lodgements and manage unusual variations to lodgement patterns on an on-going basis.

If the Lodgement FI is not itself the Sponsor and lodges Debit Files for a User without having obtained prior approval from the Sponsor of that User for the time being, the Lodgement FI is held liable in respect of all Debit Items lodged by it, for all purposes under these Procedures as if it were the Sponsor, that is, for all responsibilities as prescribed in clause 7.5 of the Procedures (including without limitation the Sponsor's indemnity referred to in clause 7.5(b)). For this purpose, any such Lodgement FI must ensure its DDR Claims Contact and Claims Account details are published in Appendix B7 and that it notifies the Company not less than 5 business days before making any change to those details, nominating an effective date for the change, to enable the Company to publish any amended details to Framework Participants before they take effect.

Last amended effective 24/01/12

Form PD-C [deleted]

Deleted effective 31/3/00

Printing/Publication of Direct Debit Request

Inserted effective 31/3/00

7.14 A Sponsor must notify a prospective Debit User and, where relevant, an existing Debit User :

Last amended effective 31/3/00

- (a) that the Sponsor must check and approve the format, content and medium proposed for a Direct Debit Request and any information which these Procedures require a Sponsor to ensure is given to Customers in connection with the Direct Debit Request (including without limitation the DDR Service Agreement) **BEFORE** printing or other formal means of publication to Customers is undertaken by the Debit User;
- (b) that the Debit User may include its logo on the Direct Debit Request or other related material approved by the Sponsor for the purposes of, and in accordance with, these Procedures;
- (c) that the Debit User may include a logo approved by the Company for use in connection with the provision of direct debit services in BECS (as notified by the Sponsor) on the Direct Debit Request and other related material approved by the Sponsor for the purposes of, and in accordance with, these Procedures **BUT ONLY** for as long as the Debit User continues to comply fully with its obligations as a Debit User.

The Sponsor, on behalf of the Company, must ensure that the Debit User uses any logo of the Company strictly as required by clause 7.14(c) and ceases to use any such logo immediately upon its access to BECS as a Debit User being withdrawn by the Sponsor or otherwise ceasing.

Unpaid Direct Debits

7.15 Every Debit Item received by a Framework Participant must be:

Last amended effective 28/10/96

- (a) paid; or
- (b) returned electronically to the Trace Record Institution by no later than the close of business on the next business day after the PD Day (or the second business day after PD Day if the PD Day is a public holiday in the relevant State/Territory).

Last amended effective 5/12/07

For the avoidance of doubt, the electronic return of a Debit Item to the BSB Number and account number in character positions 81 to 96 inclusive of the Detail Record for that Debit Item is sufficient for the purposes of clause 7.15(b) above.

Inserted effective 27/07/07

The next page is 8.1

Part 8 is Confidential

Confidential

PART 8 FILE/ITEM REJECTION

(Confidential)

Confidential

The next page is 9.1

PART 9 SETTLEMENT**Date of Settlement**

9.1 Subject to clause 9.1A, settlement between Tier 1 Framework Participants must be effected;

Last amended effective 25/11/13

(a) in the case of Items exchanged at the 10.30pm Official Exchange Time, in the Nine AM (9am) Settlement on the PD Day; or

inserted effective 25/11/13

(b) in the case of all other Items, in the next scheduled Multilateral Intraday Settlement on the PD Day,

inserted effective 25/11/13

unless the Tier 1 Framework Participants who are parties to the transaction bilaterally agree to an earlier individual settlement, if permitted by the rules governing RITS.

inserted effective 25/11/13

If, due to exceptional circumstances, settlement is not effected on the PD Day, it must be effected by 9.00am Sydney time on the business day after the PD Day, with an interest adjustment on balances owing being passed between Tier 1 Framework Participants in accordance with clause 9.2F, or otherwise at such times and in such manner and at such rates and in respect of such type or types of Items as may be determined from time to time by the Management Committee.

Last amended effective 25/11/13

Subject to Regulation 12.6 and the regulations and procedures or manual governing any other Framework, Tier 1 Framework Participants may submit a File Settlement Instruction for value settlement amounts which relate to payment instructions which are exchanged between Framework Participants but which payment instructions are not Items exchanged in BECS.

Amended effective 21/05/12

If such value settlement amounts for payment instructions which are exchanged between Framework Participants but which are not Items are incorporated into a File Settlement Instruction with respect to value settlement for Items exchanged in BECS, then settlement of such amounts must be performed in accordance with the provisions of the Regulations and these Procedures (including without limitation any provisions applicable where an FTS Event occurs) as though those payment instructions are Items exchanged in BECS.

Amended effective 21/05/12

9.1A Settlement in respect of Government Payments must be effected by transfer between Tier 1 Framework Participants' Exchange Settlement Accounts in the Morning Settlement Session on the PD Day, in accordance with the procedures applicable to settlement of Government Files in RITS as advised by the Reserve Bank of Australia from time to time.

Last amended effective 25/11/13

Method of Settlement

9.2 The procedures detailed in this clause 9.2 do not apply to settlements of the type referred to in clause 9.1A.

Inserted effective 16/4/99

Subject to clause 9.4, settlement must be effected in Exchange Settlement Funds for the net amount owing between each Tier 1 Framework Participant and all other Tier 1 Framework Participants.

Last amended effective 25/11/13

9.2A Obligation to Submit File Settlement Instructions

Amended effective 25/11/13

Tier 1 Framework Participants which transmit Files and Government Files must prepare and submit File Settlement Instructions in accordance with clause 4.2A. Each File Settlement Instruction must specify the settlement obligation of the Tier 1 Framework Participant owed to, or by, its Counterparty, calculated by reference to the net value of Credit Items and Debit Items contained in the File, or Government File, transmitted to its Counterparty at that exchange time.

If a Tier 1 Framework Participant transmits a null File or Government File to another Framework Participant it must also submit a \$0 File Settlement Instruction via the RITS Low Value Settlement Service.

When a Tier 1 Framework Participant is manually entering File Settlement Instructions into RITS due to a specific processing difficulty it is not necessary to manually enter \$0 File Settlement Instructions. However if manual entry is being used as a business-as-usual mode of operation then entry of \$0 File Settlement Instructions is still required.

Inserted
effective 20/03/13

9.2B Rejection of File Settlement Instructions

Inserted
effective 21/05/12

In the event that a File Settlement Instruction is rejected by the RITS Low Value Settlement Service, the Originator must promptly review and rectify all defects in the original File Settlement Instruction and submit a revised File Settlement Instruction, if required. The Originator should promptly notify its Counterparty, by its LVSS Contact, of the estimated timing of submission of a revised File Settlement Instruction.

9.2C Obligation to Monitor Accruing Settlement Obligation

Inserted
effective 21/05/12

Each Tier 1 Framework Participant must monitor its accruing settlement obligations in RITS in the period prior to settlement. In the event that a Counterparty disputes any value or amount in an unsettled File Settlement Instruction submitted by the Originator of that instruction, it will promptly notify the Originator, by its LVSS Contact, and the provisions of clause 9.2E will apply.

9.2D Recalling File Settlement Instructions

Inserted
effective 21/05/12

Subject to the rules governing RITS, an Originator may recall any File Settlement Instruction using a File Recall Instruction.

If an Originator submits a File Recall Instruction in respect of a particular File Settlement Instruction, it will promptly notify the relevant LVSS Contact of the Counterparty and advise the reason for recall. The Originator must identify the defect or error in the original File Settlement Instruction, or otherwise address the reason for the recall. The Originator must promptly submit a new File Settlement Instruction via the RITS Low Value Settlement Service if a new instruction is required.

9.2E Disputed Amounts

Inserted
effective 21/05/12

Subject to the rules governing the RITS Low Value Settlement Service, if at any time prior to settlement a Counterparty disputes any value or reference to a number of Files within a File Settlement Instruction submitted by an Originator, it will promptly notify the Originator. The Originator must review the disputed value or number in the File Settlement Instruction and, if it identifies any error, promptly:

- (a) submit a File Recall Instruction to recall that particular File Settlement Instruction; and
- (b) submit a corrected File Settlement Instruction, if required.

If for any reason, the Originator is unable to recall a File Settlement Instruction in respect of which an error is identified, the error is to be rectified after settlement in accordance with the provisions of Rule 4.11.

This provision applies without prejudice to the right of any party to invoke the dispute resolution procedures under Part 13 of the Regulations.

9.2F Interest AdjustmentsInserted
effective 21/05/12

Where settlement in respect of any exchange of any Item is (for whatever reason) effected on a day other than the PD Day (in this rule 9.2F, referred to as a “**Deferred Settlement Obligation**”), the creditor and debtor Tier 1 Framework Participants must make an adjustment of interest between them in respect of that Item calculated at the interest rate (termed the “ESR” by the Reserve Bank of Australia) payable by the Reserve Bank of Australia on overnight credit balances of Exchange Settlement Accounts held with the Reserve Bank of Australia.

Amended
effective 25/11/13

Each Tier 1 Framework Participant acknowledges that:

- (a) if a Deferred Settlement Obligation is included in the Nine AM (9 am) Settlement, RITS will:
 - (i) calculate the interest on the net position between each Tier 1 Framework Participant for the number of days elapsed between the PD Day and the day of settlement using the ESR applicable to each of those days during that period; and
 - (ii) automatically generate interest adjustment transactions for the settlement of clearing interest obligations between each Tier 1 Framework Participant and its counterparties. These interest adjustment entries will be incorporated into the Nine AM (9am) Settlement for each Tier 1 Framework Participant; and
- (b) if a Deferred Settlement Obligation is not included in the Nine AM (9am) Settlement, an adjustment for interest is to be made between the Originator and Counterparty, by RITS cash transfer or otherwise as bilaterally agreed.

Amended
effective 25/11/13Amended
effective 25/11/13Amended
effective 25/11/13**9.2G Settlement of File Settlement Instructions**Amended
effective 25/11/13

Settlement under these Procedures will be effected for the net amount owing between each Tier 1 Framework Participant and all other Tier 1 Framework Participants, being the aggregate amount of all File Settlement Instructions submitted at an Official Exchange Time or other bilaterally agreed exchange time.

Amended
effective 25/11/13

For each Nine AM (9am) Settlement and Multilateral Intraday Settlement, RITS will generate for each Tier 1 Framework Participant a final settlement figure to be payable to or receivable by that Tier 1 Framework Participant and after computing and making adjustments for (on a multilateral net basis) the final net cross Framework settlement figure for that Tier 1 Framework Participant as a consequence of its participation in the Bulk Electronic Clearing System Framework (CS2) and any other Framework operating on a multilateral settlement basis (including but not limited to the High Value Clearing System Framework (CS4) if that system is settling on a multilateral settlement basis in fall back mode because settlements cannot occur in real time as a result of some contingency). The generation by RITS will be deemed to notify that Tier 1 Framework Participant of its final settlement figure and final net cross Framework settlement figure for that settlement. At the time of deemed notification the Tier 1 Framework Participant must settle its final net cross Framework settlement figure.

Last amended
effective 25/11/13

The Reserve Bank of Australia will directly apply to the Exchange Settlement Accounts of Tier 1 Framework Participants entries in accordance with the final net cross Framework settlement figures generated by the RITS Low Value Settlement Service.

Last amended
effective 21/05/12

9.2H Late Submission of File Settlement InstructionInserted
effective 25/11/13

Each Tier 1 Framework Participant acknowledges and agrees that:

- (a) subject to sub-clause 9.2H(b), any File Settlement Instruction which is submitted after the time of formation of a Multilateral Intraday Settlement group may be settled individually if the individual settlement method is selected in RITS or will otherwise be held in RITS for settlement in the next scheduled Multilateral Intraday Settlement; and
- (b) any File Settlement Instruction which is submitted after the time of formation of the final Multilateral Intraday Settlement group may be settled individually if the individual settlement method is selected in RITS, or must otherwise be resubmitted for settlement at in the next scheduled Nine AM (9am) Settlement.

9.2I Settlement of File Settlement Instructions at End of DayInserted
effective 25/11/13

Each Tier 1 Framework Participant acknowledges and agrees that:

- (a) if the final scheduled Multilateral Intraday Settlement is not completed (for whatever reason), any unsettled File Settlement Instruction will be tested for and, where possible, settled by, individual settlement in RITS; and
- (b) if, at the end of Evening Settlement Session, any such File Settlement Instruction remains unsettled, it must be resubmitted for settlement in the next Nine AM (9am) Settlement.

Variations to Normal Settlement

- 9.4 On any day which is a holiday in both Sydney and Melbourne, settlement will be deferred to the next day which is a business day in Sydney or Melbourne or both.

Last amended
effective 21/05/12**RITS Low Value Settlement Service**Inserted
effective 21/05/12

- 9.5 The RITS Low Value Settlement Service facility must be used to submit File Settlement Instructions, File Recall Instructions, and to receive responses and advices which the Framework Participant has elected to receive. Tier 1 Framework Participants must establish and maintain contingency arrangements to ensure that File Settlement Instructions and, if necessary, File Recall Instructions, can be manually submitted during any type of contingency event.

In the event that member user access to RITS is unavailable such that RITS Low Value Settlement Service instructions cannot be entered, viewed or managed, then affected Tier 1 Framework Participants must immediately contact the RITS Help Desk by telephone and request assistance and otherwise comply with the requirements set out in Part 10 of these Procedures and the requirements of the LVSS BCP Arrangements.

As soon as an applicant is advised by the Secretary that its application for BECS Tier 1 membership has been accepted it must contact the RITS Help Desk to arrange testing and implementation of its functional connectivity to the RITS Low Value Settlement Service. The business rules and technical specifications for the RITS Low Value Settlement Service and the LVSS BCP Arrangements can be accessed via links on the Company's extranet.

The next page is 10.1

PART 10 CONTINGENCY PROCEDURES**Responsibilities**

- 10.1 Framework Participants have a responsibility to each other and to BECS as a whole, to co-operate in resolving any processing difficulties including during Contingencies.

To the extent that such co-operation does not adversely affect its own processing environment, a Framework Participant receiving a request for assistance may not unreasonably withhold such assistance.

All Tier 1 Framework Participants must include the use of email as a minimum contingency exchange arrangement.

Inserted effective 30/06/03

- 10.1A If bilaterally agreed contingency exchange arrangements are invoked as part of the half yearly testing of such contingency arrangements, the Sending Institution must ensure that files sent are not duplicated.

Last amended effective 1/11/08

- 10.1.B If bilaterally agreed contingency exchange arrangements are invoked in an actual Disabling Event (that is, not a test), it is the responsibility of the Receiving Institution to ensure that it does not process duplicated files received over the primary link.

Inserted effective 03/04/06

Options

- 10.2 Where processing difficulties occur, depending upon the circumstances, remedial action could include:

Last amended effective 30/06/03

- (a) agreeing to delay transmission pending resolution of the problem;
- (b) invoking bilaterally agreed arrangements which are in place and recorded in Appendix L;
- (c) invoking the contingency procedures (as set out in Appendix I); or
- (d) invoking use of bilaterally agreed physical medium for contingency exchanges where the use of electronic communications for primary and contingency exchange arrangements are rendered unusable.

Last amended effective 30/06/03

Last amended effective 30/06/03

Last amended effective 30/06/03

Inserted effective 23/09/02

If bilaterally agreed contingency exchange arrangements are invoked, the sending or Disabled Tier 1 Framework Participant must complete and forward a Contingency File Exchange Form (as set out in Appendix M1) to the receiving Tier 1 Framework Participant.

Inserted effective 30/06/03

All Tier 1 Framework Participants are required to record all agreed primary exchange arrangements in the BECS Procedures Appendix K and immediately notify the Company of any changes to these arrangements.

Last amended effective 30/06/03

All Tier 1 Framework Participants are required to record all bilaterally agreed contingency exchange arrangements in the BECS Procedures Appendix L and immediately notify the Company of any changes to these arrangements.

Last amended effective 30/06/03

10.2A In the event of processing difficulty or other contingency event, notwithstanding any other remedial action which might be taken, the Chief Executive Officer may, if he considers it appropriate to do so, invoke the Member Incident Plan, which is available on the Company's Extranet, either by written notice to, or verbally notifying, the Management Committee. The Member Incident Plan provides a framework for Management Committee communication and consultation during applicable contingency events. If the Chief Executive Officer invokes the Member Incident Plan, the Management Committee will comply with its requirements.

Inserted effective 20/03/13

10.3 [Magnetic Tape Handling – Deleted]

Deleted effective 23/09/02

Physical Medium Exchange Standards

Last amended effective 23/09/02

10.4 Full identifying information relating to ownership of the physical medium and the details of contents must be marked on each piece of physical medium exchanged. Such information is to include the following:

Last amended effective 23/09/02

- creation date;
- Item number 'n' of Total Items (eg. cartridge 1 of 3);
- date to be processed; and
- Sending or Disabled Tier 1 Framework Participant's full name and return address.

Last amended effective 23/09/02

Last amended effective 30/06/03

Read/Write Format Standards for Physical Medium

Last amended effective 23/09/02

10.5 The industry standard for physical medium is compact disc. The following read/write format standards apply unless other formatting is bilaterally agreed between exchanging parties:

Last amended effective 30/06/03

CD-ROM

CD-ROM, 600 Megabyte (MB)

Other forms of physical medium used must be bilaterally agreed between exchanging parties.

Structure of File

10.6 File header - unspecified
 Descriptive record (one per User)
 Detail records
 File total record (one per User)
 Trailer labels – unspecified

Last amended effective 23/09/02

Example of File formats:

Multi User

Descriptive	(0)
Detail	(1)
File Total	(7)

Descriptive	(0)
Detail	(1)
File Total	(7)

Single User

Descriptive	(0)
Detail	(1)
File Total	(7)

Return/Refusal Files

Descriptive	(0)
Detail	(2)
File Total	(7)

Descriptive	(0)
Detail	(3)
File Total	(7)

Descriptive	(0)
Detail	(2)
Detail	(3)
File Total	(7)

Descriptive	(0)
Detail	(3)
Detail	(2)
File Total	(7)

10.7 [Blocking Factor - Deleted]

Deleted effective
23/09/02

Clause 10.8 is Confidential

Contingency Exchange ArrangementsInserted effective
23/09/02

10.9 Tier 1 Framework Participants who experience partial or total loss of primary exchange arrangements, resulting in a Disabling Event (see Appendix I, clause 5.2), may be required to invoke contingency exchange arrangements with other Tier 1 Framework Participants. The industry standard for these arrangements is bilaterally agreed alternate electronic communications.

Last amended
effective 04/03/08

10.9A Tier 1 Framework Participants must establish, and periodically test, contingency arrangements to ensure that File Settlement Instructions and, if necessary, File Recall Instructions can be manually submitted during any loss of connectivity to the RITS Low Value Settlement Service. The industry standard for testing such contingency arrangements is set out in the LVSS BCP Arrangements which may be accessed via a link on the Company's extranet.

Inserted
effective 21/05/12**Bilateral Testing of Contingency Exchange Arrangements**Inserted effective
23/09/02

10.10 A Tier 1 Framework Participant must bilaterally test its contingency exchange arrangements, which may be alternate electronic communications or a secondary method of contingency exchange arrangements, with a minimum of one other Tier 1 Framework Participants at least once each calendar half year and in accordance with the Contingency Exchange Testing Schedule. Compliance with the Contingency Exchange Testing Schedule can also be satisfied if a Tier 1 Framework Participant has used its contingency exchange arrangements with the relevant scheduled Tier 1 counterparty whilst managing a Disabling Event or other production issue in the 12 months before the final date of the scheduled testing period. In those circumstances, the use of the contingency exchange arrangements must still meet the testing requirements set out in this clause 10.10, including the use of live data and manual entry of File Settlement Instructions.

Last amended
effective 28/02/22

The Contingency Exchange Testing Schedule specifies the Tier 1 Framework Participants with which to conduct testing on a rotating regular basis to ensure that the contingency exchange arrangements with all Tier 1 Framework Participants are tested over a period of time that is no more than four calendar years apart. The Contingency Exchange Testing Schedule will be revised in the event of the admission or resignation of a Tier 1 Framework Participant or a change in the capacity in which a Tier 1 Framework Participant participates in the Bulk Electronic Clearing System Framework (CS2).

Last amended
effective 1/11/08

A Tier 1 Framework Participant must send live data (DE transaction data and the associated DE summary file) using the contingency exchange arrangement and the data received must be used to process actual live transactions. Transmitting duplicate data during the test using primary exchange arrangements is not permitted.

Inserted effective 03/04/06

To test members' ability to use the RITS facility that provides for the manual entry of File Settlement Instructions, each Tier 1 Framework Participant must manually input some or all of the File Settlement Instructions corresponding to the Files exchanged in bilateral testing of contingency exchange arrangements.

Inserted effective 25/03/14

In addition, Tier 1 Framework Participants using physical medium for contingency exchange arrangements must complete a successful test of each bilateral arrangement at least once each calendar half year until replaced with alternate electronic communications.

Last amended
effective 11/6/08**Contingency Procedures Testing Certificate**Inserted effective
23/09/02

10.11 All Tier 1 Framework Participants must sign a Contingency Procedures Testing Certificate each calendar half year to certify that the Tier 1 Framework Participant has successfully tested its contingency exchange arrangements in accordance with clause 10.10. The Certificate must specify whether the testing was done according to the Contingency Exchange Testing Schedule or in the course of managing a Disabling Event or other production issue.

Last amended
effective 28/02/22

The Company will issue all Tier 1 Framework Participants with a memorandum and Contingency Procedures Testing Certificate each calendar half year requesting Tier 1 Framework Participants to finalise all bilateral testing and sign the Certificate. The Certificate must be returned to the Company in the time frames specified.

Last amended effective 11/6/08

The Management Committee will be advised of all outcomes including any Tier 1 Framework Participant who fails to provide a signed Certificate. The Management Committee will determine the course of action required.

Standards For Email File Exchange and Security

Inserted effective 30/06/03

10.12 Each sending Tier 1 Framework Participant must comply with the following minimum standards for the exchange of files:

- (a) the email must be flagged as “High Priority” or “High Importance”;
- (b) the maximum file size which can be attached to the email must not exceed 5 Megabytes (MB);
- (c) the email security package must, at a minimum, include the following encryption features:
 - (i) the ability to prevent viewing of email and its attachments by outside parties other than the intended recipient;
 - (ii) the ability to prevent the email and its attachments being read by unauthorised persons within your organisation;
 - (iii) the ability to prevent viewing of email and its attachments by outside parties other than the intended recipient;
 - (iv) the ability to prevent the email and its attachments being read by unauthorised persons within your organisation;
 - (v) the ability to securely send the email and its attachments ‘locked’ with a public key;
 - (vi) the ability of the recipient to open the email and its attachments by ‘unlocking’ the transmission with a securely generated private key;
 - (vii) the ability of the sender to digitally sign the email transmission; and

(d) the following naming conventions for the email are recommended, however members may bilaterally agree to variations:

Amended effective 19/07/11

- (i) The format of the file name is:

DE_F_xx_SSS_RRR_CCC

- (ii) F = the file type as follows:

T = Direct Entry transaction file

S = Direct Entry summary file

G = Government Direct Entry transaction file

H = Government Direct Entry summary file

Amended effective 19/07/11

- (iii) xx = file number 01-99. For each Disabling Event the file number commences at 01 and increases by 1 for each file (irrespective of file type), until processing returns to normal, even if the Disabling Event spans several days. This ensures that each file has a unique file number.
- (iv) SSS = 3 character Sending Member mnemonic. A Member sending Files on behalf of another Member must, with respect to those files, use the mnemonic belonging to the Member on whose behalf it is sending those Files.
- (v) RRR = 3 character Receiving Member mnemonic. A Member receiving Files on behalf of another Member must, with respect to those Files, use the mnemonic belonging to the Member on whose behalf it is receiving those Files.
- (vi) CCC = 3 character financial institution mnemonic of the courier, if applicable.
- (vii) The email subject line must include the file name.
- (viii) Each email must contain one file only. Members can agree to include more than one File by bilateral agreement and in this case the File names in the subject line must be separated by a slash (“/”).
- (ix) The Sending Member must send the email to the nominated email address provided by the Receiving Member on the email file exchange contacts database managed by the Company. The email address should preferably be a generic address (eg. operations@FI.com.au) rather than an individual’s address (eg. Mike@FI.com.au).
- (x) Members can agree to exchange zipped files by bilateral agreement. The file name will have an extension of ‘.zip’.

Email File Exchange Contacts Database

Inserted effective
30/06/03

- 10.13 Where a Tier 1 Framework Participant uses an email security package which requires the exchange of public keys to securely send and read emails, the Tier 1 Framework Participant must have lodged any of its public keys in the email file exchange contacts database maintained by the Company.

The email file exchange contacts database is managed by the Company and Tier 1 Framework Participants are required to nominate an authorised contact to access the database for lodgement and downloading of public keys and provide the following details:

- the Tier 1 Framework Participant’s:
 - Framework;
 - full name;
 - ACN/ARBN/ABN;
 - mnemonic;
 - public key;
 - authorised contact name and title;
 - authorised contact email and telephone details;
 - target email address for file transmissions;
 - contact name and telephone number to confirm receipt of email; and
- the date the Tier 1 Framework Participant’s details were added/updated on the database.

All Tier 1 Framework Participants must complete and lodge an online Email File Exchange Contacts Lodgement Form (as set out in Appendix M2) including attachment of the public keys for use by other Tier 1 Framework Participants. The lodgement form is available on the Company's extranet.

When a Tier 1 Framework Participant makes changes to its public keys or contact details, the Email File Exchange Contacts Lodgement Form must be completed and lodged noting the changes to contact details and/or attaching new public keys. Tier 1 Framework Participants will be advised of changes to the database by CS2 operational memorandum.

The Email File Exchange Contacts Lodgement Form (as set out in Appendix M2) is used for lodging or amending public keys or contact details which effect only Tier 1 Framework Participants.

The next page is 11.1

PART 11 LIABILITY OF FRAMEWORK PARTICIPANTS IN THE EVENT OF FRAUD

Fraudulent Items

- 11.1 Tier 1 Framework Participants must ensure that their systems and procedures give adequate protection in regard to fraud in connection with Items. Tier 1 Framework Participants may return an Item or resort to the dispute resolution process specified in Regulation 13 to resolve any situation with regard to a fraudulent Item.

Clause 11.2 is Confidential

The next page is 12.1

PART 12 DE FILE SPECIFICATIONS**Overview**

- 12.1 The DE File Specifications cover the format for electronic exchanges of Files (including Files containing Record Type 1 Items issued by Users, Return Files, Refusal Files and Reversal Files) between Framework Participants. All Files exchanged between Framework Participants must conform with these specifications.

Last amended effective 4/8/2000

The DE File User Item Specifications cover the normal electronic exchange of Users' Record Type 1 Credit Items and Debit Items (detailed in Appendix C1), electronic return of those Users' Items (detailed in Appendix C2), electronic Refusal of Returned Items (detailed in Appendix C3) and electronic Reversal of Items (detailed in Appendix C5). The format is the same regardless of whether the Sending Member uses normal electronic transmission or, if exchanges are done under Contingency Procedures.

Amended effective 10/06/16

Items and Files not conforming with the applicable DE File Specifications may be rejected by Receiving Members in accordance with clauses 8.1 and 8.2.

Nothing in this clause 12.1 prevents a Sending Member accepting non-standard data (which does not conform with the applicable DE File Specifications) from a User or Bureau or a Lodgement FI, and converting it to the required format for exchange.

- 12.2 (a) Descriptive Record (Record Type 0) : Except for minor variations in some Field Descriptions, this record type is common to all Files (including Files containing Record Type 1 Items issued by Users, Return Files, Refusal Files and Reversal Files).
- (b) Detail Record Type 1 : this Record Type is used for both Credit Items and Debit Items issued by a User and credit and debit Reversing Items and contains the required details to enable posting to Customers' accounts at the Ledger FI.
- (c) Detail Record Type 2 : this Record Type is used by the Ledger FI to electronically return a User's (Record Type 1) Item to the Trace Record Institution if that Item cannot be applied.
- (d) Detail Record Type 3 : this Record Type is used when the financial institution holding the Trace Record account is not prepared to accept a Returned Item and sends it back electronically to the Ledger FI.
- (e) File Total Record (Record Type 7) is common to all Files (including Files containing Record Type 1 Items issued by Users, Return Files, Refusal Files and Reversal Files) and shows the respective totals of Record Type 1, 2 or 3 Items, as applicable, and the net difference between Credit Items and Debit Items and the totals of each as well as the total number of these Records on the File.

Last amended effective 4/8/2000

Last amended effective 4/8/2000

Last amended Effective 25/5/07

Last amended effective 4/8/2000

Character Bit Structure

- 12.3 Files exchanged between Framework Participants are to be in EBCDIC format. Any translation made to or from the EBCDIC format must ensure that the same characters are represented in both the source file and the output file and that the characters comply with the BECS Character Set.

Last amended effective 26/07/10

Structure of File

12.4 Descriptive Record (one per User)

Detail Records

File Total Record (one per User)

Example of File formats:

Multi User

Descriptive	(0)
Detail	(1)
File Total	(7)

Descriptive	(0)
Detail	(1)
File Total	(7)

Single User

Descriptive	(0)
Detail	(1)
File Total	(7)

Return/Refusal Files

Descriptive	(0)
Detail	(2)
File Total	(7)

Descriptive	(0)
Detail	(3)
File Total	(7)

Descriptive	(0)
Detail	(2)
Detail	(3)
File Total	(7)

Descriptive	(0)
Detail	(3)
Detail	(2)
File Total	(7)

Record Format

12.5 Commonly used terms associated with File formatting, and their meanings, are as follows:

- left justified start input in the first character position of that field.
- right justified end input in the last character position of that field.
- blank filled fills the unused portion of that field with blank spaces.
- zero filled fills the unused portion of that field with zeros.
- unsigned used in amount field. Amount will not be specified as debit or credit.

Record Type "0" - Descriptive Record,

Record Type "1" - Detail Record,

Record Type "2" - Returned Item Record;

Record Type "3" - Refusal Record; and

Record Type "7" - File Total Record

Are set out in Appendix C.

Last amended
Effective 25/5/07

Publication of DE User Item File Specifications

12.6 Framework Participants may publish and disseminate the DE User Item File Specifications to third parties provided that the column headed "Validation Standard (financial institution use only)" and the information contained in that column are not included in any such publication.

The next page is 13.1

Part 13 is Confidential

Confidential

PART 13 USER AND TNA RECORDS

Amended
effective 16/09/19

(Confidential)

Confidential

The next page is 14.1

PART 14 SUMMARY FILE SPECIFICATIONInserted effective
28/10/05**Overview**

- 14.1 All Summary Files exchanged between Framework Participants must conform with the Summary File Specification detailed in Appendix C6.

The format is the same regardless of whether the Sending Member uses normal electronic transmission or, if exchanges are done under Contingency Procedures.

Summary Files not conforming with the applicable Summary File Specification may be rejected by Receiving Members.

- 14.2 (a) Header Record (Record Type H) : This Record Type is common to all Summary Files.
- (b) Summary Record (Record Type S) : This Record Type contains summary information for a User as set out in Appendix C6.
- (c) Trailer Record (Record Type T) : This Record Type is common to all Summary Files.

Character Bit Structure

- 14.3 Files exchanged between Framework Participants are to be in EBCDIC format. Any translation made to or from the EBCDIC format must ensure that the same characters are represented in both the source file and the output file and that the characters comply with the BECS Character Set.

Last amended
effective 26/07/10**Structure of Summary File**

- 14.4 Header Record (one per Summary File)
Summary Record (one per User)
Trailer Record (one per Summary File)

Record Format

- 14.5 Commonly used terms associated with File formatting, and their meanings, are as follows:

- left justified : start input in the first character position of that field.
- right justified : end input in the last character position of that field.
- blank filled : fills the unused portion of that field with blank spaces.
- zero filled : fills the unused portion of that field with zeros.
- unsigned : used in amount field. Amount will not be specified as debit or credit.

Record Type "H" - Header Record;

Record Type "S" - Summary Record; and

Record Type "T" - Trailer Record,

are set out in Appendix C6.

Publication of Summary File Specification

- 14.6 Framework Participants may publish and disseminate the Summary File Specification to third parties provided that the column headed "Validation Standard (financial institution use only)" and the information contained in that column are not included in any such publication.

The next page is A1.1

Appendix A1.1 is Confidential

Appendix A is located separately

The next page is B1.1

Confidential

Appendix B is located separately

The next page is C1.1

DE FILE USER ITEM SPECIFICATIONS - RECORD FORMAT (*Validation Standard column Confidential*)
Record Type 0 - Descriptive Record

Char Pos	Field Size	Field Description	User Specification
1	1	Record Type 0	Must be '0'.
2-18	17	Blank	Must be blank filled.
19-20	2	Reel Sequence Number	Must be numeric commencing at 01. Right justified. Zero filled.
21-23	3	Name of User Financial Institution	Must be an approved financial institution abbreviation. (refer to AusPayNet publication <i>BSB Numbers in Australia</i>).
24-30	7	Blank	Must be blank filled.
31-56	26	Name of User Supplying File (User preferred name as advised in application)	Left justified. Blank filled. Full BECS character set valid. Must not be all blanks. Should be User preferred name.
57-62	6	Number of User Supplying File	Must be User Identification Number which is assigned by AusPayNet and User Financial Institutions. Must be numeric. Right justified. Zero filled.
63-74	12	Description of Entries on File (for example "Payroll")	Full BECS character set valid. Should accurately describe contents of File. Left justified. Blank filled if needed.

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DE FILE USER ITEM SPECIFICATIONS - RECORD FORMAT *(Validation Standard column Confidential)*
Record Type 0 - Descriptive Record (Continued)

Char Pos	Field Size	Field Description	User Specification
75-80	6	Date to be Processed (ie, with respect to all Items except Government Payments, the date transactions are released to all Financial Institutions. For Government Payments the date is the next day after exchange of the File).	Must be numeric and in the format of DDMMYY. Must be a valid date. Zero filled.
81-120	40	Blank	Must be blank filled.

DE FILE USER ITEM SPECIFICATIONS - RECORD FORMAT (*Validation Standard column Confidential*)
Record Type 1 - Detail Record

Char Pos	Field Size	Field Description	User Specification
1	1	Record Type 1	Must be '1'.
2-8	7	BSB Number	Must be numeric with a hyphen in character position 5. Character positions 2 to 4 must be a valid 2 or 3 digit Institution Identifier issued by AusPayNet. (Refer to AusPayNet publication <i>BSB Numbers in Australia</i>).
9-17	9	Account Number to be Credited /Debited	Alpha (26 letters of the alphabet), numeric, hyphens & blanks only are valid. Must not contain all blanks or all zeros. Leading zeros, which are part of an account number must be shown. (Some Financial Institutions have leading zeros in valid account numbers, ie 00-1234.) Edit out hyphens where account number exceeds nine characters. Right justified. Blank filled.
18	1	Indicator	<p>Must be a space or the letter 'N', 'T', 'W', 'X', or 'Y'.</p> <p>'N' for new or varied BSB number or name details. 'T' for a drawing under a Transaction Negotiation Authority.</p> <p>Withholding Tax Indicators: 'W' dividend paid to a resident of a country where a double tax agreement is in force. 'X' dividend paid to a resident of any other country. 'Y' interest paid to all non-residents.</p> <p>Where applicable, the amount of withholding tax is to appear in character positions 113-120.</p> <p>Note: Accounts of non-residents. Where withholding tax has been deducted, the appropriate Indicator as shown above, is to be used and will override the normal Indicator.</p>

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DE FILE USER ITEM SPECIFICATIONS - RECORD FORMAT (*Validation Standard column Confidential*)
Record Type 1 - Detail Record (Continued)

Char Pos	Field Size	Field Description	User Specification
19-20	2	Transaction Code	Must only be valid industry standard trancodes. (Refer BECS Procedures 4.6). Only numeric valid.
21-30	10	Amount	Only numeric valid. Must be greater than zero. Show in cents without punctuations. Right justified. Zero filled. Unsigned.
31-62	32	Title of Account to be Credited /Debited	Full BECS character set valid. Must not contain all blanks. Left justified. Blank filled. Desirable format: - surname (period) blank - given names with blank between each name.
63-80	18	Lodgement Reference Reference as submitted by the User, indicating details of the origin of the entry, eg., Payroll Number, Invoice, Contract Number. <i>Note:</i> <i>This field is used by Financial Institutions for statement narrative.</i>	Full BECS character set valid. Left justified. Blank filled.
81-96	16	Trace Record The BSB Number and account number to which an Item (including any Record Type 1 Item issued by any User, any Returned Item, any Refused Item and any Reversing Item) must be returned if it cannot be applied. <i>Continued next page.</i>	

¹ Note: In many cases the Trace Record is also used to satisfy the requirements of the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) concerning the inclusion of Tracing Information in electronic funds transfer instructions. Please refer to Part 5 of the Act for details.

DE FILE USER ITEM SPECIFICATIONS - RECORD FORMAT (*Validation Standard column Confidential*)**Record Type 1 - Detail Record** (Continued)

Char Pos	Field Size	Field Description	User Specification
(81-87)	7	(BSB Number in format XXX-XXX)	Must be numeric with a hyphen in character position 84. Character positions 81 to 83 must be a valid 2 or 3 digit Institution Identifier issued by AusPayNet. (Refer to AusPayNet publication <i>BSB Numbers in Australia</i>).
(88-96)	9	(Account Number)	Alpha (26 letters of the alphabet), numeric, hyphens & blanks only are valid. Must not contain all blanks or all zeros. Leading zeros, which are part of an account number must be shown. Edit out hyphens where account number exceeds nine characters. Right justified. Blank filled.
97-112	16	Name of Remitter (Name of originator of the entry. This may vary from Name of User). <i>Note:</i> <i>This field is used by Financial Institutions for statement narrative. When a Detail Record is used for a Financial Institution drawing under a TNA, this field must contain the name of the Lodgement Financial Institution.</i>	Full BECS character set valid. Must not contain all blanks. Left justified. Blank filled.
113-120	8	Amount of withholding tax	Numeric only valid. Show in cents without punctuation. Right justified. Zero filled. Unsigned.

Note: All fields must be completed.

DE FILE USER ITEM SPECIFICATIONS - RECORD FORMAT (*Validation Standard column Confidential*)
Record Type 7 - File Total Record

Char Pos	Field Size	Field Description	User Specification
1	1	Record Type 7	Must be '7'.
2-8	7	BSB Number	Must be 999-999.
9-20	12	Blank	Must be blank filled.
21-30	10	File (User) Net Total Amount	Numeric only valid. Show in cents without punctuation. Right justified. Zero filled. Unsigned.
31-40	10	File (User) Credit Total Amount	Numeric only valid. Show in cents without punctuation. Right justified. Zero filled. Unsigned.
41-50	10	File (User) Debit Total Amount	Numeric only valid. Show in cents without punctuation. Right justified. Zero filled. Unsigned.
51-74	24	Blank	Must be blank filled.
75-80	6	File (User) Count of Record Type 1	Numeric only valid. Right justified. Zero filled.

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DE FILE USER ITEM SPECIFICATIONS - RECORD FORMAT (*Validation Standard column Confidential*)
Record Type 7 - File Total Record (Continued)

Char Pos	Field Size	Field Description	User Specification
81-120	40	Blank	Must be blank filled.

Note: All unused fields must be blank filled.

DE FILE RETURN/REFUSAL SPECIFICATIONS - RECORD FORMAT *(Confidential)*
Record Type 0 - Descriptive Record

DE FILE RETURN/REFUSAL SPECIFICATIONS - RECORD FORMAT *(Confidential)*
Record Type 0 - Descriptive Record (Continued)

DE FILE RETURN SPECIFICATIONS - RECORD FORMAT *(Confidential)*
Record Type 2 - Detail Record

DE FILE RETURN SPECIFICATIONS - RECORD FORMAT *(Confidential)*
Record Type 2 - Detail Record (Continued)

DE FILE RETURN/REFUSAL SPECIFICATIONS - RECORD FORMAT *(Confidential)*
Record Type 7 - File Total Record

DE FILE RETURN/REFUSAL SPECIFICATIONS - RECORD FORMAT *(Confidential)*
Record Type 7 - File Total Record (Continued)

DE FILE RETURN/REFUSAL SPECIFICATIONS - RECORD FORMAT *(Confidential)*
Record Type 0 - Descriptive Record

DE FILE RETURN/REFUSAL SPECIFICATIONS - RECORD FORMAT *(Confidential)*
Record Type 0 - Descriptive Record (Continued)

DE FILE REFUSAL SPECIFICATIONS - RECORD FORMAT *(Confidential)*
Record Type 3 - Detail Record

DE FILE REFUSAL SPECIFICATIONS - RECORD FORMAT *(Confidential)*
Record Type 3 - Detail Record (Continued)

DE FILE RETURN/REFUSAL SPECIFICATIONS - RECORD FORMAT *(Confidential)*
Record Type 7 - File Total Record

DE FILE RETURN/REFUSAL SPECIFICATIONS - RECORD FORMAT *(Confidential)*
Record Type 7 - File Total Record (Continued)

DE File Claim Specifications — Record Format *(Confidential)*
Record Type 0 — Descriptive Record

DE File Claim Specifications — Record Format *(Confidential)*
Record Type 0 — Descriptive Record (Continued)

DE File Claim Specification: — Record Format *(Confidential)*
Record Type 1 — Detail Record

DE File Claim Specification — Record Format *(Confidential)*
Record Type 1 — Detail Record (Continued)

DE File Claim Specification — Record Format *(Confidential)*
Record Type 1 — Detail Record (Continued)

DE File Claim Specification — Record Format *(Confidential)*
Record Type 7 — File Total Record

DE File Claim Specification — Record Format *(Confidential)*
Record Type 7 — File Total Record (Continued)

DE FILE REVERSAL SPECIFICATIONS - RECORD FORMAT *(Confidential)*
Record Type 0 - Descriptive Record

DE FILE REVERSAL SPECIFICATIONS - RECORD FORMAT *(Confidential)*
Record Type 0 - Descriptive Record (Continued)

DE FILE REVERSAL SPECIFICATIONS - RECORD FORMAT *(Confidential)*
Record Type 1 - Detail Record

DE FILE REVERSAL SPECIFICATIONS - RECORD FORMAT *(Confidential)*
Record Type 1 - Detail Record (Continued)

DE FILE REVERSAL SPECIFICATIONS - RECORD FORMAT *(Confidential)*
Record Type 7 - File Total Record

DE FILE REVERSAL SPECIFICATIONS - RECORD FORMAT *(Confidential)*
Record Type 7 - File Total Record (Continued)

SUMMARY FILE SPECIFICATION - RECORD FORMAT *(Confidential)*
Record Type H - Header Record

SUMMARY FILE SPECIFICATION - RECORD FORMAT *(Confidential)*
Record Type S - Summary Record

SUMMARY FILE SPECIFICATION - RECORD FORMAT *(Confidential)*
Record Type S - Summary Record

SUMMARY FILE SPECIFICATION - RECORD FORMAT *(Confidential)*
Record Type T – Trailer Record

BECS CHARACTER SET	
Type	Description
Numeric	0 to 9
Alphabetic	Uppercase A to Z and Lowercase a to z
Special Characters	
+	Plus sign
-	Minus sign or hyphen
@	At sign
SP	Space
\$	Dollar sign
!	Exclamation mark
%	Percentage sign
&	Ampersand
(Left Parenthesis
)	Right Parenthesis
*	Asterik
.	Period or decimal point
/	Solidus (slash)
#	Number Sign (Pound or Hash)
=	Equal Sign
:	Colon
;	Semicolon
?	Question mark
,	Comma
'	Apostrophe
[Left square bracket
]	Right square bracket
_	Low line (underscore)
^	Circumflex

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The next page is D.1

APPENDIX D

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effective 28/10/96

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APPENDIX E

Appendix E:
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APPENDIX F

APPENDIX F IS LOCATED SEPARATELY

The next page is G1.1

Appendix G1 is confidential

Confidential

APPENDIX G1

**RETURNING / REFUSING FI ID NUMBERS,
REVERSING FI ID NUMBERS AND
UNWANTED CREDIT FI ID NUMBERS**

APPENDIX G2

**DIRECT DEBIT REQUEST
CLAIMING FINANCIAL INSTITUTION
IDENTIFICATION NUMBERS**

APPENDICES G1 & G2 ARE LOCATED SEPARATELY

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APPENDIX H

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Effective 31/3/2000

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Disabling Events Guidelines

- Section 1 Executive Summary**
- Section 2 Roles and Responsibilities**
- Section 3 Communications**
- Section 4 Contingency Procedures**
- Section 5 Disabling Events**

1. EXECUTIVE SUMMARY

1.1 Overview

These guidelines have been prepared and endorsed by the Management Committee. They are not mandatory rules but intended to guide the Tier 1 Framework Participants when exercising discretion to determine what action is to be taken in response to a Disabling Event.

Each Disabling Event should be treated on its merits.

1.2 Settlement

Unless specifically deferred, settlement will not be affected by the occurrence of a Disabling Event. Settlement will always be effected on the exchange balances.

Last amended
effective 21/05/12

1.3 Interest

As covered in Part 9, clause 9.2F, interest will be payable (as normal) on any exchanged Item in respect of which, settlement is effected later than the day on which that Item is exchanged for value.

Last amended
effective 21/05/12

Debit Items

Where a Disabling Event occurs and other Tier 1 Framework Participants are asked, by a Disabled Framework Participant, to hold Debit Files that would have been exchanged in those other Members' outward exchanges if not for a Disabling Event, those held Debit Files should retain the original PD-Day. When those Files are actually exchanged, interest will be payable by the Disabled Framework Participant from the PD-Day until the date settlement of those Debit Items is effected.

No interest is payable with respect to any Debit Items held unexchanged by a Disabled Framework Participant where the Disabled Framework Participant holds the Items because of a Disabling Event affecting its outward exchanges.

Credit Items

Where a Disabling Event occurs and other Tier 1 Framework Participants are asked, by a Disabled Framework Participant, to hold Credit Items that would have been exchanged in those other Members' outward exchanges if not for a Disabling Event, no interest will be payable to the Disabled Framework Participant.

No interest is payable with respect to any Credit Items held unexchanged by a Disabled Framework Participant where the Disabled Framework Participant holds the Items because of a Disabling Event affecting its outward exchanges.

2. ROLES AND RESPONSIBILITIES

2.1 Australian Payments Network Limited (the Company)

The roles and responsibilities of the Company, in relation to a Disabling Event, are as follows:

- to provide support and recommend appropriate actions to be taken by the Disabled Tier 1 Framework Participant and impacted Framework Participants; and
- to communicate with Framework Participants on matters that affect industry payments and clearing arrangements.

2.2 Framework Participants

The roles and responsibilities of Framework Participants in relation to a Disabling Event are as follows:

- to ensure that their internal contingency plans are consistent with these industry Contingency Procedures (Part 10);
- to implement internal contingency procedures in response to a Disabling Event and manage the impact on their internal operations;
- to assist in implementing industry contingency procedures, if applicable; and
- communicate directly with their customers, the Company and other relevant parties.

3 COMMUNICATIONS

3.1 Overview of Contingency Communication Process

This section defines the communications process between the Company and Tier 1 Framework Participants in the event of a Disabling Event.

3.2 Tier 1 Framework Participant Activates Contingency Arrangements

When a Tier 1 Framework Participant reports a Disabling Event, they may invoke internal contingency plans, which include invoking Contingency Arrangements as required by BECS Regulations and Procedures.

3.3 Tier 1 Framework Participant Advises of a Disabling Event

Amended effective
10/10/16

If a Tier 1 Framework Participant experiences a Disabling Event, they may complete a PDN (see Appendix J) on the Company's Extranet.

The Disabled Tier 1 Framework Participant keeps Framework Participants updated on any change concerning the Disabling Event by updating the PDN (or completing and forwarding subsequent PDNs) at regular intervals. Guidelines on completing and updating a PDN are set out in the PDN User Guidelines issued by the Company and available on the Company's Extranet.

Amended effective
10/10/16

3.4 The Company Actions Tier 1 Framework Participant's Advice – [Deleted]

Deleted effective
10/10/16

4. CONTINGENCY PROCEDURES FOR DISABLING EVENTS

4.1 The Company's Contingency Role – [Deleted]

Deleted effective
10/10/16

4.2 Tier 1 Framework Participants' Contingency Procedure

This procedure may be followed by Tier 1 Framework Participants where a Disabling Event occurs:

- actively pursue the identification and appropriate resolution of problem causing the Disabling Event;
- invoke the appropriate internal contingency plans which may include invoking the Contingency Procedures set out in the BECS Procedures (Part 10) and Appendix I;
- notify the Company of the internal assessment that a Disabling Event may directly or indirectly impact other Framework Participants by completing a PDN (Appendix J);
- consider and take appropriate action on the advice and recommendations given by the Company regarding the Disabling Event, if appropriate; and
- keep the Company and, if appropriate, all Framework Participants updated of any change concerning the Disabling Event by updating the PDN (or completing and forwarding subsequent PDNs) as deemed necessary. Guidelines on completing and updating a PDN are set out in the PDN User Guidelines issued by the Company and available on the Company's Extranet.

Amended effective
10/10/16

5. DISABLING EVENTS

5.1 Overview

This section describes each identified Disabling Event that may occur and appropriate actions that the Company and Tier 1 Framework Participants may undertake to address them. Each Disabling Event covered is categorised.

5.2 Disabling Events

There are three (3) categories of event that may result in a Disabling Event:

- Tier 1 Framework Participant is unable to electronically send and/or receive data file(s) using primary exchange arrangement;
- Tier 1 Framework Participant is unable to process data file(s); and
- Tier 1 Framework Participant is unable to submit File Settlement Instructions to the RITS Low Value Settlement Service.

Last amended
effective 21/05/12

Each of these categories only results in a Disabling Event if it affects, or may affect, the ability of a Framework Participant to participate to the normal and usual extent in exchanges of Items (including Record Type 1 Items issued by any User, Returned Items, Refusal Items and Reversing Items).

Disabling Events & Actions

5.2.1 Disabling Event Category No. 1

Last amended effective 10/10/16

Disabling Event Description: Tier 1 Framework Participant(s) unable to send or receive Direct Entry (DE) files to other Tier 1 Framework Participants using primary exchange arrangements.

EXTENT OF THE DISABLING EVENT	POSSIBLE ACTIONS ¹ BY IMPACTED TIER 1 FRAMEWORK PARTICIPANT(S)	POSSIBLE ACTIONS BY THE COMPANY TO ASSIST
Reported by a Tier 1 Framework Participant where Primary Exchange Arrangement has failed.	Invoke Contingency Procedures which may include: <ul style="list-style-type: none"> • arrange a later transmission after the problem is fixed – agreed bilaterally with other Tier 1 Framework Participants; • complete a Contingency File Exchange Form (as set out in Appendix M1) and forward to the receiving Tier 1 Framework Participant; • exchange files using Contingency Exchange arrangements as tabled in Appendix L “Contingency Exchange Arrangements Matrix”; • send initial PDN to all Framework Participants; and • update the PDN (or complete subsequent PDNs) and broadcast regularly to all Framework Participants as deemed necessary, until Disabling Event resolved. 	To assist Disabled Tier 1 Framework Participant: <ul style="list-style-type: none"> • provide advisory support and coordination to impacted Framework Participant(s); and • monitor progress during business hours.
Reported by a Tier 1 Framework Participant that they have failed to exchange DE files with another Tier 1 Framework Participant using Contingency Exchange Arrangements, assuming that the Primary Exchange Arrangement failure has already been reported.	Invoke Contingency Procedures which may include: <ul style="list-style-type: none"> • arrange a later transmission after the problem is fixed – agreed bilaterally with other Tier 1 Framework Participants; • complete a Contingency File Exchange Form (as set out in Appendix M1) and forward to the receiving Tier 1 Framework Participant; • exchange files using other bilaterally agreed Contingency Exchange arrangements as tabled in Appendix L “Contingency Exchange Arrangements Matrix”; • identify problems and invoke resolutions with Contingency Exchange arrangements; • send PDN to all Framework Participants; and • update the PDN (or complete subsequent PDNs) and broadcast regularly to all Framework Participants as deemed necessary, until Disabling Event resolved. 	To assist Disabled Tier 1 Framework Participant: <ul style="list-style-type: none"> • monitor progress during business hours; and • provide advisory support and coordination to impacted Framework Participants.

¹Agreed bilaterally

5.2.2 Disabling Event Category No. 2

Amended effective 10/10/16

Disabling Situation/Event Description: Framework Participant(s) unable to process Direct Entry (DE) data internally and/or unable to process data received from their Tier 1 Framework Participant representative (if applicable).

EXTENT OF THE DISABLING EVENT	POSSIBLE ACTIONS ¹ BY IMPACTED TIER 1 FRAMEWORK PARTICIPANT(S)	POSSIBLE ACTIONS BY THE COMPANY TO ASSIST
Reported by any Framework Participant that they are unable to process DE data internally	Invoke Contingency Procedures which may include: <ul style="list-style-type: none"> • delay exchange pending resolution of the problem if problem relates to electronic files received - agreed bilaterally with other Tier 1 Framework Participants; • send initial PDN to all Framework Participants; and • update the PDN (or complete subsequent PDNs) and broadcast regularly to all Framework Participants as deemed necessary until Disabling Event resolved. 	To assist Disabled Framework Participant: <ul style="list-style-type: none"> • provide advisory support and coordination to impacted Framework Participant(s); and • monitor progress during business hours.

¹Agreed bilaterally

5.2.3 Disabling Event Category No. 3

Last amended effective 21/05/12

Disabling Situation/Event Description: Tier 1 Framework Participant unable to provide settlement data

EXTENT OF THE DISABLING EVENT	POSSIBLE ACTIONS ¹ BY IMPACTED TIER 1 FRAMEWORK PARTICIPANT(S)	POSSIBLE ACTIONS BY THE COMPANY TO ASSIST
Reported by a Tier 1 Framework Participant that they are unable to provide File Settlement Instructions with respect to Direct Entry files sent for the business day.	Refer to Part 9 of the BECS Procedures.	

¹Agreed bilaterally

The next page is J1.1

APPENDIX J1
APCS AND BECS PROCESSING DIFFICULTY NOTIFICATION

APCS and BECS Processing Difficulty Notification

DETAILS

Date of Advice:

DD

MMM

YYYY

Notifying Institution:

Institution Experiencing Difficulty:

CONTACT POINT

Name:

Phone Number:

Fax Number:

Email Address:

PAYMENT SYSTEMS AFFECTED

- APCS - Australian Paper Clearing System Framework
- BECS - Bulk Electronic Clearing System Framework

PROCESSES AFFECTED - APCS

- Delivery of Electronic Presentment
 - Dishonours
 - Refusals
 - Image Required
 - Special Answers
 - Trace Requests
 - Urgent Trace Requests – Electronic
 - Image Exchange Files
- Priority
 - Send SMS

PROCESSES AFFECTED - BECS

- Detail Records
- Returns
- Refusals
- Mistaken Payments
- Account switching
- Trace requests
- Urgent trace requests
- DDR claims
- Other (mandatory comments)

EXPECTED DURATION OF PROCESSING DIFFICULTY

Date Difficulty Occurred:

DD	MMM	YYYY

Estimated Restoration Time:

	(Approximate)
--	---------------

Estimated Restoration Date:

DD	MMM	YYYY

COMMENTS

ATTACHMENTS

There are No Attachments to this PDN

This document and any accompanying documents are confidential.

APPENDIX J2
BECS PROCESSING DIFFICULTY NOTIFICATION

BECS Processing Difficulty Notification

DETAILS

Date of Advice:

DD

MMM

YYYY

Notifying Institution:

Institution Experiencing Difficulty:

CONTACT POINT

Name:

Phone Number:

Fax Number:

Email Address:

PAYMENT SYSTEMS AFFECTED

- BECS - Bulk Electronic Clearing System Framework

PROCESSES AFFECTED

- Detail Records
- Returns
- Refusals
- Mistaken Payments
- Account switching
- Trace requests
- Urgent trace requests
- DDR claims
- Other (mandatory comments)

EXPECTED DURATION OF PROCESSING DIFFICULTY

Date Difficulty Occurred:

--	--	--

DD

MMM

YYYY

Estimated Restoration Time:

--

(Approximate)

Estimated Restoration Date:

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DD

MMM

YYYY

COMMENTS

ATTACHMENTS

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There are No Attachments to this PDN

This document and any accompanying documents are confidential.

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Confidential

APPENDIX K - PRIMARY EXCHANGE ARRANGEMENTS MATRIX
PRIMARY EXCHANGE ARRANGEMENTS MATRIX

APPENDIX K IS LOCATED SEPARATELY

The next page is L1.1


Confidential

APPENDIX L - CONTINGENCY EXCHANGE ARRANGEMENTS MATRIX

APPENDIX L IS LOCATED SEPARATELY

The next page is M1.1

CONTACTS LODGEMENT FORM


Email File Exchange: Contacts Lodgement Form

Main <small>APCS</small>	Submit <small>BECS</small>	Cancel		Corporate
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Disclaimer:
 This document has been compiled in good faith from information provided by third parties. No representation or warranty is made by AusPayNet as to the truth or accuracy of the information and AusPayNet, its officers employees and agents expressly disclaim all and any liability in respect of the information. Date of Lodgement: 25/06/2017

Lodging Financial Institution: - Please Select An Institution -

FINANCIAL INSTITUTION CONTACT

Name:		
Position:		
Phone:		
Fax:		
Email:		

FRAMEWORK PARTICIPANT AUTHORISED CONTACT DETAILS FOR ANZ

APCS FRAMEWORK PARTICIPANT AUTHORISED CONTACT DETAIL S:

[COPY FROM BECS](#) | [COPY FI CONTACT](#) | [CLEAR DETAILS](#) | [SWAP APCS & BECS](#)

Name:		
Position:		
Phone:		
Fax:		
Email:		

BECS FRAMEWORK PARTICIPANT AUTHORISED CONTACT DETAIL S:

[COPY FROM APCS](#) | [COPY FI CONTACT](#) | [CLEAR DETAILS](#) | [SWAP APCS & BECS](#)

Name:		
Position:		
Phone:		
Fax:		
Email:		

Comments (if you need to add any comments, you can do so below)

[Click Here to Submit this Form to AusPayNet](#)

AusPayNet's External
Close Window

PUBLIC KEY LODGEMENT FORM

The screenshot shows the 'Email File Exchange: Public Key Lodgement Form' interface. At the top left is the Australian Payments Network logo. The title 'Email File Exchange: Public Key Lodgement Form' is centered. Below the title is a navigation bar with buttons for 'Main', 'Submit', 'Cancel', and 'Corporate'. The 'Main' button is highlighted in yellow, and the 'Submit' button is highlighted in purple. Below the navigation bar is a disclaimer: 'Disclaimer: This document has been compiled in good faith from information provided by third parties. No representation or warranty is made by AusPayNet as to the truth or accuracy of the information and AusPayNet, its officers employees and agents expressly disclaim all and any liability in respect of the information.' The date of lodgement is shown as 25/08/2017. The form includes a dropdown menu for 'Lodging Financial Institution: (Select institution)' with the text '- Please Select An Institution -'. Below this is a section for 'FINANCIAL INSTITUTION CONTACT' with fields for Name, Position, Phone, Fax, and Email. The next section is 'PUBLIC KEY DETAILS FOR ANZ' with a note: 'This document contains the following (Check all that apply):' and checkboxes for 'APCS Public Key' and 'BECS Public Key'. There are two 'File Attachments' sections, one for 'APCS Public Key' and one for 'BECS Public Key', each with a 'Choose File' button and 'No file chosen' text. A 'Comments (if you need to add any comments, you can do so below)' text area is provided. At the bottom, there is a 'Click Here to Submit this Form to AusPayNet' button, the 'AusPayNet's ExtraNet' logo, and a 'Close Window' button.

BECS CONTINGENCY PROCEDURES TESTING

Each Tier 1 Framework Participant in the Bulk Electronic Clearing System Framework (BECS/CS2) is required to have in place contingency exchange arrangements and to test such arrangements regularly. These requirements are set out in:

- Part 10, clauses 10.10 to 10.13 of the BECS Procedures.

Specifically, the *Procedures* documents require each Tier 1 Framework Participant to test its contingency exchange arrangement:

- with a minimum of **one** other Tier 1 Framework Participant,
- at least once each calendar **half year**, over a period of time that is no more than four calendar years apart,
- using **live data**, and data received must be used to process actual live transactions,
- either in accordance with the timeframes specified in the Contingency Exchange Testing Schedule, or during management of a production issue in the 12 month period before the end of the Testing Schedule period.

Tests to be done each calendar half year should be with partners, to be arranged bilaterally. Framework Participants choosing to use physical medium for contingency exchange must test each bilateral arrangement at least once every calendar half year, until such physical medium is replaced with alternate electronic communication.

After every test of contingency exchange arrangements, each Tier 1 Framework Participant is required to:

- provide AusPayNet with a signed *Contingency Procedures Testing Certificate*; and
- confirm or amend the contact details held on AusPayNet's Email File Exchange Contacts Database.

Details of person providing the Contingency Procedures Testing Certificate

From: _____

(Name of person)

Institution _____

(Tier 1 Framework Participant)

ABN/ARBN/ACN: _____

Please complete and return **before [Insert date]** to

AusPayNet Operations
Australian Payments Network Limited

Email: <operations@auspaynet.com.au>

CONTINGENCY PROCEDURES TESTING CERTIFICATE

WE CONFIRM AND CERTIFY THAT

Tier 1 Framework Participant: _____

Has completed its bilateral testing of contingency exchange arrangement(s) in the Framework(s) specified below, with at least one Tier 1 Framework Participants (test partner) as indicated.

Bulk Electronic Framework

Name of test partner 1 _____

Date test conducted* _____

Name of test partner 2 _____

Date test conducted* _____

* Test may be conducted in course of using contingency arrangements during a Disabling Event or other production issue in the 12 month period prior to testing schedule window. Specify if that was the case.

Our contingency exchange arrangements for the Framework(s) (indicated above) have been successfully tested and comply with the industry standards outlined (as appropriate) in:

BECS Procedures, Part 10, clauses 10.10 to 10.13.

Email File Exchange Contact Details

We also **confirm** that our details held on AusPayNet's Email File Exchange Contacts Database are correct for:

BECS Please "tick" box to confirm

OR

We **advise** that our details held on AusPayNet's Email File Exchange Contacts Database are not up-to-date. The correct details are shown below. We also **confirm** that we have posted the correct details directly to the relevant Email File Exchange Contacts Database on the AusPayNet Extranet.

Bulk Electronic Framework

Name of Contact

Position

Telephone number

() _____

Fax number

() _____

Contingency File email address

AUTHORISED SIGNATORY

Name of person signing Certificate

Position

Signature

Date

- END -