



Guide to the Adherence Process for the SEPA Credit Transfer Scheme

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0 DOCUMENT INFORMATION

0.1 References

This section lists documents referred to in the Guide. The convention used throughout is to provide the reference number only, in square brackets. Use of square brackets throughout is exclusively for this purpose.

	Document Number	Title	Issued by:
[1]	EPC125-05	SEPA Credit Transfer Scheme Rulebook	EPC
[2]	EPC027-07	Scheme Management Internal Rules	EPC

0.2 Change History

Issue number	Dated	Reason for revision
V 1.0	07/08/2007	Issued for use
V 2.0	29/06/2009	Publication of updated issue

1 INTRODUCTION

1.1 Purpose of the document

This document (the “SCT Adherence Guide”) provides detailed guidance on the adherence process for the SEPA Credit Transfer Scheme (the “Scheme”). In particular, it is directed at institutions looking to join the Scheme (“Applicants”), agents of Applicants, and National Adherence Support Organisations (“NASOs”) with a view to providing these groups with a step-by-step guide on the process established by EPC for adhering to the Scheme.

The bank or other institution applying to participate in the Scheme is called the “Applicant” or the “Payment Service Provider”. The use of the word “bank” in this document does not intend to restrict the adherence to the SEPA Credit Transfer Scheme to credit institutions, so payment institutions are also covered by the word “bank”.

In order to be eligible as a Participant, a Participant must at all times:

- be active in the business of providing banking and/or payment services to Customers, including the provision of accounts used for the execution of payments, holding the Funds needed for the execution of payments or making the Funds received following the execution of payments available to Customers
- either incorporated and licensed in a SEPA country or territory or licensed by an appropriate EEA regulatory body
- be able to pay its debts as they fall due, and not be insolvent as defined in accordance with any insolvency law applicable to the Participant
- maintain a sufficient level of liquidity and capital in accordance with regulatory requirements to which it is subject
- be able to meet rating or other criteria set under the terms of the Scheme from time to time for the purpose of establishing the Participant’s ability to meet its financial obligations
- comply fully with applicable regulations in respect of money laundering, sanctions restrictions and terrorist financing
- participate, or be eligible to participate, directly or indirectly in one or more Clearing and Settlement Mechanisms (the “CSMs”) for the purpose of providing access to the Scheme throughout SEPA

Applicants which fall within one of the following categories shall be deemed automatically to be eligible to participate in the Schemes:

- a credit institution which is authorised in accordance with Article 6 of Directive 2006/48/EC by a state which is a member of the European Economic Area;
- an undertaking which is listed in Article 2 of Directive 2006/48/EC; or
- a bank which is authorised in accordance with Article 3 of the Federal Law on Banks and Savings Banks of 8 November 1934 by the Swiss Federal Banking Commission, and Swiss Post, the post office giro institution of Switzerland, as defined in the Swiss Federal Post Office Organisation Act of 30 April 1997.

The objectives of this document are to:

1. Specify which documents must be submitted as part of the adherence process
2. Provide guidance on completing the adherence documentation
3. Define and specify the roles and responsibilities of different actors in the adherence process
4. Set out a clear timetable for the adherence process
5. Provide a list of Frequently Asked Questions (FAQs)

1.2 Roles & Responsibilities

The Applicant is responsible for the correct execution of its Adherence Agreement and for the accuracy of documents submitted as part of its application to adhere to the Scheme. The EPC shall be responsible for approving the applications of Applicants. A NASO may facilitate the administrative process, but in so doing, a NASO does not take on any legal obligations or liabilities unless otherwise agreed between the Applicant and its NASO.

1.3 Scheme Adherence Documents

The following documents comprise the Adherence Pack (the “Adherence Pack”) for the Scheme:

1. The Scheme Adherence Agreement
2. Schedule to the Adherence Agreement
3. Legal Opinion

Documents contained in the Adherence Pack together form the application for adherence to the Scheme. All Applicants are required to submit an Adherence Pack before they may be considered for participation in the Scheme.

The following documents support the adherence process:

1. The SEPA Credit Transfer Scheme Rulebook (doc EPC125-05) (the “Rulebook”)
2. The Scheme Management Internal Rules (doc EPC027-07) which form an integral part of the Rulebook (the “Internal Rules”)
3. This Guide to the Adherence Process for the SEPA Credit Transfer Scheme, including FAQs (doc EPC125-07).
4. This SCT Adherence Guide is complemented by a separate document detailing specific additional information for organisations wishing to adhere to the Scheme which are not deemed to be automatically eligible to participate in the Scheme according to the criteria set out in chapter 5.4 of the SEPA Credit Transfer Scheme Rulebook.

All documents listed in this section are available for download from the EPC website <http://www.europeanpaymentscouncil.eu>.

1.4 Timeline for Scheme Adherence

The timeline for adherence to the Scheme including applicable deadlines for submission of the Adherence Pack is set out on the EPC website.

1.5 The Register of Participants

The EPC publishes the Register of Participants for the SEPA Credit Transfer Scheme (the “SCT Participant Register”) on the EPC website which is freely downloadable as a PDF, an XML, and a CSV file.

The Register is published regularly and contains the names of Participants that are ready to receive and send SEPA Credit Transfer payments from the date on which the Register is published.

The SCT Participant Register contains a record for each Participant and includes the following information:

1. The name of the Participant
2. Address of its registered office
3. Reference BIC
4. Readiness Date – this is the date determined by the Applicant on which it deems itself ready and able to send, receive and process SCT payments.

The reference BIC is a BIC8 or BIC11 selected by and applicable to the Participant.

The SCT Register of Participants lists adhering banks with their individual BIC8 or BIC11. It does not list branches of banks in SEPA. Branches of a Participant are generally covered by the BIC8 of the head office. The SCT Register of Participants does list adhering branches in SEPA of non-SEPA banks. The SCT Register of Participants does list adhering subsidiaries.

The SCT Register of Participants is not an operational database and does not contain a comprehensive list of BICs used for routing payments. The SCT Register of Participants is not designed for routing payments. In the SCT Register of Participants BIC 8 or BIC11 are used by EPC as a means of identifying unambiguously the Participant organisation.

A Scheme Participant must ensure that the correct BIC8s or BIC11s are registered in the directories of the Clearing and Settlement Mechanisms (the “CSMs”). Each CSM has in place a directory with the BIC of its participants that is used by participants in order to check if the BIC provided by a customer or derived from IBAN refers to a participant reachable by that CSM. Any CSM defines internally the rules in order to register its participants and to correctly check the routing.

Institutions adhering to more than one SEPA Scheme are requested to provide the same reference BIC with each application.

The EPC updates the Registers regularly, adding / removing the names of Participants joining / exiting the Schemes. EPC maintains a timetable on its website showing the following dates for each adherence cycle:



1. **Deadline for receipt by EPC** – this deadline for the receipt of applications is derived from the publication date of the SCT Participant Registers (bullet 2 below), to give EPC adequate time to process applications and have them approved by the SMC;
2. **Publication of revised Register** - this date is derived from the Operational Start Date (bullet 3 below), being a minimum of three weeks earlier, giving adequate time for infrastructures to update their databases appropriately;
3. **Operational Start Date** – the date on which the new version of the Register “goes live”. This is the first Monday of the month. The Operational Start Date is also the date on which the Applicant becomes a Participant to the Scheme it has adhered to (the “Effective Date”). As of the Effective Date the Participant is bound to all obligations and is entitled to all the benefits set out in the related Rulebook.

EPC encourages Applicants to specify a Readiness Date in the Schedule to the Adherence Agreement that is one of the available Operational Start Dates, and to ensure that the Adherence Application is submitted to EPC well in advance of the Deadline for receipt by EPC.

An Applicant who submits an application with a Readiness Date for which the Deadline for receipt by EPC has already past will automatically have its Readiness Date set to the following Operational Start Date.

The recommendation to all Applicants is to submit the adherence application well in advance and avoid any risk of missing the desired adherence window.

2 CONDITIONS FOR SCHEME ADHERENCE

Eligibility criteria for the admission to the Scheme are listed in the Scheme Rulebook (ref [1]).

Applicant: Conditions to Adherence	
Conditions	Description of the Conditions
Condition 1: The Applicant must satisfy all eligibility requirements.	In order to be eligible as a Participant, an Applicant must at all times comply with Chapter 5.4 of the Rulebook and section 2.2.5 of the Internal Rules. This compliance is equally required from a Participant at all times during its participation in the Scheme.
Condition 2: The Applicant must have a valid BIC 8 or BIC 11.	<p>The reference BIC is a BIC 8 or BIC 11 selected by and applicable to the Participant, and used by the EPC as a means of identifying unambiguously the Participant organisation. It is not a routing BIC.</p> <p>If your bank currently has no valid BIC, it will not be possible to adhere to the Scheme.</p> <p>To obtain a valid BIC, contact SWIFT immediately. This process takes approximately 1 month.</p> <p>It is expected that all Participants will take steps to ensure that all their operational BICs are made available to relevant database providers.</p>
Condition 3: The Applicant must be actively preparing to be reachable and be able to process SEPA credit transfer payments.	If this is not the case, do not submit an Adherence Pack. Rather, wait until you are ready and then submit your Adherence Pack.

TABLE 1: APPLICANT: CONDITIONS TO ADHERENCE

3 ADHERENCE PROCESS

The adherence process is designed to be efficient and convenient. Accordingly, a bank may apply to adhere on its own. Alternatively, a bank may wish to apply alongside other subsidiary or affiliated entities in its corporate group that are also applying to join the Scheme. For banks that are applying with other entities in their corporate group and specifically for banks that are applying with four or more adhering subsidiary or affiliated entities located in four or more different SEPA jurisdictions, the EPC allows a direct submission process, whereby the Adherence Packs in respect of the group Applicants may be submitted directly to the EPC, without the intervention of a NASO.

For determining whether a bank qualifies under this exception, references to a subsidiary adhering to the Scheme may be read as including subsidiaries of subsidiaries as well as any affiliated entities within the corporate group. All references to subsidiaries in this Guide are to be read as references to subsidiaries or affiliated entities that are looking to join the Scheme.

An Applicant will fall into one of the following two categories:

1. A bank with three or fewer subsidiaries (including banks with no subsidiaries), or banks with four or more subsidiaries located in a single SEPA jurisdiction
2. A bank with four or more subsidiaries which are located in four or more different SEPA jurisdictions

3.1 **Category 1 – Bank with three or fewer subsidiaries (including banks with no subsidiaries) or banks with four or more subsidiaries located in a single SEPA jurisdiction**

In Category 1, Applicants will apply to join the Scheme using one of the following two flows:

- **Flow 1** - an Applicant prepares and submits its Adherence Pack to a chosen NASO. The NASO checks the Adherence Pack and sends it to the EPC for processing.
- **Flow 2** - an Applicant nominates an agent, or itself acts as an agent (for further details on the role of the agent, see Section 5 below). The agent prepares and submits the Adherence Pack to a chosen NASO. The NASO checks the Adherence Pack and sends it to the EPC for processing.

Flow 2 must be used by a group of banks applying together, by an Applicant that is applying on behalf of itself and fewer than 3 of its subsidiaries or by an Applicant that is applying on behalf of itself and four or more subsidiaries located in one single SEPA jurisdiction. An Applicant may use the NASO of any of the adhering entities on whose behalf or alongside which it is signing.

3.2 Category 2 – Bank with Four or More Subsidiaries in four or more different SEPA jurisdictions

In Category 2, an Applicant will apply to join the Scheme using one of the following three flows:

- **Flow 1** - an Applicant prepares and submits the Adherence Pack to a chosen NASO. The NASO checks the Adherence Pack and sends it to the EPC for processing.
- **Flow 2** - an Applicant nominates an agent (the agent is an entity outside of the Applicant's corporate group structure). The agent prepares and submits its Adherence Pack to a chosen NASO. The NASO checks the Adherence Pack and sends it to the EPC for processing. An Applicant may use the NASO of any of the adhering entities on whose behalf and alongside which it is signing.
- **Flow 3** - an Applicant prepares and submits the Adherence Pack on behalf of itself and as agent on behalf of all group Applicants and sends it directly to the EPC for processing.

4 COMPLETING THE ADHERENCE PACK

Under the Internal Rules, an Applicant may complete the Adherence Pack using one of the following two methods:

- Method 1: an Applicant completes its own Adherence Pack
- Method 2: an Applicant gives legal authority to an agent to complete the Adherence Pack

After selecting one of the above methods, an Applicant (or an agent) needs to provide its NASO (and thereby also the EPC) with the following three documents:

- Adherence Agreement
- Schedule to the Scheme Adherence Agreement
- Legal Opinion

A pro-forma version of these three documents can be found in **Annex A** of this Guide; they can also be downloaded from the EPC website at www.europeanpaymentscouncil.eu.

4.1 Method 1: Applicant completes its own Adherence Pack

Where an Applicant downloads the Adherence Pack from the EPC website and completes it on his own behalf, it must read through the Adherence Pack, correctly execute the Adherence Agreement (with Schedule) and complete the pro forma Legal Opinion.

For Method 1 an Applicant needs to prepare and submit the following documentation:

- Adherence Agreement
- Schedule to the Adherence Agreement
- Legal Opinion

4.2 Method 2: An Authorised Agent completes the Adherence Agreement

The EPC recognises that it may be easier for an Applicant to undertake the adherence process through an agent instead of completing the form by itself. An Applicant may authorise an agent to complete the Adherence Agreement on its behalf. In addition, an agent may act on behalf of several Applicants at the same time, thereby potentially speeding up the adherence process.

If an Applicant wishes to use an agent for completing the Adherence Agreement, it must give this agent binding legal authority to act on its behalf. If the Applicant is in any doubt as to whether it has done this correctly, it must consult its own internal or external legal counsel for advice. The Applicant will also be required to supply the agent with sufficient information enabling it to complete the schedule to the Adherence Agreement.

An agent will be responsible and required to:

- Thoroughly read through the Adherence Pack and guidance on the EPC website
- Correctly execute the Adherence Agreement (with Schedule)

- Obtain a Legal Opinion from either the Applicant's internal counsel or from external counsel. Counsel is to ensure that wording dealing with the legal authority of the agent to complete the Adherence Agreement is included in the legal opinion. This wording is in square brackets in the pro-forma legal opinion.

Where an agent is completing Adherence Packs on behalf of several Applicants at any one time, it is only required to submit one Legal Opinion to cover all of those Applicants. It is not required by the EPC to submit one Legal Opinion per Applicant. However, where an agent is acting for Applicants who are not all established in one jurisdiction, it must obtain separate Legal Opinions relating to the laws of each jurisdiction.

An agent needs to prepare and submit the following documentation:

- Scheme Adherence Agreement
- Schedule to the Adherence Agreement (one Schedule per Applicant)
- Legal Opinion. Only one Legal Opinion is required to cover a group of Applicants on whose behalf an agent acts at any one time. However, where an agent is acting for Applicants who are not all established in one jurisdiction, it must obtain separate Legal Opinions relating to the laws of each jurisdiction.

An agent may complete one Adherence Agreement on behalf of each Applicant; alternatively, an agent may complete one Adherence Agreement on behalf of all of the Applicants on whose behalf it is acting. Where an agent wishes to complete one Adherence Agreement on behalf of all of the Applicants, it must ensure that it provides a list of each of their names and a Schedule completed on behalf of each Applicant¹ as an annex to the Adherence Agreement.

¹ If the Schedule information is provided as an excel file, only one excel file containing the Schedule information of each Applicant on whose behalf the agent submits the adherence pack has to be completed.

4.3 Instructions for Filling in the Adherence Agreement and Schedule

Steps for an Applicant or agent to complete the Adherence agreement and the Schedule		
	Description of Steps	Participant's Action
Step 1	Read the full Scheme Adherence Pack and in particular the Adherence Agreement.	<p>Applicants are advised to familiarise themselves with the documentation first.</p> <p>They are also advised to create a list of their own documentation that they need to support and/or use in the adherence process.</p> <p>These steps will help Applicants to:</p> <ul style="list-style-type: none"> – Design the adherence work flow – Plan the time schedule – Plan the effort, budget and resource allocation – Indicate the areas where they need legal advice
Step 2	<p>Download the Adherence Pack at www.europeanpaymentscouncil.eu...</p> <p>The documents are made available in MS-Word format. There is also an Excel version available for the Schedule information.</p>	<p>Applicants should submit an Application Pack to the EPC – or to the appropriate NASO – in two manners:</p> <ol style="list-style-type: none"> a) The original documents (mandatory). Whenever original Adherence Packs are to be sent either to NASOs or to the EPC this must be done by secure means (e.g. courier or special delivery). Do not send original Adherence Packs by regular mail. b) In addition, if possible, electronically (PDF version of Adherence Agreement, Legal Opinion, and the Schedule information) by e-mail either to the EPC at sct@europeanpaymentscouncil.eu or to the appropriate NASO. It is strongly recommended to provide the Schedule information in an Excel spreadsheet for which a template is available at www.europeanpaymentscouncil.eu. Applicants may, however, choose to provide the Schedule information in a Word document for which a template is available as well at www.europeanpaymentscouncil.eu. Applicants may choose to also save an electronic copy for their records.
Step 3	Adherence Agreement: Fill in the legal name of Applicant.	This should be the legal name of the entity.

Steps for an Applicant or agent to complete the Adherence agreement and the Schedule		
Step 4	Adherence Agreement: Applicant/agent proceeds to signature section.	<p>Applicants/their agents should fill in the following information:</p> <ul style="list-style-type: none"> • Full name of the authorised person • Position of the authorised person • Date of signing the Adherence Agreement • Impress company seal (if applicable) <p>An Applicant should ensure that an authorised person(s) from its organisation signs the Adherence Agreement. An agent should ensure that it is authorised to sign on behalf of the authorised person(s) from the organisation of the Applicant.</p>
Step 5	Schedule: Applicants are required to submit certain details, as set out in the Schedule	<p>The Schedule provides general information to EPC on the Applicant. The following information provided in the Schedule will be publicly available in the SCT Participant Register:</p> <ul style="list-style-type: none"> • Name of Participant • Address of Participant • Reference BIC • Readiness Date <p>Applicants must explicitly indicate a date on which they will be ready to adhere to the SCT Scheme (the “Readiness Date”). Where an Applicant is not ready to participate from the Readiness Date given, it may delay its participation in the Scheme, as necessary. Where an Applicant wishes to delay its participation in the Scheme, it must give timely notice to the EPC of not less than 15 calendar days before the Readiness Date.</p> <p>It is strongly recommended that Applicants provide the Schedule information in an Excel file, for which a template Excel file is available for download from the EPC website. A printed version of the file must be forwarded along with the Adherence Agreement and Legal Opinion.</p>

Table 2: Adherence Application - Instructions for an Applicant or Agent

4.4 Instructions for Completing the Legal Opinion

The Adherence Pack includes a Legal Opinion which has been designed so as to be in a format that is very simple, straightforward and familiar to a legal counsel.

The purpose of the Legal Opinion is to give comfort to the EPC that the Applicant is able to satisfy the eligibility criteria set out in section 5.4 of the Scheme Rulebook, and that it has the power and authority to become a Participant in the Scheme.

The Legal Opinion must be completed by the Applicant's legal counsel. The Legal Opinion can be completed either by an external or by an internal legal. For further information see, Frequently Asked Questions (**Annex B**).

There is one Legal Opinion to cover Adherence Agreements executed by the Applicant itself as well as Adherence Agreements executed by an agent on behalf of the Applicant. However, in order to ensure that the Legal Opinion is correctly completed, counsel must ensure that, where an agent completes the Adherence documents, the Legal Opinion includes a statement by counsel to confirm that the agent is properly authorised to complete the Adherence Agreement on behalf of the Applicant. It is not necessary to include this statement where an Adherence Agreement is completed by an Applicant on its own behalf.

In completing the Legal Opinion, among other things, the legal counsel is asked to confirm that the Adherence Agreement has been validly executed by the Applicant. Consequently, the Legal Opinion shall never pre-date the Adherence Agreement. The Applicant will ensure that this is respected before submitting its Adherence Pack to the EPC Secretariat.

Applicants are advised that a Legal Opinion which strictly follows the pro-forma provided in Annex A of this Guide is usually handled rapidly, while any non-standard Legal Opinion requires much longer processing.

4.5 Adherence of a Licensed Branch of a non-SEPA Country Institution

For institutions based in SEPA, a branch is not able to adhere separately from the legal entity of which it forms part, as a branch does not have a separate legal personality of its own. In such cases the legal entity applies to become a Participant in the SCT Scheme and all of its branches in SEPA are automatically covered by its adherence application.

The position for EEA-licensed branches of non-SEPA country institutions is different. As the licence is given to the branch of such an institution, for the purposes of the SCT Scheme, only an EEA licensed branch may apply to become a Participant in the Scheme and the legal entity or any of the legal entity's other branches will not be covered by this application. Nevertheless, such a branch remains without legal personality so that questions concerning its ability to adhere, i.e. its capacity and authority to join the Scheme as well as the extent to which provisions of the Scheme Rulebook are legal, valid and binding on the branch and enforceable against it, will fall to be determined by the laws governing the country where the legal entity (head office) is established, rather than the country where the branch is licensed.



Each Adherence Pack submitted by or on behalf of a licensed branch of a non-SEPA country institution must include:

- a. the Adherence Agreement of the Applicant (in this case, the Applicant is a licensed branch of a non-SEPA country institution);
- b. two Legal Opinions and
- c. the Schedule.

Pro-forma versions of each of these documents are provided in Annex A-4 and on the EPC website.

For licensed branches of non-SEPA country institutions, the Applicant shall provide two Legal Opinions as follows

1. The Legal Opinion 1 (Branch State) is signed by a legal counsel of an EEA country where the participating branch is licensed. This Legal Opinion shall follow the pro-forma provided in Annex A 4 of this Guide. Before submitting the Adherence Pack, the Applicant shall specifically ensure that point 1 of the pro-forma, confirming that the branch is licensed in accordance with Directive 2006/48/EC, has been duly completed. Only branches licensed in accordance with Directive 2006/48/EC can apply for adherence to the Scheme.
2. The Legal Opinion 2 (Home State) is signed by the legal counsel of the home state of a licensed branch (i.e. country of incorporation of the bank), and covers the laws of that country. This document should follow the pro-forma provided in Annex A-4 of this Guide.

5 ROLE OF AN AGENT

5.1 Who can be an Agent?

Any legal person, having received legal authority from the Applicant to act and sign on its behalf, may act as agent for the Applicant. Examples of entities that can act as agents include NASOs, parent companies, national banking associations or other Applicants.

5.2 Role of an Agent

An agent is an intermediary that has received explicit authority from one or several Applicants to arrange the completion of the Adherence Pack on their behalf.

The agent must provide the relevant NASO with an Adherence Agreement(s) and Schedules duly filled in and signed for each bank that it represents. It is required to provide at least one Legal Opinion for all of the Applicants on whose behalf it is acting at any one time. In circumstances where an agent is acting for Applicants who are not all established in one jurisdiction, it must obtain separate Legal Opinions relating to the laws of each relevant jurisdiction.

5.3 Responsibilities of an Agent

The agent has no legal responsibility in relation to the Scheme. It does not assume any of the rights and obligations arising from the adherence of the Applicant. It is only obliged to the Applicant to complete the Adherence Pack.

Responsibilities of an agent are covered within the appropriate provisions of Chapter 4 of this document.

More information on the role and responsibilities of an agent can be found in the Internal Rules [2].

6 NATIONAL ADHERENCE SUPPORT ORGANISATION (“NASO”)

6.1 Role of a NASO

NASOs participate in the adherence process with a view to ensuring the effective, efficient and timely launch of the Scheme throughout SEPA.

A detailed description of the role of a NASO can be found in the Internal Rules. NASOs will be chosen by their national banking community. Any entity or person may act as a NASO provided that it is able to carry out the functions of a NASO in accordance with the Internal Rules and the provisions set out below. NASOs will provide a link between Applicants and the EPC, acting as the first point of contact for Applicants in SEPA matters as well as an overall facilitator in the adherence process. NASOs will establish a means through which Applicants can better understand the adherence process by allowing Applicants to liaise with a familiar organisation in a local environment, using a local language and customs.

The sole responsibility for approving the applications of Applicants lies with the EPC. A NASO may facilitate the administrative process, but in so doing, a NASO does not take on any legal obligations or liabilities.

A list of NASOs with their contact details is available on the EPC website, www.europeanpaymentscouncil.eu.

6.2 Tasks of a NASO

NASOs will be requested to take on the following tasks in the adherence process.

Tasks of a NASO for the Adherence Process	
Task	Description of the Task
Task 1: Form an ‘adherence’ project management team and allocate resources.	In order to efficiently carry out the functions and tasks set out below, NASOs are required to form an internal project management team. It is important that adequate resources are allocated to managing the adherence process.
Task 2: Guidance and support for adherence process.	Provide guidance on the adherence process. Provide a helpdesk for Applicants on adherence issues.
Task 3: Collect the Adherence Packs.	Organise and manage the collection of Adherence Packs.
Task 4: Process the Adherence Packs.	Check Adherence Packs, see below and Annex C to this Guide...
Task 5: Submit the Adherence Packs to the EPC.	Organise and manage the process of submitting Adherence Packs to the EPC.

Table 3: Tasks of a NASO for the Adherence Process

6.3 NASO Check of Adherence Packs

6.3.1 General Provisions

In accordance with the Internal Rules, a NASO(s) should conduct a basic preliminary review of the Adherence Packs that it receives (see section 6.3.2 for examples of the types of checks that a NASO(s) may wish to conduct and Annex C to this Guide) and liaise with the Applicant in the event of any queries or concerns about the application, prior to forwarding the Adherence Packs to the EPC for determination. NASO(s) should ensure that all Adherence Packs, received from Applicants, are sent to the EPC accompanied by a statement setting out concerns, if any, that the NASO(s) may have in respect of any application.

The final decision in respect of determining applications shall always rest with the SMC of the EPC, in accordance with the Internal Rules.

NASOs are not entitled to make any determination in respect of an application. Accordingly, when an Applicant is ready to submit the Adherence Pack, NASOs must not approve or reject the application of an Applicant. NASOs must send all Adherence Packs to the EPC Secretariat, with any comments or concerns that they may have in respect of an application, as set out above.

NASOs are subject to a duty of confidentiality in respect of information contained in Adherence Packs received by them in the course of the adherence process. NASOs are not permitted to discuss details contained in the Adherence Packs received by them with persons other than the EPC (or the relevant Applicant itself) without the prior written consent of the Applicant concerned.

6.3.2 Check Procedure

As part of the adherence process, a NASO(s) should conduct a preliminary check of each Adherence Pack that it receives. Examples of checks that a NASO may conduct are set out in the table below and in Annex C to this Guide. The examples below are suggestions only and a NASO(s) may conduct such checks as it considers appropriate to facilitate the adherence process for the EPC.

NASO Checks of the Adherence Pack	
Check	Description of the Check (see also Annex C for a standard Adherence Pack Check List to be completed by NASOs and forwarded by NASOs together with an Adherence Pack to the EPC)
Check 1 (form and procedure check): Execution of the Adherence Pack.	<p>Check that the Adherence Agreement, Schedule and Legal Opinion are correctly executed:</p> <ul style="list-style-type: none"> • All forms are filled in • All required information (field) is filled in • Signatures are present • Date of the Legal Opinion is not an earlier date than the date of the signed Adherence Agreement
Check 2 (Internal Rules check): Applicant's eligibility for the Scheme.	<p>Check that the Applicant appears to be eligible for the Scheme in accordance with the Legal Opinion and Rulebook [1]:</p> <ul style="list-style-type: none"> • Check eligibility according to the Legal Opinion, i.e. the Legal Opinion has been properly completed by internal or external counsel. The NASO should check any qualifications supplied by counsel here and indicate to the EPC if it has concerns in respect of any such qualifications. • Check eligibility according to the Rulebook.
Check 3 (information check): Applicant's information check.	<p>Check that the details provided by the Applicant in the Adherence Agreement and Schedule are consistent with any information already held by the NASO or any other central fiduciary organisations on the Applicant:</p> <ul style="list-style-type: none"> • Check that the authorisations of the Applicant are consistent with eligibility criteria set out in the Scheme Rulebook.

Table 4: NASO Checks of the Adherence Pack

7 SMC AND EPC SECRETARIAT

7.1 Role of the Scheme Management Committee

The role of the SMC in relation to scheme management is set out in detail in the Internal Rules [2].

As part of its responsibilities under the Internal Rules, the SMC shall be responsible for carrying out the adherence function in respect of the Scheme.

Accordingly, the SMC shall be responsible for determining whether an Applicant is eligible for joining the Scheme in accordance with the criteria set out in chapter 5.4 of the Rulebook. The SMC shall review an Adherence Pack submitted by an Applicant, together with any statements provided by NASOs, in making its decision in respect of an Applicant.

Where the SMC rejects an application, it will provide a letter to the Applicant setting out its reasons for rejecting an application. The Applicant may appeal the decision of the SMC. An Applicant should consult the Internal Rules for further information on making an appeal in these circumstances.

7.2 Role of the EPC Secretariat

The EPC Secretariat provides secretarial and administrative support to the SMC. The major responsibilities of the EPC Secretariat include:

- Collating the adherence documentation received in respect of each Applicant and preparing lists of Applicants for review and approval by the SMC;
- Managing data in respect of the Adherence Packs received and archiving files;
- Maintaining the EPC Register of Participants;
- Liaising with NASOs and Applicants (where necessary) to facilitate the adherence process; and
- Producing the Register of Participants and publishing it on the EPC website.

The EPC Secretariat has its own internal procedure for processing the Adherence Packs; this process is not set out in this document.

8 DETAILED FLOW FOR PROCESSING OF ADHERENCE PACKS (ALL ACTORS)

	Actions of NASO(s), SMC and the EPC Secretariat in the Adherence Process
1.	<p>An Applicant or its agent prepares and sends the Adherence Pack either directly to the EPC if the Applicant is a bank with four or more subsidiaries in four or more different SEPA jurisdictions, otherwise to the appropriate NASO.</p> <p>Applicants should submit an Application Pack to the EPC – or to the appropriate NASO – in two manners:</p> <ol style="list-style-type: none"> a) The original documents (mandatory). It would be very helpful to - and greatly appreciated by – the NASOs and the EPC Secretariat if the originals are printed on a colour printer, as the template documents are colour coded. Whenever original Adherence Packs are to be sent either to NASOs or to the EPC this must be done by secure means (e.g. courier or special delivery). Do not send original Adherence Packs by regular mail. b) In addition, if possible, electronically (PDF version of Adherence Agreement, Legal Opinion, and the Schedule information) by e-mail either to the EPC at sct@europeanpaymentscouncil.eu or to the appropriate NASO. In all e-mails submitted as part of the adherence process, please set the e-mail Subject to be “<Applicant Name> - <Country Code> - SCT adherence” <p>It is strongly recommended to provide the Schedule information in an Excel spreadsheet for which a template is available at www.europeanpaymentscouncil.eu. The Excel file should be named <BIC> - <Applicant Name> such that it is both unique and readily identifiable.</p> <p>Applicants may, however, choose to provide the Schedule information in a Word document for which a template is available as well at www.europeanpaymentscouncil.eu.</p>
2.	<p>NASOs collect and check Adherence Packs.</p> <p>NASOs should retain a copy of each Adherence Pack for its records.</p>



Actions of NASO(s), SMC and the EPC Secretariat in the Adherence Process	
3.	<p>NASOs are required to submit the original Adherence Pack to the EPC, along with any statement setting out their concerns in respect of the application. NASOs are required to submit an Application Pack to the EPC in two manners:</p> <ul style="list-style-type: none"> a) electronically (PDF version of Adherence Agreement, Legal Opinion, and the Schedule information; by e-mail to sct@europeanpaymentscouncil.eu). NASOs are strongly recommended to submit batches of Adherence Packs on a regular basis and to provide the Schedule information for all Applicants in the batch in one Excel spreadsheet for which a template is available at www.europeanpaymentscouncil.eu b) the original documents <p>Whenever original Adherence Packs are to be sent from either NASOs to the EPC or from Applicants to the EPC, this must be done by secure means (e.g. courier or special delivery). Do not send original Adherence Packs by regular mail.</p>
4.	The EPC Secretariat receives the Adherence Packs from NASO(s) (or directly from Applicants that are banks with 4 or more subsidiaries in four or more different SEPA jurisdictions).
5.	EPC Secretariat date-stamps the received Adherence Pack.
6.	<p>Once the Adherence Pack is received, the EPC Secretariat confirms to the Applicant within 10 days that the Adherence Pack has been received and is being processed. This email is an automated confirmation sent to the Applicant once its file has been encoded in the database. The e-mail will contain a username and password to enable the Applicant to log into the EPC Register of Participants on the EPC web site.</p> <p>The Applicant will have access only to the details of its own application. They will have a read-only authorisation level and must check their record and only revert to the EPC Secretariat if there is an error in the database. The Applicant will only be able to view (not edit) its own record.</p>
7.	EPC Secretariat changes the information in the Register in accordance with the instructions of the Participant. EPC Secretariat has the right to contact the Applicant in case the changes provided are unclear.
8.	EPC Secretariat and the SMC process the application within 60 days. All approved applications will be logged into the Register for the next publication date following the date of approval and in accordance with but not earlier than the Readiness Date supplied by the Applicant.
9.	If the application is rejected, the EPC Secretariat sends a letter of explanation to the Applicant.



	Actions of NASO(s), SMC and the EPC Secretariat in the Adherence Process
10.	EPC Secretariat updates the information in the Register of Participants.
11.	EPC Secretariat publishes the Register of Participants, in CSV and PDF formats.

Table 5: Detailed Flow for Processing of Adherence Packs (All Actors)

ANNEX A: ADHERENCE PACK FOR THE SEPA CREDIT TRANSFER SCHEME²

Annex A-1 Pro Forma Adherence Agreement for adherence to the SEPA Credit Transfer Scheme.

Annex A-2 Schedule information to the Adherence Agreement for adherence to the SEPA Credit Transfer Scheme.

Annex A-3 Pro-forma Standard Legal Opinion for an Applicant adhering to the SEPA Credit Transfer Scheme.

Annex A-4 Pro-forma Legal Opinions for licensed branches of non-SEPA country institutions.

Annex A-5 Pro-forma Legal Opinion for Applicants licensed in a non-EEA SEPA jurisdiction and which do not have a licensed EEA branch (Applicants from Principality of Monaco or any other new joining non-EEA country)

² A **separate adherence pack for non-credit institutions** wishing to adhere to the SEPA Credit Transfer Scheme including a pro-forma Adherence Agreement and pro-forma Legal Opinions is made available in the *Application Pack for Adherence to the SEPA Credit Transfer Scheme and the SEPA Direct Debit Schemes for Applicants that are neither licensed credit institutions in accordance with Article 6 of Directive 2006/48/EC (or licensed Swiss banks) nor entities listed under Article 2 of Directive 2006/48/EC (hereafter “non Credit Institutions”)[EPC103-08]*. This document can be downloaded from the website of the EPC at www.europeanpaymentscouncil.eu.

Date received by EPC: _____

Check	Y/N	Date	Initials	Narrative
Adherence Agreement check OK				
Valid BIC				
Plausible readiness date				
Contact e-mail address				
Standard legal opinion wording				
Legal opinion signature certainty				
Order of signing AA & LO correct				
Entered into Register as "received"				

The above is exclusively for use by EPC – please leave blank

Annex A-1 SEPA Credit Transfer Adherence Agreement

To: The European Payments Council (the “EPC”)

From: Name of Applicant[s]*:

[As set out in the list annexed to this Adherence Agreement]*

([each]* an “Applicant”)

*Please include the text in square brackets if this Adherence Agreement covers more than one entity.

PREAMBLE

- (A) The SEPA Credit Transfer Scheme (the “**Scheme**”) is a pan-European Credit Transfer Scheme that operates in all SEPA countries, namely the EU member states, the three additional member states of the European Economic Area (the EEA), Switzerland, and other countries and territories which have been admitted to SEPA having met the EPC's criteria for adherence to and participation in SEPA.
- (B) The EPC oversees the operation of the Scheme in accordance with the terms and conditions set out in the SEPA Credit Transfer Scheme Rulebook (the “**Rulebook**”).
- (C) The Rulebook sets out the rights and obligations of all institutions bound by its terms (the “**Participants**”), and the EPC Plenary and binds each Participant to comply with their obligations to the EPC and to all other Participants pursuant to the rules set out therein.
- (D) The EPC, acting on its behalf and on behalf of all Participants, will notify the Applicant of the date following the Readiness Date on which this Adherence Agreement becomes effective (the “**Effective Date**”) as between the Applicant, the EPC and other Participants.
- (E) As of the Effective Date the Applicant shall become a Participant and be bound to all the obligations, and entitled to all the benefits, set out in the Rulebook.

IT IS HEREBY AGREED AS FOLLOWS:

1. The Applicant hereby undertakes to all Participants and to the EPC to perform the obligations imposed by and to comply with the provisions of the Rulebook, as modified from time to time, with effect from the Effective Date.
2. The Applicant makes the following representations and warranties:
 - 2.1 The Applicant has the power and authority to enter into and has taken all corporate action to authorise its entry into the Scheme and to perform the obligations and comply with the provisions of the Rulebook.
 - 2.2 The signatories of the Applicant [and the agent signing on behalf of the Applicant] have all necessary corporate authorisations and the power and authority to bind the Applicant to the Rulebook.
 - 2.3 The Applicant shall ensure that it satisfies and will at all times during its participation in the Scheme satisfy the eligibility criteria for participation in the Scheme as set out in the Rulebook. If at any time, the Applicant has reason to believe that it no longer satisfies such criteria, or may be unable to satisfy such criteria, it shall notify the EPC immediately of the circumstances.
 - 2.4 The Applicant is in a position to comply with all of the obligations set out in the Rulebook by the “**Readiness Date**” as stated in the accompanying Schedule.
3. By submitting this completed form of Adherence Agreement the Applicant agrees to be bound by the provisions of the EPC's Internal Rules governing applications for participation in the Scheme, whether or not it becomes a Participant.

4. Any communication, including service of process, to be made with the Applicant under or in connection with the Rulebook shall be made in writing and addressed to the Applicant at the address set out above.
5. The Applicant consents to the publication of its name and basic details of its adherence application on the public website of the EPC.
6. This Agreement is governed by Belgian law.

FOR AND ON BEHALF OF THE APPLICANT

Signed by (1)

By (2) (if necessary)

Name/Position -----

Name/Position -----

Date of signature -----

Date of signature -----

Where this Adherence Agreement was signed by two signatories on different dates, it shall be considered as being dated the later date.

Annex A-2 Schedule³ information to the Adherence Agreement for adherence to the SEPA Credit Transfer Scheme.

- (A) The Applicant must supply the information requested in the Schedule in support of its application to adhere to the Scheme. A failure to supply this information may result in a rejection of the application or a delay in processing it. The information set out below must be included in the Schedule.
- (B) Templates to be used for providing the Schedule information (Excel or Word) can be downloaded from the EPC website at www.europeanpaymentscouncil.eu. It is strongly recommended that Applicants provide the Schedule information as an Excel File.
- (C) The information supplied below shall be recorded on the EPC’s Register of Participants for the SEPA Credit Transfer Scheme. The Applicant understands that any information supplied in this section (C) of the Schedule shall be published in the relevant EPC Register of Participants on the public website of the EPC and may be made generally available for download by the EPC.

Full Name of Applicant	
Official Address for Notices	
BIC Code (BIC 8 or BIC 11)	

(D)

Details of Contact Point (for communication with the EPC, a generic email must be supplied here, e.g. sepa@bank.com)	
Readiness Date	
E-mail and phone number of contact person handling Applicant’s Adherence Pack in-house	

- (E) The Applicant understands that any information supplied in the Schedule other than the information listed in section (C) of this Schedule shall be available only to the EPC or to any National Adherence

³ Where more than one Applicant is covered by this Adherence Agreement, please ensure that information requested by this Schedule is supplied in respect of each Applicant. Organisations adhering to more than one SEPA Scheme are requested to always include the same Schedule information including the same reference BIC with each application. As such, organisations which are already Participants in the SEPA Credit Transfer Scheme must provide the same reference BIC listed on their behalf in the SCT Participant Register when adhering to one or both of the SDD Schemes. An organisation adhering to one or both of the SEPA Direct Debit Schemes which is already a participant in the SEPA Credit Transfer Scheme must ensure that the Schedule information supplied when adhering to the SDD Scheme(s) is the same that is published in the SCT Participant Register. If an SCT Participant submits an application pack for adherence to an SDD Scheme featuring different Schedule information, the related information in the SCT Participant Register will be overwritten.

Support Organisation (“NASO”) that has been chosen by the Applicant and has agreed to assist in the completion of this application, and will not be disclosed to any other body.

Full Name of NASO(s)	
----------------------	--

- (F) All EPC communication may be sent to the generic e-mail address specified in the Schedule.

Annex A-3 Pro-forma Standard Legal Opinion for an Applicant adhering to the SEPA Credit Transfer Scheme

LEGAL OPINION OF COUNSEL FOR ADHERENCE TO SEPA CREDIT TRANSFER SCHEME

[Date]

To:

European Payments Council (“EPC”)
Av. de Tervueren 12
1040 Brussels
Belgium

Dear Sirs,

[Insert the name of entity applying for adherence] (the “**Applicant**”)

I/We act as legal counsel to the Applicant in connection with its application to become a participant in the SEPA Credit Transfer Scheme (the “**Scheme**”).

All capitalised terms used and not otherwise defined in this opinion shall have the meanings ascribed to such terms in the SEPA Credit Transfer Scheme Rulebook (the “**Rulebook**”).

This opinion is given in respect of the laws of [insert local jurisdiction].

ASSUMPTIONS

We have assumed that the SEPA Credit Transfer Adherence Agreement between the EPC and the Applicant dated [insert the date of the Adherence Agreement] (the “**Adherence Agreement**”), and, the Rulebook (including the Scheme Management Internal Rules) are legal, valid, binding and enforceable under Belgian law.

[Insert any other assumptions as to factual, but not legal, matters relied on]

OPINIONS

Based on the foregoing, it is my/our opinion that:

1. The Applicant[s] [is/are]

[Insert the appropriate wording by choosing one of the following:

- a credit institution which is authorised in accordance with Article 6 of Directive 2006/48/EC by a state which is a member of the European Economic Area
- an undertaking which is listed in Article 2 of Directive 2006/48/EC

- a bank which is authorised in accordance with Article 3 of the Federal Law on Banks and Savings Banks of 8 November 1934 by the Swiss Federal Banking Commission].
2. The Applicant[s] [has/have] the power and authority to enter into, deliver and perform its obligations under the Rulebook and the Adherence Agreement and all necessary corporate and other action has been taken to enable it validly to enter into the Adherence Agreement.
 3. The Adherence Agreement has been validly executed by the Applicant[s] and the Rulebook and the Adherence Agreement constitute legal, valid and binding obligations of [each of] the Applicant[s], enforceable against the Applicant[s] in accordance with their terms.
 4. Under the laws of [*insert local jurisdiction*] in force to date, [there are no] [all] requirements to procure consents, authorisations, approvals of, or filing with any governmental authority or any regulatory authority in connection with the Applicant's application to adhere to the Scheme [have been satisfied].
 5. [We note that the Adherence Agreement has been executed by an agent (the “**Agent**”) on behalf of the Applicant[s]. We can confirm that the Agent has the legal authority to execute the Adherence Agreement on behalf of [each of] the Applicant[s]].

QUALIFICATIONS

[*Insert qualifications, if any*]

This opinion is addressed to the EPC and may be relied upon by the EPC and its legal advisers only.

Signed

Annex A-4 Pro-forma Legal Opinions for licensed branches of non-SEPA country institutions.

Legal Opinion 1 (Branch State)

(To be completed by the Legal Counsel of the Branch State)

OPINION OF LEGAL COUNSEL FOR ADHERENCE TO THE SEPA CREDIT TRANSFER
SCHEME

[Date]

To:

European Payments Council (“**EPC**”)
Av. de Tervueren 12
1040 Brussels
Belgium

Dear Sirs,

[*Insert the name of entity applying for adherence*] (the “**Applicant**”)

I/We act as legal counsel to the Applicant in connection with its application to become a participant in the SEPA Credit Transfer Scheme (the “**Scheme**”).

All capitalised terms used and not otherwise defined in this opinion shall have the meanings ascribed to such terms in the SEPA Credit Transfer Scheme Rulebook (the “**Rulebook**”).

This opinion is given in respect of the laws of [*insert local jurisdiction*].

ASSUMPTIONS

We have assumed that the SEPA Credit Transfer Adherence Agreement between the EPC and the Applicant dated [*insert the date of the Adherence Agreement*] (the “**Adherence Agreement**”), and the Rulebook (including the Scheme Management Internal Rules) are legal, valid, binding and enforceable under Belgian law.

[*Insert any other assumptions as to factual, but not legal, matters relied on*]

OPINIONS

Based on the foregoing, it is my/our opinion that:

1. The Applicant[s] [is/are]

[Insert the appropriate wording by choosing one of the following:

- a credit institution which is authorised in accordance with Article 6 of Directive 2006/48/EC by a member state of the European Economic Area;
- an undertaking listed in Article 2 of Directive 2006/48/EC;
- a bank authorised in accordance with Article 3 of the Federal Law on Banks and Savings Banks of 8 November 1934 by the Swiss Federal Banking Commission;

2. Under the laws of *[insert local jurisdiction]* in force to date, [there are no] [all] requirements to procure consents, authorisations, approvals of, or filing with any governmental authority or any regulatory authority in connection with the Applicant's application to adhere to the Scheme [have been satisfied].

3. [We note that the Adherence Agreement has been executed by an agent (the “**Agent**”) on behalf of the Applicant[s]. We confirm that the Agent has the legal authority to execute the Adherence Agreement on behalf of [each of] the Applicant[s]]

QUALIFICATIONS

[Insert qualifications, if any]

This opinion is addressed to the EPC and may be relied upon by the EPC and its legal advisers only.

Signed

Legal Opinion 2 (Home State)

(To be completed by the Legal Counsel of the Home State of a Licensed Branch)

OPINION OF LEGAL COUNSEL FOR ADHERENCE TO THE SEPA CREDIT TRANSFER SCHEME

[Date]

To:

European Payments Council (“EPC”)
Av. de Tervueren 12
1040 Brussels
Belgium

Dear Sirs,

[insert the name of entity applying for adherence, i.e. the name of the licensed branch] (the “**Applicant**”)

I/We act as legal counsel to the [insert the name of the home state legal entity of which the licensed branch forms part] in connection with [insert the name of the licensed branch]'s application to become a participant in the SEPA Credit Transfer Scheme (the “**Scheme**”).

All capitalised terms used and not otherwise defined in this opinion shall have the meanings ascribed to such terms in the SEPA Credit Transfer Scheme Rulebook (the “**Rulebook**”).

This opinion is given in respect of the laws of [insert local jurisdiction].

ASSUMPTIONS

We have assumed that the SEPA Credit Transfer Scheme Adherence Agreement between the EPC and the Applicant dated [insert the date of the Adherence Agreement] (the “**Adherence Agreement**”), and the Rulebook (including the Scheme Management Internal Rules) are legal, valid, binding and enforceable under Belgian law.

[Insert any other assumptions as to factual, but not legal, matters relied on]

OPINIONS

Based on the foregoing, it is my/our opinion that:

1. The Applicant[s] [has/have] the power and authority to enter into, deliver and perform its obligations under the Rulebook and the Adherence Agreement and all necessary corporate and other action has been taken to enable it validly to enter into the Adherence Agreement.
2. The Adherence Agreement has been validly executed by the Applicant[s] and the Rulebook and the Adherence Agreement constitute legal, valid and binding obligations of [each of] the Applicant[s], enforceable against the Applicant[s] in accordance with their terms.

QUALIFICATIONS

[Insert qualifications, if any]

This opinion is addressed to the EPC and may be relied upon by the EPC and its legal advisers only.

Signed

Annex A-5 Pro-forma Legal Opinion for Applicants which are licensed in a non-EEA SEPA jurisdiction and which do not have a licensed EEA branch (Applicants from Principality of Monaco or any other new joining non-EEA country) adhering to the SEPA Credit Transfer Scheme.

OPINION OF LEGAL COUNSEL FOR ADHERENCE TO THE SEPA CREDIT TRANSFER
SCHEME

[Date]

To:

European Payments Council (“**EPC**”)

Av. de Tervueren 12

1040 Brussels

Belgium

Dear Sirs,

[*Insert the name of entity applying for adherence*] (the “**Applicant**”)

I/We act as legal counsel to the Applicant in connection with its application to become a participant in the SEPA Credit Transfer Scheme (the “**Scheme**”).

All capitalised terms used and not otherwise defined in this opinion shall have the meanings ascribed to such terms in the SEPA Credit Transfer Scheme Rulebook (the “**Rulebook**”).

This opinion is given in respect of the laws of [*insert local jurisdiction*].

ASSUMPTIONS

We have assumed that the SEPA Credit Transfer Adherence Agreement between the EPC and the Applicant dated [*insert the date of the Adherence Agreement*] (the “**Adherence Agreement**”), and, the Rulebook (including the Scheme Management Internal Rules) are legal, valid, binding and enforceable under Belgian law.

[*insert any other assumptions as to factual, but not legal, matters relied on*]

OPINIONS

Based on the foregoing, it is my/our opinion that:

1. The Applicant[s] [is/are] a bank incorporated in [*insert relevant SEPA country or territory*] [and is/are] authorised or licensed by [*insert regulator(s)*] to receive deposits or other repayable funds from the public and to grant credits for its own account.
2. The Applicant[s] [has/have] the power and authority to enter into, deliver and perform its obligations under the Rulebook and the Adherence Agreement and all necessary corporate and other action has been taken to enable it validly to enter into the Adherence Agreement.
3. The Adherence Agreement has been validly executed by the Applicant[s] and the Rulebook and the Adherence Agreement constitute legal, valid and binding obligations of [each of] the Applicant[s], enforceable against the Applicant[s] in accordance with their terms.
4. Under the laws of [*insert local jurisdiction*] in force to date, [there are no] [all] requirements to procure consents, authorisations, approvals of, or filing with any governmental authority or any regulatory authority in connection with the Applicant's application to adhere to the Scheme [have been satisfied].
5. [We note that the Adherence Agreement has been executed by an agent (the “**Agent**”) on behalf of the Applicant[s]. We confirm that the Agent has the legal authority to execute the Adherence Agreement on behalf of [each of] the Applicant[s]]

QUALIFICATIONS

[*insert qualifications, if any*]

This opinion is addressed to the EPC and may be relied upon by the EPC and its legal advisers only.

Signed

ANNEX B: FREQUENTLY ASKED QUESTIONS

Re: SEPA Scheme Adherence Process

Introduction

This document sets out a list of responses to common questions that may arise for Applicants in the course of their application process for adherence to the SEPA Credit Transfer Scheme. These responses are based on information set out in the Guide to Adherence Process for the Credit Transfer Scheme. If an Applicant is unable to find a response to a particular question or if a more detailed response is sought, the Applicant should consult any available EPC documentation and its NASO at first instance.

The Adherence Process

1.	What will be the process for adherence and what information must be supplied?	The process for adherence is set out in the Scheme Management Internal Rules which form an integral part of the Rulebook and in this SCT Adherence Guide.
2.	If my organisation is admitted to the Scheme, will my, and all other, adherence registrations be made public?	<p>The EPC maintains a Register of Participants for the SEPA Credit Transfer Scheme. This Register is published on the EPC website. Selected information in the Register may be downloaded and published by others, for non-commercial purposes.</p> <p>The information that will be held in the public domain is the following:</p> <ul style="list-style-type: none"> • name of Participant • official address for service of notices • reference BIC • Readiness Date (i.e. the date given by the Participant as being the date after which it is operationally ready to participate in the SEPA Credit Transfer Scheme). <p>Information held on the Register that will not be disclosed to the public is the following:</p> <ul style="list-style-type: none"> • contact point •

3.	<p>Can my organisation submit an application to become a Participant now but only become subject to Scheme obligations on a date in the future when we are operationally ready for SEPA?</p>	<p>Yes. That is possible because each Applicant will be required to state a Readiness Date in the Schedule to the Adherence Agreement. The adherence of a Participant will only become effective on a date following the Readiness Date (i.e. the date when the Participant is published in the relevant EPC Register of Participants), so that it will become subject to Scheme obligations on a date that is either on or after its Readiness Date.</p> <p>The maximum period for the EPC to process a completed Adherence Pack is 60 calendar days, irrespective of the requested Readiness Date.</p>
4.	<p>How can my organisation declare to the EPC that it is ready for SEPA operationally?</p>	<p>An organisation can show that it is ready operationally through declarations to its community as set out in the SEPA Testing Framework.</p> <p>In addition, an Applicant must supply a Readiness Date in the schedule to the Adherence Agreement (see response to Question 3).</p> <p>By declaring a date for adherence to and registration in the Scheme, the Scheme Participant is assumed to be and must have taken steps to be operationally ready.</p>
5.	<p>If my organisation submits an Adherence Agreement and before or on becoming a Participant, is unable to become operationally ready for the Scheme, what steps can my organisation take to either withdraw the application or to request another date for becoming ready for the Scheme? How will other Participants know that my organisation has requested another date for participation or withdrawn the application?</p>	<p>Under the answer to Question 3 above, arrangements for providing a future date for registration are explained. An adhering institution may postpone such a date, as necessary, subject to the EPC receiving notice of such a postponement at least 15 calendar days in advance of the originally specified date. Until the date of effective adherence, the adhering institution will not appear in the Register.</p>

6.	When my organisation submits an Adherence Agreement, what data will it have to provide and how will this data be stored?	<p>This is set out in the Rulebook. In short:</p> <ul style="list-style-type: none"> • Adherence Agreement • Schedule to Adherence Agreement • Legal Opinion, completed in accordance with the pro-forma Legal Opinion for the Scheme, as annexed to this document and as published on the website of the EPC. <p>The physical documents will be securely stored by EPC and a copy retained by the National Adherence Support Organisation (NASO).</p>
7.	Once my organisation's Adherence Agreement is submitted for consideration, who will have access to the details of this application?	<p>The data will usually be handled first by a relevant NASO as described in the Internal Rules.</p> <p>The data will also be accessible to the EPC Secretariat and members of the SMC.</p>
8.	If details supplied in my organisation's Adherence Pack change after we have already submitted the Pack, is my organisation obliged to inform the EPC?	Yes.
9.	Once my organisation's Adherence Agreement is submitted for consideration, how will the EPC decide whether my organisation qualifies for participation in the Scheme?	<p>With reference to the criteria for admission to the Scheme set out in Chapter 5.4 of the Rulebook.</p> <p>The SMC will formally consider applications in the light of these criteria and will be obliged to approve all applications that so comply.</p>
10.	If the EPC rejects my organisation's application, what options does my organisation have to try and become a Participant?	There is an appeals process in the event that an application is declined. Please consult the Internal Rules for further details on this process.
11.	If I have any additional questions while completing my adherence application, who can help?	Your NASO at the first instance and the EPC Secretariat.
12.	How do I find out who my NASO is and its contact details?	A list of NASOs is provided on the EPC website.
13.	Does my organisation require a valid BIC in order to become a Participant?	Yes, each organisation must have at least one valid BIC in order to become a Participant. Your organisation will not be able to adhere to the Scheme if it does not have a valid BIC.

14.	If my organisation does not have a valid BIC, what is the process for obtaining one and how long does this process take?	SWIFT is the registration authority for BICs. Contact SWIFT and request a valid BIC. This process may take at least a month.
15.	Can my organisation use information in the Register of Participants as a basis for routing payment transactions?	No. The Register does not hold operational routing information.
16.	Is information available for Applicants that are not credit institutions?	Yes. Please refer to the document EPC103-08 which is available on the EPC website on the SEPA Credit Transfer Adherence Page and on the SEPA Direct Debit Adherence Pages, respectively.

The Legal Opinion

17.	I understand that my organisation will be required to prepare a Legal Opinion. Can my organisation submit a Legal Opinion in a language other than English?	No.
18.	I understand that the Rulebook is subject to Belgian law. Will the Legal Opinion (and any power of attorney prepared in relation to it) also be required to be subject to Belgian law?	No, the Legal Opinion and power of attorney may be governed by an appropriate governing law other than Belgian law. It is expected that a power of attorney or Legal Opinion will generally be governed by the law of the SEPA jurisdiction where the Applicant is domiciled. However, where the Applicant is a licensed branch of a non SEPA-country institution, the Applicant will have to present two Legal Opinions: (i) one governed by the law of the EEA country where the participating branch is licensed; and (ii) another governed by the law of the Applicant's home state (i.e. country of incorporation of the bank/institution)

19.	<p>The Legal Opinion provides for assumptions to be made. In particular, the Legal Opinion states that it may be assumed that the Adherence Agreement and Rulebook are legal, valid, binding and enforceable under Belgian law. What is the purpose of including such an assumption?</p>	<p>Assumptions are, generally, matters of fact or matters outside of the scope of counsel's competence that counsel may exclude from the scope of their opinion. Counsel are not required to investigate whether the Adherence Agreement or the Rulebook are legal, valid, binding and enforceable under Belgian law, particularly as most counsel will not have expertise in matters of Belgian law. It is important that such an assumption can be made by counsel because it allows counsel to give an opinion on whether or not, under the laws of their own jurisdiction, the Rulebooks and the Adherence Agreement constitute legal, valid and binding obligations on the Applicant that may be enforced against the Applicant (legal opinion point 3).</p>
20.	<p>Why are the dates of the Legal Authority to appoint an agent, Adherence Agreement and Legal Opinion important?</p>	<p>Each of these documents (Legal Authority, Adherence Agreement and Legal Opinion) needs to be signed and dated. The documents may all be signed at the same date. However, due to practical issues this is sometimes not possible. If each of the documents is signed on different dates, it is important that the documents are signed and dated in the correct order.</p> <p>(1) The Legal Authority (if applicable) should be signed first as it gives the agent authority to sign the Adherence Agreement.</p> <p>(2) The Adherence Agreement can then be signed and dated.</p> <p>(3) The Legal Opinion should be dated on the same date or after the Adherence Agreement. This is because legal counsel confirms that the Adherence Agreement has been properly executed.</p>

21.	<p>I am a licensed branch of a non-SEPA country institution and would like to adhere to the SCT Scheme. I understand that I cannot use a standard pro-forma Legal Opinion. Which document(s) do I need to submit instead?</p>	<p>For licensed branches of a non-SEPA country institution, the Applicant shall provide two Legal Opinions as follows:</p> <p>(1) The Legal Opinion 1 (Branch State) is signed by a legal counsel of an EEA country where the participating branch is licensed. This Legal Opinion shall follow the pro-forma provided in Annex A-4 of this Guide, respectively. Before submitting the Adherence Pack, the Applicant shall specifically ensure that point 1 of the pro-forma, confirming that the branch is licensed in accordance with Directive 2006/48/EC, has been duly completed. Only branches licensed in accordance with Directive 2006/48/EC can apply for adherence to the SCT Scheme.</p> <p>(2) The Legal Opinion 2 (Home State) is signed by the legal counsel of the home state of a licensed branch (i.e. country of incorporation of the bank), and, covers the laws of that country. This document should follow the pro-forma provided in Annex A-4 of this Guide.</p>
22.	<p>I understand that the Legal Opinion has to be completed by the Applicant's legal counsel. Does this mean that it can be completed by my internal counsel?</p>	<p>Provided that your internal legal counsel is a qualified lawyer, the Legal Opinion can be completed by him/her.</p>



23.	What is meant by “a qualified lawyer”?	<p>Anyone who is entitled by law to use one of the titles listed in Article 1 of the EU Directive 98/5 of 16 February 1998 shall be deemed to be “a qualified lawyer” for the purposes of completing the Legal Opinion. This list include the following titles which are set out here for ease of reference only:</p> <p>Belgium - Avocat/Advocaat/Rechtsanwalt Bulgaria - АДВОКАТ Czech Republic - Advokát Denmark - Advokat Germany - Rechtsanwalt Estonia - Vandeadvokaat Greece - Δικηγόρος Spain - Abogado/Advocat/Avogado/Abokatu France - Avocat Ireland - Barrister/Solicitor Italy - Avvocato Cyprus - Δικηγόρος Latvia - Zvērināts advokāts Lithuania - Advokatas Luxembourg - Avocat Hungary - Ügyvéd Malta - Avukat/Prokuratur Legali Netherland - Advocaat Austria - Rechtsanwalt Poland - Adwokat/Radca prawny Portugal - Advogado Romania - Avocat Slovenia - Odvetnik/Odvetnica Slovakia - Advokát/Komerčný právnik Finland - Asianajaja/Advokat Sweden - Advokat United Kingdom - Advocate/Barrister/Solicitor</p> <p>In case of a conflict between the list above and the list of the most recent Lawyer's EU Directive, it is the list of the EU Directive that shall prevail.</p>
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24.	<p>In my country the internal legal counsel is not allowed to use the relevant title listed in the Directive 98/5 of 16 February 1998 while working in-house. Can he/she still sign the Legal Opinion?</p>	<p>Yes, provided that he/she is allowed by the laws applicable in your country to sign a Legal Opinion on which the EPC can legally rely upon. Please note that in certain countries the local laws allow internal legal counsel to sign Legal Opinions only for the benefit of the company/bank for which they work. Please ensure with your internal legal counsel that this is not the case in your country, and, that your internal legal counsel can indeed issue a valid Legal Opinion on which the EPC can rely upon. The Scheme Management Committee may ask you to prove this (i.e. to provide the extract from the relevant local legislation officially translated into English).</p>
25.	<p>My internal legal counsel informed me that he/she has not passed the Bar exam and/or is not admitted as a lawyer to a Bar association and/or is not subject to the professional supervision of the relevant Bar association but has obtained a University Law Degree or the state exam to be a judge or a lawyer. Can he/she sign the Legal Opinion?</p>	<p>Only if according to the laws applicable in your country he/she is allowed to sign a Legal Opinion on which the EPC can legally rely upon. Please note that in certain countries the local laws allow internal legal counsel to sign Legal Opinions only for the benefit of the company/bank for which they work. Please ensure with your internal legal counsel that this is not the case in your country, and, that your internal legal counsel can indeed issue a valid Legal Opinion on which the EPC can rely upon. The Scheme Management Committee may ask you to prove this (i.e. to provide the extract from the relevant local legislation officially translated into English).</p>
26.	<p>The internal legal counsel working for the NASO is a former judge. Can he/she sign the Legal Opinion?</p>	<p>Only if according to the laws applicable in your country he/she is allowed to sign a Legal Opinion on which the EPC can legally rely upon. Please note that in certain countries the local laws allow internal legal counsel to sign Legal Opinions only for the benefit of the organisation for which they work. Please ensure with your internal legal counsel that this is not the case in your country, and, that the internal legal counsel working for the NASO can indeed issue a valid Legal Opinion on which the EPC can rely upon. The Scheme Management Committee may ask you to prove this (i.e. to provide the extract from the relevant local legislation officially translated into English).</p>



27.	I am a Belgian qualified lawyer and I have been asked to sign the Legal Opinion for adherence to the SCT Scheme of a Belgian applicant. Do I have to assess whether the SCT Rulebook is legal, valid and binding under Belgian law?	No, you can assume that the SCT Rulebook is legal, valid and binding as a matter of general Belgian contract law, but your Legal Opinion must cover whether the Applicant would be subject to specific legal constraints, or other legal issues would arise, which would mean that the Applicant would not be bound, or the SCT Rulebook would not be enforceable in its specific case.
28.	I understand that my organisation will be required to prepare a Legal Opinion. Can my organisation submit a Legal Opinion in a language other than English?	No.

The Adherence Agreement

29.	In my organisation, who can sign the Adherence Agreement?	The Adherence Agreement should be signed by an officer(s) with the necessary powers to sign such a binding contract. Where the agreement is to be executed by another entity such as an association or parent bank on behalf of the actual Applicant, the officer of the signing entity should have the power to do so and have received the necessary authority from the Applicant.
30.	If my organisation signs the Adherence Agreement, will all the branches of my organisation be covered and so subject to obligations in the Rulebook?	Yes, branches of an adhering institution located in a SEPA country will be covered by the Adherence Agreement and be subject to Scheme rules in relation to Scheme payments made or received.
31.	If yes, does this mean that all of my organisation's branches must be able to comply with the Rulebook from the time that my organisation states that it is ready to adhere to the Scheme?	Yes, from such time as branches intend to make or receive Scheme payments. It is not possible for branches located in a SEPA country to defer their participation, or opt out of the Scheme since they are deemed to form an integral part of the Applicant for the purposes of the Scheme.
32.	If my organisation has branches that are located outside of SEPA, will they also have to comply with the Rulebook?	No. Such branches are not eligible to participate in the Scheme.
33.	If my organisation signs the Adherence Agreement, will all the subsidiary entities of my organisation also joining the Scheme be covered by this application?	No, such subsidiaries or affiliated institutions (i.e. any entity with a separate and distinct legal personality within your organisation) will need to execute a separate Adherence Agreement.
34.	If no, will my organisation be legally responsible if its subsidiaries participating in the Scheme do not correctly perform their obligations under the Rulebook?	No, these subsidiaries are responsible for their own acts.

35.	Is it necessary for every legal entity making payments in my organisation's group structure to adhere to the Scheme, even if its SEPA Scheme payments are “routed” through another legal entity in the group?	It is expected that all legal entities making and receiving SEPA Scheme payments will join the Scheme. It is possible for an entity in the same group to handle payments in the way described, but in such a case the signing entity is fully responsible for all the obligations set out in the relevant Rulebook on behalf of the other group entity.
36.	My organisation is a savings/co-operative bank forming part of a “de-centralised group. Can one bank sign on for all of the banks in this co-operative structure?	One bank or an association may sign on behalf of all or some of the banks in the group. In so doing it is signing only as agent and all liabilities are assumed by the adhering bank as if it had itself signed.
37.	If yes, what will each bank be required to do to permit another bank to sign up to the Scheme on its behalf and what documentation is required?	If a bank or an association signs as agent on behalf of another, the two parties must have taken the necessary legal steps to establish the necessary authority for the agency arrangement. The adherence documentation will require confirmation of these steps having been completed by way of Legal Opinion.
38.	I represent a national banking association. Can my organisation sign up to the Scheme on behalf of all of my association's members?	Yes, subject to the foregoing provisions.
39.	If yes, what must each of my association's members be required to do to permit the national banking association to sign up to the Scheme on their behalf and what documentation is required?	See response to Question 37.
40.	If my organisation signs up to a Scheme on its behalf and on behalf of another legal entity (e.g. a subsidiary), will my organisation have any legal responsibility if this legal entity fails to comply with its obligations under the Rulebook?	No. The underlying obligations under the Scheme are the responsibility of the adhering bank only and not the agent.
41.	The Internal Rules mention NASOs. Is my organisation obliged to use a NASO?	In general, yes. Only organisations that are banks signing as an agent for 4 or more of their subsidiaries, which are located in different SEPA jurisdictions, will be permitted to send their Adherence Packs directly to the EPC. All other organisations will be obliged to first consult a NASO before submitting their application to the EPC. NASOs can answer questions on the adherence documentation as well as provide a preliminary review of the Adherence Pack before this is submitted to the EPC.



42.	My organisation wishes to consult a NASO. However, my organisation is signing an adherence agreement as an agent on behalf of subsidiaries located in various different SEPA jurisdictions. Does this mean that my organisation must consult the NASO in each of jurisdictions where a subsidiary is located?	No. Where subsidiaries are located throughout SEPA, it is not necessary to consult a NASO in each of the countries where a subsidiary is located. In such cases, your organisation need consult only one NASO in any of the countries where it has a subsidiary.
43.	What happens if there is no NASO established in my country when I wish to submit my Adherence Pack?	In this situation, the bank should submit its Adherence Pack directly to the EPC Secretariat.
44.	My bank currently does not offer any product or service allowing customers to originate credit transfers, and we want to adhere to the SCT Scheme as a Beneficiary Bank. Are we now obliged to be an Originator Bank?	<p>The Open Letter from the EPC, dated 31 May 2007, acknowledged that there are banks that are not active in initiating payments, in the phrase “<i>Other institutions falling outside this group are expected to be in a position to originate SCT transactions for their customers (assuming they conduct such business) during the course of 2008.</i>”</p> <p>The spirit of the Rulebook is that a bank active today in sending and receiving payments should do so in the Scheme, starting from 28 January 2008, but that a bank not active in originating credit transfer payments today is not suddenly obliged to do so by adhering to the Scheme, as it may adhere to the Scheme in the capacity of a Beneficiary Bank only, capable of receiving Scheme payments.</p> <p>Note that the role of Beneficiary Bank requires that for a credit transfer that cannot be executed for a valid reason (such as wrong account number, account closed); the Beneficiary Bank must make a ‘Return’, as defined in the Rulebook.</p>

Problem Scenarios

45.	What happens if my organisation is ready for SEPA and is a Participant in the Scheme but is asked by customers to make Scheme payments to an organisation that is not yet a SEPA compliant Participant?	Such a payment cannot be executed within the Scheme and, if possible, will need to be executed through another channel.
46.	What happens if my organisation's customers wish to make Scheme payments but my organisation is not operationally ready for SEPA? Can my organisation make Scheme payments without joining the Scheme?	It will not be possible to make Scheme payments until your organisation is a Scheme Participant.
47	What happens if my organisation starts receiving Scheme payments but is not yet a participant in SEPA?	This is a commercial matter for your organisation, the sending institution and your customer. Such a situation should not arise. It demonstrates the importance of joining the Scheme in an expeditious manner, to avoid such potentially difficult situations.

ANNEX C ADHERENCE PACK CHECK LIST TO BE COMPLETED BY NASOS AND FORWARDED WITH AN ADHERENCE PACK TO THE EPC

SEPA Credit Transfer Adherence Application Checklist

Date received by EPC: _____

Applicant Name: _____

Check	Y/N	Date	Initials	Narrative
Adherence Agreement check OK				
Valid BIC				
Plausible readiness date				
Contact e-mail address				
Standard legal opinion wording				
Legal opinion signature certainty				
Order of signing AA & LO correct				
Entered into Register as “received”				

Further remarks: