

SEPA 'R' Messages Guidance for Creditors

SEPA Direct Debit – Return / Reject / Refusal and Refund Reason Codes

Note: **Rejects and Refusals** are Collections not executed prior to settlement i.e. pre settlement
Returns are Collections not executed **post settlement** and are initiated by the Debtor Bank
Refunds are claims made by the Debtor for reimbursement of a Direct Debit

ISO Code	Description SEPA Rulebook	Possible Reasons	Reject/ Refusal	Return	Refund	Code Used by all banks	Exceptions Per Bank	Possible Actions
ACO1	Invalid IBAN	1. IBAN is not valid 2. IBAN is not found in the bank	Y	Y		N	Used by Ulster bank for Account Closed	Creditor to verify they used the IBAN provided by their customer or contact their customer to get the correct IBAN
AC04	Account Closed	Account has been identified as closed	Y	Y		N	Ulster Bank Use AC01 instead	Creditor to contact their customer.
AC06	Account Blocked	1. Account has been blocked, this may be customer initiated or bank 2. Customer account does not allow DDs	Y	Y		Y	None	Creditor to contact their customer
AC13	Invalid Debtor account Type	SDD B2B scheme* only						
AG01	Direct Debits forbidden for regulatory reasons	1. Different regulatory reasons by each Bank 2. Collection not permitted on the Account type	Y	Y		Y	None	Creditor to contact their Bank & request that they contact the Debtor Bank to find out the rejection reason
AG02	Operation code/transaction code/sequence type incorrect, invalid file format	An incorrect code/value on the file submitted <ul style="list-style-type: none"> • Recurrent after one-off • One off after a recurrent 	Y	Y		N	Not Used by Dankse, AIB & PTSB	Creditor to contact their bank to check the code error
AM04	Insufficient Funds	No funds in the debtors account <i>Note: This code cannot be used in certain SEPA countries for reasons of data protection. MS03 could be used as an alternative.</i>	Y	Y		Y	None	Creditor to contact their customer and re-present.
AM05	Duplicate Collection	Transaction ID incorrect	Y	Y		N	Danske use MD02 instead	Creditor to amend their file and apply correct transaction code
BE05	Creditor Identifier Incorrect	1. Incorrect Creditor ID put on the file 2. Invalid Creditor ID 3. Creditor ID on mandate has changed without flagging as amendment	Y	Y		N	Not used by Danske, AIB & PTSB	File will be rejected and Creditor must resubmit file with correct ID

SEPA 'R' Messages Guidance for Creditors

SEPA Direct Debit – Return / Reject / Refusal and Refund Reason Codes

ISO Code	Description SEPA Rulebook	Possible Reasons	Reject/ Refusal	Return	Refund	Code Used by all banks	Exceptions Per Bank	Possible Actions
FF01	Invalid file format: Operation/ transaction code incorrect	A field is populated with a value that is not permitted in the scheme implementation guidelines. Amendment indicator set but no amendment fields populated. Amendment has occurred to key data but amendment indicator is not set	Y			N	Used by AIB for DFS customers only Not Used by PTSB	Check file format
FF05	Direct Debit type incorrect	A customer submits a B2B transaction to a bank that only supports the Core scheme	Y	Y		N	Not used by PTSB/CITI	Check Direct Debit type
MD01	No valid mandate	Mandate is blocked or cancelled or has expired Debtor has invoked consumer rights – limit amount for frequency on mandate, black/white list rejection Unauthorised transaction(for refunds of SDD Core Collections only B2B mandate not yet confirmed by the Debtor	Y	Y	y	Y	None	Creditor to check if Debtor has cancelled the mandate
MD02	Mandate data missing or incorrect e.g amend trigger - data signing	An amendment has occurred on one of the 5 key fields without the amendment being flagged correctly in the XML. (e.g. UMR changed without setting amendment indicator and including original UMR .) Date of signing on mandate has changed. If any of the Ultimate Debtor or Creditor fields were populated and then no longer populated.	Y			N	AIB & PTSB use AM05	Creditor to check if: Any of the key fields were amended without flagging correctly using the XML amendment indicator in the file. Duplicate FRSTs have been submitted for the same mandate
MD06	Disputed authorised transaction(for SDD collections only)	Debtor has claimed a refund for an authorised transaction within an 8 week period.			y	Y	None	Creditor to contact customer
MD07	Debtor deceased Used for both SDD & B2B from Nov 2017	<i>Note: This code cannot be used in certain SEPA countries for reasons of data protection. In this case AC06 or MS03 can be used as alternative.</i>	Y	Y		N	Danske use AC04 instead	Creditor to contact Debtors bank
MS02	Refusal by the debtor	1. Relates to refusal rights in SEPA rulebook and regulation : a. Block a DD b. Block a Creditor c. Limit mandate amount/frequency 2. Block a mandate	Y	Y		Y	None	Creditor to contact customer
MS03	Reason not specified	1. Only to be used in exceptional circumstances if existing codes do not explain rejection. 2. Insufficient funds (some banks cannot use code AM04) 3. If recurring Mandate information does not match the first mandate instruction	Y	Y		N	None Not Used by PTSB	Creditor to contact their Bank & request their Bank to contact customer's bank

SEPA 'R' Messages Guidance for Creditors

SEPA Direct Debit – Return / Reject / Refusal and Refund Reason Codes

ISO Code	Description SEPA Rulebook	Possible Reasons	Reject/ Refusal	Return	Refund	Code Used by all banks	Exceptions Per Bank	Possible Actions
RC01	Invalid BIC	Invalid BIC – the branch specified is not valid for the bank (BIC(11))	Y	Y		N	Not Used by Danske	Creditor to contact customer and get correct BIC
RR01	Missing debtor account or identification	<ul style="list-style-type: none"> Missing Debtor account or identification Regulatory reason <p><i>Note: This code cannot be used in certain SEPA countries for reasons of data protection. MS03 could be used as an alternative.</i></p>	Y	Y		N	Not Used by Danske, AIB & PTSB	Creditor to correct and re-submit
RR02	Missing Debtor Name	<ul style="list-style-type: none"> Missing Debtor name (address is optional field) Regulatory reason <p><i>Note: This code cannot be used in certain SEPA countries for reasons of data protection. MS03 could be used as an alternative.</i></p>	Y	Y		N	Not Used by Danske, AIB & PTSB	Creditor to correct and re-submit
RR03	Missing Creditor Name	<ul style="list-style-type: none"> Missing Creditor name (address is optional field) Regulatory reason <p><i>Note: This code cannot be used in certain SEPA countries for reasons of data protection. MS03 could be used as an alternative.</i></p>	Y	Y		N	Not Used by Danske, AIB & PTSB	Creditor to correct and re-submit
RR04	Regulatory reason	Different regulatory reasons by each Bank	Y	Y		N	Not Used by Danske & AIB	Creditor to contact their Bank & request that they contact the Debtor Bank to find out the rejection reason
SL01	Due to specific service offered by debtor agent	<p>Specific service offered by debtor bank such as</p> <p>All Debtor-invoked consumer-right rejects:</p> <ul style="list-style-type: none"> Creditor blocking Collection amount limitations Collection frequency limitations 	Y	Y		N	Not used by AIB & PTSB	Creditor to contact customer

This document should be used in conjunction with [EPC173-14 v3.0 Guidance on Reason Codes for SDD R-transactions published Nov 2016](#)

Disclaimer

This data is based on information supplied to BPFII by the financial institutions listed herein.

While every effort has been made to ensure the accuracy of information included in this report, BPFII can accept no responsibility for errors contained herein.

The information in this publication may change from time to time- Users should always refer to the latest available version.