

Adherence Guide to the EPC SEPA Payment Schemes

EPC012-17

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Approved

Guide for Adherence to the SEPA Credit Transfer Scheme, the SEPA Instant Credit Transfer Scheme and the SEPA Direct Debit Schemes (the “Adherence Guide”)

Abstract	The present document provides detailed guidelines for Applicants wishing to adhere to one or more of the EPC managed SEPA payment schemes.
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Reason for Issue	<p>The approved Version 1.0 of the present document replaced the three previous adherence guides (i.e. EPC125-07, EPC103-08 and EPC329-08)</p> <p>The approved Version 2.0 of the present document will include dedicated provisions on data protection and privacy</p> <p>The approved Version 3.0 of the present document includes changes that relate to Major Incident Reporting authorised by the SMB on 25 April 2019</p> <p>The approved Version 4.0 of the present document includes changes that relate to the entry into force of the DRC</p> <p>The approved Version 5.0 of the present document simplifies the previous versions and includes changes that relate to the update of the adherence process</p>
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1 Preface to the Adherence Guide

1.1 About the SEPA Payment Schemes

The **SEPA Credit Transfer Scheme** (the "**SCT Scheme**") and the **SEPA Instant Credit Transfer Scheme** (the "**SCT Inst Scheme**") establish a set of harmonised rules, practices and standards to allow payment service providers ("**PSPs**") in SEPA to process (instant) credit transfer transactions in euro, based on the rules set out in the SEPA (Instant) Credit Transfer Scheme Rulebook (the "**SCT Rulebook**" and the "**SCT Inst Rulebook**") and their associated documents such as the SEPA (Instant) Credit Transfer Scheme Implementation Guidelines (the "**IGs**"), as amended from time to time.

The **SEPA Core Direct Debit Scheme** (the "**SDD Core Scheme**") and the **SEPA Business to Business Direct Debit Scheme** (the "**SDD B2B Scheme**") establish a set of harmonised rules, practices and standards to allow payment service providers ("**PSPs**") in SEPA to offer a direct debit product to customers. The rules and technical standards applicable to the SDD (B2B) Core Scheme are set out in the SEPA (B2B) Direct Debit Scheme Rulebook (the "**SDD Core Rulebook**" and the "**SDD B2B Rulebook**") and their associated documents such as the SEPA (B2B) Direct Debit Scheme Implementation Guidelines (the "**IGs**"), as amended from time to time.

The SCT Scheme, the SCT Inst Scheme, the SDD Core Scheme and the SDD B2B Scheme are referred to jointly in this document as the "**Schemes**" and the SCT Rulebook, the SCT Inst Rulebook, the SDD Core Rulebook and the SDD B2B Rulebook are referred to jointly as the "**Rulebooks**".

1.2 The role of the EPC

The SEPA Schemes are administered by the **European Payments Council** (the "**EPC**"), i.e. the Scheme Manager.

- The **EPC Secretariat** is (the "**Secretariat**") is responsible for approving applications to join each single Scheme separately.
- The EPC body that is charged with overseeing adherence to the Schemes is the **Scheme Management Board** (the "**SMB**").
- The **Dispute Resolution Committee** (the "**DRC**") is responsible for investigating complaints from applicant Scheme Participants whose application for participation in one or more Schemes has been rejected, as well as for managing disputes arising within the Scheme and for handling breaches of the Rulebook.

Further details on the role of the Secretariat and the SMB can be found in the **SEPA Payment Scheme Management Rules** (the "**Rules**"), whereas further details on the role of the DRC can be found in the **Dispute Resolution Committee Mandate** (the "**DRC Mandate**").



2 Introduction to the Adherence Guide

2.1 Purpose of the document

This document (the “**Adherence Guide**”) provides detailed guidance on the adherence process for each of the SEPA Credit Transfer (“**SCT**”) Scheme, the SEPA Instant Credit Transfer (“**SCT Inst**”) Scheme, the SEPA Core Direct Debit (“**SDD Core**”) Scheme and the SEPA Business to Business Direct Debit (“**SDD B2B**”) Scheme (each individually a “**Scheme**”, together the “**Schemes**”).

It is directed at:

- institutions wishing to join the Schemes (“**Applicants**”) as **Participants**,
- **Agents** applying on behalf of Applicants (e.g. parent companies of Applicant subsidiaries), and
- National Adherence Support Organisations (“**NASOs**”)

with a view to providing these entities with a step-by-step guide on the process established by the EPC for adhering to the Schemes.

The institution applying to participate in the Scheme is called “**Applicant**” or “**Payment Service Provider**” (abbreviated “**PSP**”).

All capitalised terms used but not defined in the present document shall have the meaning attributed to them in the Rulebooks and the Rules.

For all questions that are not covered by the present guide, Applicants can consult the [FAQs webpage](#) for more updated inquiries or contact the EPC Secretariat at secretariat@epc-cep.eu

2.2 The EPC Register of Participants

The EPC keeps and publishes a Register of Participants for each SEPA Scheme (the “**Register**” or “**Registers**”) on the EPC website. The Register is freely downloadable as a PDF, an XML, and a CSV file on the [EPC Register webpage](#).

The Register is published regularly and contain the details of Participants that are ready to send and/or receive SEPA credit and/or debit transactions.

The published Register contains a record for each Participant to the relevant Scheme(s) and include the following information:

- Name of the Participant
- Address of its registered office
- Reference BIC - a BIC8 or BIC11 selected by and applicable to the Participant.
- Readiness Date – the date by which the Participant will be ready and able to process SEPA payment transactions under the relevant Scheme.

2.3 Publication Date and Readiness Date

The EPC updates the Register regularly, by adding/removing the names of Participants joining/exiting the Schemes. This is done in a process divided by **adherence cycles**.

To this extent, the EPC maintains a [yearly Calendar](#) on its website, that Applicants shall carefully evaluate before applying.

The EPC Calendar shows the following dates for each adherence cycle:



- 1 **Adherence Receipt Deadline at EPC** – The deadline to send the application documents to the EPC Secretariat. To be considered within the deadline, by that date Applicants must send complete adherence packages, at least in their electronic formats (i.e. scanned copies of the originals), to the EPC Secretariat. Original copies of the Adherence Agreement and of the Legal Opinion shall be sent via regular mail to the EPC premises before the relevant Register Publication Date.
- 2 **Register Publication Date** – Is the date on which the updated Register is published on the EPC website. The Register is automatically published at midnight.
- 3 **Operational Readiness Date** – Is the date on which the Applicant effectively becomes a Participant to the Scheme it has adhered to (the “**Readiness Date**”), as it becomes reachable for payments made under the rules of that Scheme. As of the Readiness Date the Participant is bound to all obligations and is entitled to all the benefits set out in the related Rulebook. For the SCT Instant Scheme, the Operational Readiness Date commences on DD/MM/YYYY 08:00:00.000 CET.

The EPC require Applicants to choose a Readiness Date in the Schedule (Annex 2) to the Adherence Agreement that is one of the available Operational Readiness Dates on the EPC Calendar or a subsequent one. **Applicants can in fact choose a Readiness Date that is up to 6 months subsequent to the date of their application. This has to be duly specified to the EPC Secretariat.**

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

The recommendation to all Applicants is to submit the adherence application well in advance of the Adherence receipt deadline at EPC, to avoid any risk of missing the desired adherence window.

3 Preparation to the Adherence Process

Applicants are advised to familiarise themselves with the Adherence Documents and the Adherence Process first. This information can be found under the [Toolkit for New Scheme Participants](#), on the EPC website.

They are also advised to create a list of their own documentation that they need to support and/or use in the adherence process.

These steps aim at helping Applicants to:

- Design the adherence workflow
- Plan the time schedule
- Plan the effort, budget and resource allocation
- Identify the areas where they need legal advice



3.1 Pre-Conditions to Adhere

Applicant Pre-Conditions to Adhere	
Conditions	Description of the Conditions
<p>Condition #1</p> <p>The Applicant must satisfy all the relevant Eligibility Criteria</p>	<p>In order to be eligible as a Participant, an Applicant must at all times comply with Section 5.4 of the Rulebooks.</p> <p>This compliance is equally required from a Participant at all times during its participation in the Scheme. Participants should at all times also comply with the relevant Participant obligations as set out in Sections 5.7 and 5.8 of the Rulebook.</p>
<p>Condition #2</p> <p>The Applicant must have a valid BIC 8 or BIC 11</p>	<p>The reference BIC is a BIC 8 or BIC 11 selected by and applicable to the Participant, used by the EPC only as a means of identifying unambiguously the Participant organisation. It is not a routing BIC.</p> <p>If the Applicant has no valid BIC, it will not be possible to adhere to the Scheme.</p> <p>For further information regarding BICs, Applicants are requested to contact SWIFT.</p>
<p>Condition #3</p> <p>The Applicant must be prepared/actively preparing to be reachable and be able to process SEPA transactions by the Readiness Date</p>	<p>If this is not the case, the Applicant should not submit an Adherence Pack but rather wait until it is ready and then submit its Adherence Pack.</p>

Table 1 Applicant Conditions to Adhere

3.2 Eligibility Self-Assessment

The Eligibility Criteria for the admission to the Schemes are listed in the Rulebooks (Section 5.4) and here below. The criteria reflect the key technical and legal requirements that must be fulfilled by all Scheme Participants to best ensure the proper functioning, operation and integrity of the Scheme.

The Secretariat will only approve an Applicant for participation in a Scheme if it can demonstrate that it satisfies the Eligibility Criteria. The information provided by an Applicant in accordance with the instructions included in the present document should enable the Secretariat to determine whether or not the Applicant is able to satisfy them.

It is extremely important that Applicants provide **accurate, up-to-date and complete information** in relation to the criteria set out in this document. If an Applicant fails to provide the necessary information, consideration of its application could be subject to delay or further investigation in accordance with the Rules.



Each Applicant shall determine its status as follows:

Eligibility Self-Assessment	
<p>Eligibility Criteria (Section 5.4 of the EPC Rulebooks)</p>	<p>To qualify for participation in a Scheme, Applicants must at all times:</p> <ul style="list-style-type: none"> • be active in the business of providing banking and/or payment services to Customers; • be active in the business of providing Payment 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; • be 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 (“CSMs”) for the purpose of providing access to the Scheme throughout SEPA; • develop and effect operational and risk control measures appropriate to the business undertaken by the Participant.
PSPs considered to automatically satisfy the Eligibility Criteria	PSPs considered to satisfy only certain Eligibility Criteria
<p>Institutions that fall within the following categories are <u>deemed to satisfy all the criteria</u> set out above:</p> <ul style="list-style-type: none"> • a credit institution which is authorised in accordance with Article 8 (1) of Directive 2013/36/EU by a state which is a member of the European Economic Area; • the institutions referred to in points (2) to (23) of Article 2 (5) of Directive (EU) 2013/36/EU; • For the PSPs communities to which the geographical scope of SEPA has been extended by EPC decision: • 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 Financial Market Supervisory Authority (FINMA); • a bank which is authorised by the Central Bank of San Marino in accordance with Article 7, Part I, Title II, of the Sammarinese Law No. 165 (approved on 	<p>If the Applicant is:</p> <ul style="list-style-type: none"> • any other eligible PSP listed in Article 1(1) of the Payment Services Directive (“PSD2”) (i.e., Electronic Money Institution, Post Office Giro, Licensed Payment Institutions, ECB/NCBs, Member States/Local Authorities); • or an undertaking other than those referred to in Article 1(1), that has been authorised as a payment institution under Article 11, PSD2 <p><u>the Applicant is deemed automatically to have met only certain of the Eligibility Criteria</u>, due to at least equivalent requirements being imposed on them by virtue of authorisation and continuing requirements under the PSD2.</p>



<p>November 17th 2005) and with Regulation No. 07 of 2007;</p> <ul style="list-style-type: none"> • an undertaking incorporated in Jersey and registered with the Jersey Financial Services Commission to conduct deposit-taking business under the Banking Business (Jersey) Law 1991; • an undertaking incorporated in Guernsey and registered with the Guernsey Financial Services Commission to conduct deposit-taking business under the Banking Supervision (Bailiwick of Guernsey) Law 1994; or • an undertaking incorporated in the Isle of Man and licensed by the Isle of Man Financial Services Authority to conduct deposit-taking business under the Isle of Man Financial Services Act 2008. • an entity incorporated in the UK and licensed/authorised by the Prudential Regulation Authority (PRA) and/or the Financial Conduct Authority (FCA) to conduct deposit-taking business and/or provide payment services in accordance with The Payment Services Regulations SI No. 752 of 2017 • [entity/entities] incorporated in [insert relevant SEPA country or territory] and authorised or licensed by [insert regulator(s)] to provide the following services: [insert relevant services for which the Applicant(s) is/are licensed.] 	<p>To this extent, the Applicant will be asked to provide Additional Documents supporting its application.</p> <p>This is further illustrated and detailed under Table 3 and Section 4.2 below.</p>
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Table 2: Eligibility Assessment

The assessment above is relevant to the amount of information required for each type of Applicant PSP at the time of its adherence. This is set out in details under Section 4 below.

3.2.1 Preliminary Overview of Eligible PSPs and Adherence Documents Required

Type of PSP	Relevant Adherence Documents
<p>1 Credit Institutions authorised in accordance with Article 8 (1) of Directive 2013/36/EU</p>	<p>PSPs considered to automatically satisfy all Eligibility Criteria.</p>
<p>2 Institutions listed under Article 2 (5) of Directive (EU) 2013/36/EU</p>	<p><u>Application Documents Required:</u></p> <ul style="list-style-type: none"> • Adherence Pack (Section 4.1)
<p>3 Electronic Money Institutions (EMIs) (Article 1(1), b), PSD2)</p>	<p>PSPs considered to automatically satisfy only part of the Eligibility criteria.</p>



	<p><u>Application Documents Required:</u></p> <ul style="list-style-type: none"> • Adherence Pack (Section 4.1) • Additional Documents (Section 4.2) regarding: <ul style="list-style-type: none"> • solvency (a solvency statement, cfr. Section 4.2.6) • participation, or eligibility to participate, directly or indirectly in one or more CSMs for the purpose of providing access to the Scheme throughout SEPA.
4 Licensed Payment Institutions (PIs) (Article 1(1), d), PSD2)	<p>PSPs considered to automatically satisfy only part of the Eligibility criteria.</p> <p><u>Application Documents Required:</u></p> <ul style="list-style-type: none"> • Adherence Pack (Section 4.1) • Additional Documents (Section 4.2) regarding: <ul style="list-style-type: none"> • solvency (a solvency statement, cfr. Section 4.2.6) • being active in the business of providing Payment 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 • participation, or eligibility to participate, directly or indirectly in one or more CSMs for the purpose of providing access to the Scheme throughout SEPA
5 Undertakings (other than those listed under Article 1 (1), PSD2), authorised as a payment institution under Article 11, PSD2)	<p><u>Application Documents Required:</u></p> <ul style="list-style-type: none"> • Adherence Pack (Section 4.1) • All Additional Documents (Section 4.2)
6 State Treasuries	<p>PSPs considered to automatically satisfy only part of the Eligibility Criteria.</p> <p><u>Application Documents Required:</u></p> <ul style="list-style-type: none"> • Adherence Pack (Section 4.1) • Additional Documents (Section 4.2) regarding: <ul style="list-style-type: none"> • being active in the business of providing Payment 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 • participation, or eligibility to participate, directly or indirectly in one or more CSMs for the purpose of providing access to the Scheme throughout SEPA

Table 3 Overview Eligible PSPs



3.3 Branches and subsidiaries

For PSPs based in SEPA, a non-subsidiary branch is not able to adhere separately from the legal entity of which it forms part, as a branch does not have separate legal personality.

In such case the “parent” legal entity applies to become a Participant in the Scheme and all of its branches located in SEPA will automatically be covered by its adherence, without all such branches being required to be reachable.

Before sending the application, **Applicants are required to verify with their legal counsel the legal status/qualification of the relevant institution.**

3.4 The BIC

The Registers list adhering PSPs with their individual BIC8 or BIC11. **They do not list branches of PSPs in SEPA as branches of a Participant are considered covered by the BIC8 of the head office.**

Only subsidiaries and SEPA licensed branches of non-SEPA countries institutions can be listed in the Registers as Participants in the Schemes.

The Participant Registers **do not constitute operational databases** and do not contain a comprehensive list of BICs used for routing payments. The Participant Registers are not designed for routing payments. In the Participant Registers, BIC 8 or BIC11 are used by EPC solely 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 SEPA compliant Clearing and Settlement Mechanisms (the “CSMs”) for routing purposes. 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 through 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 EPC with **the same reference BIC for each Scheme.**

4 The Adherence Documents and Process

Once the Applicant has made sure that the pre-conditions above are fulfilled and has performed a preliminary eligibility self-assessment, in order to adhere to one or more Schemes, it is required to download, complete and submit a basic Adherence Package (“the **Adherence Pack**”) and, if applicable, the relevant **Additional Documents** required.

4.1 The Adherence Pack – Documents to be submitted by all Applicants

The Adherence Pack is the **core set of mandatory documents** necessary to adhere, and must be duly completed in all its relevant parts **by all types of eligible PSPs.**

The Adherence Packs are available for download on the dedicated EPC webpage [Toolkit for New Scheme Participants](#), and contain the mandatory adherence documents, namely:

- 1) The **Adherence Agreement (Annex 1)** – This is the multilateral contract that will bind the Applicant/Participant with the EPC and each other Participant in the same Scheme;
- 2) The **Schedule to the Adherence Agreement (Annex 2)** – Where the Applicant is asked to provide basic details in relation to its organisation and its application;



- 3) The Legal Opinion (**Annex 3 or Annex 4 if licensed branch of a non-SEPA country institution**) – To be duly completed and signed by an internal/external qualified lawyer, supporting the information provided for the adherence;

Any Applicant wishing to **adhere to more than one Scheme at the same time** must submit separate Adherence Packs for each Scheme (i.e. separate Adherence Agreements, Schedules to the Adherence Agreements and Legal Opinions).

Any application will remain valid up to 6 months from its submission. After 6 months, the Applicant is required to sign new Adherence Agreement and Legal Opinion, and ensure that all the other relevant details provided under the Schedule and/or in the Additional Documents are still up to date.

Sections 4.4 and the following below explain in detail how to duly complete and submit each main document of the Adherence Pack.

4.1.1 Mandatory Adherence Documents for all Applicants

Documents	Type of PSP			
	Credit Institution (Article 8(1) Directive 2013/36/EU) Institutions in Article 2(5) Directive 2013/36/EU	Licensed Payment Institution (PI) Electronic Money Institution (EMI) (Article 1(1) PSD2)	Licensed Branch of a non-SEPA Country Institution	State Treasury Other undertakings authorised as PIs under Article 11, PSD2
Annex 1 - Standard Adherence Agreement	MANDATORY	MANDATORY	MANDATORY	MANDATORY
Annex 2 – Schedule to the Adherence Agreement	MANDATORY	MANDATORY	MANDATORY	MANDATORY
Annex 3 - Standard Legal Opinion	MANDATORY	MANDATORY	MANDATORY (ANNEX 4)	MANDATORY
Annex 4 – Standard Legal Opinions for licensed branches of non-SEPA country institutions: The Legal Opinion # 1 (Branch State) is signed by a legal counsel of an EEA country where the participating branch is authorised or licensed.	N/A	N/A	MANDATORY	N/A
Annex 4 - The Legal Opinion #2 (Home State) is signed by the legal counsel of the home state of the licensed branch’s “head office” (i.e. country of incorporation of the PSP), and covers the laws of that country.	N/A	N/A	MANDATORY	N/A

Table 4: Mandatory Adherence Documents



4.2 The Additional Documents

Except for institutions which are deemed to automatically satisfy all the Eligibility Criteria set out in Section 5.4 of the Rulebooks (see Section 3.2 of the present document), **Additional Documents and information** evidencing that the Applicant satisfies all the remaining Eligibility Criteria should be provided.

If the Applicant is:

- an **eligible PSP listed in Article 1(1)** of the Payment Services Directive (“PSD2”), **other than** a Credit Institution and Institutions listed under Article 2 (5) of Directive (EU) 2013/36/EU;
- or an **undertaking, other than those referred to in Article 1(1)**, that has been **authorised as a payment institution**, under **Article 11, PSD2**

the Applicant is deemed to have automatically met only certain of the Eligibility Criteria, due to at least equivalent requirements being imposed on them by virtue of authorisation and continuing requirements under the PSD2.

4.2.1 Additional Documents Overview

The following table provides an overview of the Additional Documents to be provided in order to demonstrate the fulfilment of the Eligibility Criteria listed under Section 5.4 of the Rulebooks.

Eligibility Criteria	Type of PSP				
	Credit Institution / Bank (Article 8(1) Directive 2013/36/EU) Institutions in Article 2(5) Directive 2013/36/EU	Electronic Money Institution (EMI) (Article 1(1) b) PSD2)	Licensed Payment Institution (PI) (Article 1(1) d) PSD2)	Licensed Branch of a non-SEPA Country Institution	State Treasury Other undertakings authorised as PIs under Article 11, PSD2
Payment Activity	N/A (See Section 3.2)	N/A	N/A	See requirements for the type of Institution (Credit Institution, PI/EMI, Other)	MANDATORY
Provision of Segregated Payment Accounts	N/A (See Section 3.2)	N/A	MANDATORY	See requirements for the type of Institution (Credit Institution, PI/EMI, Other)	MANDATORY
Regulatory Details	N/A (See Section 3.2)	N/A	N/A	See requirements for the type of Institution (Credit Institution, PI/EMI, Other)	N/A for State Treasury MANDATORY for other undertakings
Incorporation and Authorisation	N/A (See Section 3.2)	N/A	N/A	See requirements for the type of Institution (Credit	N/A for State Treasury



				Institution, PI/EMI, Other)	MANDATORY for Other undertakings
Solvency	N/A (See Section 3.2)	MANDATORY	MANDATORY	See requirements for the type of Institution (Credit Institution, PI/EMI, Other)	N/A for State Treasury MANDATORY for Other undertakings
Liquidity and regulatory Capital	N/A (See Section 3.2)	N/A	N/A	See requirements for the type of Institution (Credit Institution, PI/EMI, Other)	N/A for State Treasury MANDATORY for Other undertakings
Rating Criteria	N/A	N/A	N/A	N/A	N/A
Anti-Money Laundering, Terrorist Financing and Sanctions	N/A (See Section 3.2)	N/A	N/A	See requirements for the type of Institution (Credit Institution, PI/EMI, Other)	N/A for State Treasury MANDATORY for Other undertakings
Details of Clearing and Settlement (CSM) Arrangements	N/A (See Section 3.2)	MANDATORY	MANDATORY	See requirements for the type of Institution (Credit Institution, PI/EMI, Other)	MANDATORY
Operational Readiness and Risk Control	N/A (See Section 3.2)	N/A	N/A	See requirements for the type of Institution (Credit Institution, PI/EMI, Other)	MANDATORY
Any Other Information	If deemed necessary by the applicant to support its Application	If deemed necessary by the applicant to support its Application	If deemed necessary by the applicant to support its Application	If deemed necessary by the applicant to support its Application	If deemed necessary by the applicant to support its Application

Table 5: Overview Additional Documents

The following paragraphs aim at detailing the reasoning behind the need for said Additional Document and offering examples of evidence that can be produced/provided by Applicants for each.



4.2.2 Payments Activity

Type of Document:	Additional Document
Mandatory for:	<ul style="list-style-type: none"> • State Treasury • Undertakings other than those listed under Article 1 (1), PSD2, authorised as PIs under Article 11, PSD2
Evidence that can be provided (alone or combined):	<ul style="list-style-type: none"> • Business Plans and/or marketing prospectuses published by the Applicant institutions; • Details of the Applicant’s activities from its website • Annual Report

It is a pre-requisite for participation in any of the Schemes that an Applicant is able to demonstrate that it is active in the business of providing payments services as part of its business activities. It is not necessary for the provision of payment services to be the main business activity of the Applicant.

However, the Applicant should be able to demonstrate that is actively providing said payment services.

Please consider the following questions in demonstrating compliance with this condition for eligibility:

- Is the Applicant active in the business of providing payment services to Customers?
- What are the types of Customers to which payment services are provided (e.g. corporate clients, retail clients, government bodies)?

4.2.3 Provision of Payment Accounts

Type of Document:	Additional Document
Mandatory for:	<ul style="list-style-type: none"> • PIs, • State Treasury • Undertakings other than those listed under Article 1 (1), PSD2, authorised as PIs under Article 11, PSD2
Evidence that can be provided (alone or combined):	<ul style="list-style-type: none"> • Details of the Applicant’s Terms & Conditions, if containing all the relevant information on payment accounts provision and funds segregation; • Evidence of contracts with existing providers or other Scheme Participants for the provision of payment accounts and funds segregation • Written confirmation (e.g. e-mail, letter, etc.) from the provider of the segregated payment accounts

It is a pre-requisite for participation in any of the Schemes that an Applicant is able to demonstrate that it is active in the business of providing Payment 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.



In doing so, the Applicant should indicate the infrastructure that it currently has in place to provide payment accounts to Customers, including arrangements for holding and receiving Funds for Customers.

Please consider the following questions in demonstrating compliance with this condition for eligibility:

- Is the Applicant active in the business of providing Payment 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?
- What arrangements does the Applicant have in place for holding, receiving and/or making Funds available for Customers? In considering this point, please make reference to any commercial arrangements that the Applicant may have in place for outsourcing such functions to a third-party provider.

4.2.4 Regulatory Details

Type of Document:	Additional Document
Mandatory for:	<ul style="list-style-type: none"> • Undertakings other than those listed under Article 1 (1), PSD2, authorised as PIs under Article 11, PSD2
Evidence that can be provided (alone or combined):	<ul style="list-style-type: none"> • Letter from the regulator(s) confirming that the Applicant is regulated under their supervisory powers; • Legal opinion from qualified counsel specifying the laws pursuant to which the Applicant is regulated, and confirming that the Applicant is regulated by the regulator(s).

It is generally expected that Applicants will be regulated by an appropriate regulatory body within SEPA. In this section, Applicants are asked to provide details of all the regulatory bodies that oversee the conduct of the Applicant's business activities. Where possible, Applicants should provide details of a contact person or department at each regulator that acts as the contact point between the Applicant and the regulator(s).

Please consider the following questions in demonstrating compliance with this condition for eligibility:

- What is the main SEPA jurisdiction in which the Applicant is regulated?
- Which regulator(s) is responsible for licensing and overseeing the activities of the Applicant? In considering this point, please list the spheres of activity that are overseen by the relevant regulator(s).

4.2.5 Incorporation and Authorisation

Type of Document:	Additional Document
Mandatory for:	<ul style="list-style-type: none"> • Undertakings other than those listed under Article 1 (1), PSD2, authorised as PIs under Article 11, PSD2
Evidence that can be provided (alone or combined):	<ul style="list-style-type: none"> • Certificate of incorporation • Copy of the licence granted by a SEPA regulatory body. • Legal opinion from counsel confirming that the Applicant is duly incorporated and/or licensed in a SEPA country or territory.



An Applicant must have the requisite legal personality and regulatory status to participate in the Scheme. In this section, the Applicant is requested to provide details of its corporate status, as well as any licenses which it may hold in the SEPA jurisdiction(s) where it conducts its payments activity.

If the Applicant is not incorporated in a SEPA jurisdiction, it is essential that the Applicant is licensed by an appropriate EEA regulatory body.

Please consider the following questions in demonstrating compliance with this condition for eligibility:

- Is the Applicant incorporated in a SEPA jurisdiction? In responding to this question, please describe the Applicant's constitutional status if it is not a corporate entity, for example, in cases where an Applicant is a government body, or a branch of a non-SEPA based institution.
- Is the Applicant licensed in a SEPA jurisdiction? In responding to this question, please set out the activities for which the Applicant is licensed, and whether there are any conditions attached to the licence.
- Where the Applicant is licensed in a SEPA jurisdiction, please provide details of whether or not this licence has ever been revoked or suspended for any reason.

4.2.6 Solvency

Type of Document:	Additional Document
Mandatory for:	<ul style="list-style-type: none"> • PIs, EMIs • Undertakings other than those listed under Article 1 (1), PSD2, authorised as PIs under Article 11, PSD2
Evidence that can be provided (alone or combined):	<ul style="list-style-type: none"> • Solvency Statement under the Legal Opinion (Annex 3) to be signed by the legal counsel, confirming that the Applicant is not insolvent, as defined by applicable laws, and is able to pay its debts as they fall due. • Letter from an external accountant (such as the Applicant's statutory auditors, where relevant) confirming that the Applicant is not insolvent and is able to pay its debts as they fall due.

An Applicant must be able to demonstrate that it is not insolvent, as defined by the insolvency laws to which it is subject. It must therefore be able to confirm that it is able to pay its debts as they fall due; that its assets exceed its liabilities; and that it is not at risk of becoming subject to applicable insolvency procedures. In this section, Applicants are requested to provide evidence of their financial condition, with a view to demonstrating that they are not in danger of an insolvency situation.

Please consider the following questions in demonstrating compliance with this condition for eligibility:

- Please confirm that the Applicant is not insolvent, as defined under applicable insolvency laws. In considering this response, please take into account the likelihood of the Applicant becoming insolvent as a result of entering into the Adherence Agreement and carrying out the obligations set out in the Rulebook.
- Please confirm whether or not the Applicant has been insolvent in the last five (5) years, as defined under applicable laws.



- Please indicate whether the Applicant is a part of a corporate group, where its assets or liabilities may be shared with a parent or other group entity.

4.2.7 Liquidity and Regulatory Capital

Type of Document:	Additional Document
Mandatory for:	<ul style="list-style-type: none"> • Undertakings other than those listed under Article 1 (1), PSD2, authorised as PIs under Article 11, PSD2
Evidence that can be provided (alone or combined):	<ul style="list-style-type: none"> • Web-link to a website setting out the liquidity and regulatory capital rules to which the Applicant is subject, or if no web-link exists, to the legislation or set of rules where these rules are described. • Legal opinion confirming that the Applicant is in compliance with applicable rules on liquidity and regulatory capital, and that no breaches have recently been discovered in this area. • Statement of liquidity and capital policies approved by the Applicant's governing body. • Regulatory return.

The eligibility criteria for the Scheme require Applicants **to show that they maintain sufficient levels of liquidity and regulatory capital in accordance with the relevant laws and regulatory rules to which they are subject**. In view of the importance of liquidity and regulatory capital for mitigating the legal risks that may arise in the payments business, it is a condition for participation in the Schemes that Applicants are able to show compliance with any applicable rules and regulations in this area.

Please consider the following questions in demonstrating compliance with this condition for eligibility:

- Is the Applicant subject to rules regarding liquidity and regulatory capital requirements? In responding to this question, please consider applicable legal and regulatory rules, as well as requirements that may be imposed by the clearing and settlement system that the Applicant wishes to join.
- If yes, which regulatory authority oversees the Applicant's compliance with these rules? Please provide a web-link to the relevant rules, or a reference to the legislation or rules where these rules are described.
- Has the Applicant been sanctioned, or otherwise penalised in the last five (5) years for failing to meet its obligations in relation to the maintenance of sufficient liquidity and regulatory capital?
- Where the Applicant's proposed clearing and settlement system imposes requirements relating to liquidity and regulatory capital, please indicate whether the Applicant is in a position to comply with these requirements.
- If the Applicant is not subject to formal rules on either liquidity or regulatory capital, how does the Applicant ensure that it has market-standard practices for controlling liquidity risk and maintaining adequate capital?

4.2.8 Rating Criteria

There are at present no rating criteria for participation in the Schemes. Accordingly, this requirement may be disregarded for the purpose of completing the application.



4.2.9 AML, CTF and Sanctions

Type of Document:	Additional Document
Mandatory for:	<ul style="list-style-type: none"> Undertakings other than those listed under Article 1 (1), PSD2, authorised as PIs under Article 11, PSD2
Evidence that can be provided (alone or combined):	<ul style="list-style-type: none"> In-house statement of the Applicant's policy and procedures for complying with laws on anti-money laundering, terrorist financing and sanctions or equivalent international practice approved by the Applicant's governing body. Legal opinion from counsel specifying the laws applicable to the Applicant in relation to anti-money laundering, terrorist financing and sanctions, and confirming that there is no evidence of breach by the Applicant of such laws. Certify their intention to keep up with further legal developments (if not bound by anti-money laundering laws).

It is essential that all Participants are able to comply with applicable laws in relation to anti-money laundering, terrorist financing and sanctions. Applicants must be able to demonstrate that they are in compliance with all relevant laws in this area and that no cases of non-compliance have been detected.

Please consider the following questions in demonstrating compliance with this condition for eligibility:

- Is the Applicant subject to laws on anti-money laundering, terrorist financing and sanctions?
- Please describe the relevant laws and the Applicant's internal systems and controls in place to monitor transactions for compliance with these laws or equivalent international practice.
- Please state whether the Applicant has been in breach of applicable laws in this area in the past five (5) years.
- Please state whether the Applicant is currently under investigation for any breaches of such applicable laws

4.2.10 Details of CSM Arrangements

Type of Document:	Additional Document
Mandatory for:	<ul style="list-style-type: none"> PIs, EMIs State Treasury Undertakings other than those listed under Article 1 (1), PSD2, authorised as PIs under Article 11, PSD2
Evidence that can be provided (alone or combined):	<ul style="list-style-type: none"> Evidence of contracts with a SEPA Scheme compliant CSM or a Scheme Participant for clearing and settling SEPA payments. Written confirmation by the CSM provider (compliant CSM or other Scheme Participant) that it will provide CSM services to the Applicant

All Participants must have access to appropriate infrastructures for clearing and settling SEPA (Instant) Credit Transfer transactions and/or SEPA Direct Debit transactions, either directly or indirectly, through a self-declared SEPA Scheme compliant CSM. A list of self-declared SEPA



compliant CSMs is published on the EPC website. Applicants are advised to read the relevant Rulebook and related Implementation Guidelines for ensuring that their arrangements for clearing and settling SEPA payments will be in line with those documents.

Please consider the following questions in demonstrating compliance with this condition for eligibility:

- Does the Applicant have any arrangements in place, whether indirectly through a Scheme Participant, or directly with a fully SEPA Scheme compliant CSM for clearing and settling SEPA payments?
- If yes, please describe the arrangements in place.
- Will such arrangements satisfy the requirement for the Applicant to be reachable for the purposes of participation in the Scheme?
- If no, what kind of arrangements are currently envisaged by the Applicant for clearing and settling SEPA payments?

4.2.11 Operational Readiness and Risk Control

Type of Document:	Additional Document
Mandatory for:	<ul style="list-style-type: none"> • PIs, EMIs • State Treasury • Undertakings other than those listed under Article 1 (1), PSD2, authorised as PIs under Article 11, PSD2
Evidence that can be provided (alone or combined):	<ul style="list-style-type: none"> • A letter from the Applicant's Chief Operating Officer to confirm that the Applicant is (or will be, by the date selected by the Applicant as the 'Readiness Date') operationally ready to participate in the Scheme. • Written confirmation by the CSM provider (be it a CSH or another Scheme Participant) that the Applicant will be operationally ready to participate in the Scheme by the chosen Readiness Date.

It is key for all Applicants to ensure that they are technically and operationally ready to participate in the Scheme and to make SEPA payments in accordance with the technical standards set out in the Rulebook. In addition, Applicants are asked to demonstrate that they are able to manage risk in an appropriate and measured way, taking into account their business needs and activities. Both aspects of this criterion are important for ensuring compliance with the Rulebook and furthermore, that Participants are able to address any risks involved in participating in the Scheme in accordance with their internal systems and controls.

Please consider the following questions in demonstrating compliance with this condition for eligibility:

- Does the Applicant consider itself to be operationally ready to be a part of the Scheme? In answering this, the Applicant should familiarise itself with the relevant Rulebook (and in respect of the SCT Inst Rulebook and the Direct Debit Rulebooks in particular the risk management provisions set out in the relevant Annex to those Rulebooks) and accompanying background documentation.
- What measures are in place to measure and account for risk in the Applicant's organisation?



4.3 Completing and submitting the Adherence Documents

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

Method 1 – the Applicant completes its own Adherence Documents, or

Method 2 – the Applicant gives legal authority to an Agent (e.g. the parent company) to complete the Adherence Pack on its behalf. NASOs can act as Agents for the applicants.

The Adherence Pack and the Additional Documents (if required by Section 4.2 above) must be submitted at the same time.

4.3.1 Self-submitting Applicants

Method 1 – Applicant completes its own Adherence Pack

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

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

- Adherence Agreement (Annex 1);
- Schedule to the Adherence Agreement (Annex 2);
- Legal Opinion (Annex 3 or Annex 4 if licensed branch of a non-SEPA country institution);
- Additional documents/information evidencing that the Applicant satisfies the eligibility criteria, if required under the present document;

Templates of the three main adherence documents for each Scheme can be found on the EPC website at the dedicated EPC webpage [Toolkit for New Scheme Participants](#)

4.3.2 Agents acting on behalf of the Applicant

Method 2 – An Authorised Agent completes the Adherence Agreement for the Applicant

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. 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.**

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:

- Correctly execute the Adherence Agreement (Annex 1) and Schedule (Annex 2);
- Obtain a Legal Opinion (Annex 3 – or 4 if needed) from either the Applicant's internal counsel or from an external counsel. The legal counsel has to ensure a proper reflection of the legal authority of the Agent to complete the Adherence Agreement in the Legal Opinion. This wording is already provided in square brackets in the pro-forma standard Legal Opinion;



- Provide additional documents and information evidencing that the Applicant satisfies the eligibility criteria, as required under the present document.

An Agent may complete one Adherence Agreement on behalf of each Applicant or on behalf of all of the Applicants on whose behalf it is acting at the same time. 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 Applicant ¹ as an annex to the Adherence Agreement.

Where an Agent is completing Adherence Packs on behalf of several Applicants at the same time (i.e. a parent company on behalf of several subsidiaries, a “**Grouping**”), it is only required to submit one Legal Opinion, appropriately covering all the Applicants.

However, where an Agent is acting for Applicants who are not all established in one and the same jurisdiction, it must obtain separate Legal Opinions relating to the laws of each jurisdiction.

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. (More information on the role and responsibilities of an Agent can be found in the Rules.)

Applicants (and Agents on behalf them) should submit the Application Documents to the appropriate NASO (if relevant) or to the EPC directly in two manners:

- 1 **Electronic copies of the Adherence Documents (Adherence Pack and Additional Documents)** should be sent (PDF version of the Adherence Agreement, the Schedule information and the Legal Opinion) by e-mail either to the EPC at sct@epc-cep.eu (for SCT and SCT Inst) and/ or sdd@epc-cep.eu (for SDD Core and SDD B2B) 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.epc-cep.eu. Applicants may, however, choose to provide the Schedule information in a Word document for which a template is available as well at www.epc-cep.eu. Applicants are recommended to also save an electronic copy for their own records.
- 2 **The original documents (mandatory)**. When original Adherence Packs are sent either to NASOs or to the EPC this should be done by secure means (e.g. courier or special delivery), not by regular mail. **The Applicants are required to send original wet copies only of the Adherence Agreement and of the Legal Opinion(s).**

4.3.3 NASOs acting on behalf of the Applicant

NASOs participate in the adherence process with a view to ensuring the effective and efficient adherence of Participants to the Schemes throughout SEPA.

A detailed description of the role of a NASO can be found in the Rules. NASOs will be chosen by their national or sectoral PSP 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 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.

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.



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](#).

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

Tasks of a NASO for the Adherence Process	
Task 1: Form an 'adherence' team and allocate resources.	In order to efficiently carry out the functions and tasks set out below, NASOs are required to form an internal 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 F to this Guide.
Task 5: Submit the Adherence Packs to the EPC.	Organise and manage the process of submitting Adherence Packs to the EPC.

In accordance with the Rules, a NASO(s) should conduct a basic preliminary review of the Adherence Packs that it receives 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 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.



As part of the adherence process, a NASO(s) should conduct a preliminary check of each Adherence Pack that it receives. Suggested checks may include:

NASO Checks of the Adherence Pack	
<p>Check 1 (form and procedure check):</p> <p>Execution of the Adherence Pack.</p>	<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
<p>Check 2 (Internal Rules check):</p> <p>Applicant's eligibility for the Scheme.</p>	<p>Check that the Applicant appears to be eligible for the Scheme in accordance with the Legal Opinion and Rulebook:</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. • Check eligibility according to the Rulebook.
<p>Check 3 (information check):</p> <p>Applicant's information check.</p>	<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>

4.4 Step-by-Step Guide

Instructions for completing the Adherence Agreement (Annex 1) and the Schedule (Annex 2)

	Description of Steps	Applicants' Action
Step 1	Read the Adherence Guide and template Adherence Documents and in particular the Adherence Agreement.	Applicants are advised to familiarise themselves with the documentation first.
Step 2	Download the Adherence Pack from the Toolkit .	The documents are made available in MS-Word format. There is also an Excel version available for the Schedule information.
Step 3	Adherence Agreement: Fill in the legal name of Applicant.	This should be the legal name of the entity.
Step 4	Adherence Agreement: Applicant/Agent proceeds to signature section.	Applicants/their Agents should fill in the following information: <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)



		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.
Step 5	Schedule: Applicants are required to submit certain details, as set out in the Schedule	<p>The Schedule provides the EPC with general information on the Applicant. The following information provided in the Schedule will be published in the relevant 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 relevant 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 Secretariat of not less than 15 calendar days before the relevant Register update publication date. 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 duly signed Adherence Agreement and Legal Opinion.</p>

Table 6: Adherence Application - Instructions for an Applicant or Agent

4.5 Step-by-Step Guide

Instructions to the Legal Counsel for completing the Legal Opinion (Annex 3)

	Description of Steps	Legal Counsel’s Action
Step 1	Familiarise with the standard pro-forma template enclosed under Annex 3 of the Adherence Pack.	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 counsel. For further information on this point, please refer to the FAQs .
Step 2	Evaluate all the necessary elements and information required	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 Rulebooks, and that it has the necessary power and authority to become a Participant in the Scheme.
Step 3	Assess if the Legal Opinion related to an Adherence Agreement completed and signed by an Agent	<p>The provided template wording of the Legal Opinion can cover both, the Adherence Agreement executed by the Applicant itself, as well as the Adherence Agreement executed by an Agent on behalf of the Applicant. To this extent, the relevant square brackets in the text must be properly adjusted.</p> <p>In fact, in order to ensure that the Legal Opinion is correctly completed, in case of Adherence documents completed and sent</p>



		by an Agent, the Legal Counsel must ensure that the Legal Opinion includes a proper statement, confirming that the Agent is properly authorised to complete the Adherence Agreement on behalf of the Applicant.
Step 4	Make sure that the Legal Opinion does not pre-date the Adherence Agreement and that all dates are consistent	<p>In completing the Legal Opinion the Legal Counsel is asked to confirm that the Adherence Agreement has been validly executed by the Applicant.</p> <p>Consequently, the Legal Opinion cannot pre-date the Adherence Agreement. The Applicant will ensure that this is respected before submitting its Adherence Pack to the EPC Secretariat, saving time and costs.</p> <p>The Legal Counsel and the Applicant will also ensure that the date of signing of the Adherence Agreement is properly reflected under the “Assumptions” of the Legal Opinion.</p>
Step 5	Sending of the Legal Opinion – Evaluation time	<p>The Legal Opinion can be sent directly by the Applicant or by the Legal Counsel.</p> <p>Applicants are advised that a Legal Opinion which follows the pro-forma provided in Annex 3 of the Adherence Packages is usually handled rapidly, while any non-standard Legal Opinion might require longer processing.</p>

Table 7: Adherence Application - Instructions for a Legal Counsel

4.6 Step-by-Step Guide

Instructions for completing the Legal Opinion (Annex 4) for licensed branches of non-SEPA countries institutions

	Description of Steps	Legal Counsel’s Action
Step 1	Familiarise with the standard pro-forma templates enclosed under Annex 3 and Annex 4 of the Adherence Pack.	<p>For the purposes of the Scheme, only an EEA licensed branch may apply to become a Participant in the Scheme and the Home State "parent" will not be entitled itself to act as a Participant.</p> <p>To this extent, the Applicant shall demonstrate the branch’s 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.</p>
Step 2	Preparation of Applications for licensed branch of a non-SEPA country institution	<p>Once assessed if the Application concerns a licensed branch of a non-SEPA country institution, each Adherence Pack submitted by or on behalf of a licensed branch of a non-SEPA country institution must include:</p> <ul style="list-style-type: none"> the Adherence Agreement of the Applicant (Annex 1 - in this case, the Applicant is a licensed branch of a non-SEPA country institution); the Schedule (Annex 2); two Legal Opinions (Cfr. Step 3 below), and



		<ul style="list-style-type: none"> additional documents and information evidencing that the Applicant satisfies the eligibility criteria, as required under the present document.
Step 3	Preparation of the two Legal Opinions (Annex 4)	<p>If the Application concerns a licensed branch of a non-SEPA country institution, two legal opinions are required:</p> <ul style="list-style-type: none"> one relating to the EEA branch Applicant (to confirm that the Applicant is duly authorised in compliance with the eligibility criteria) and one relating to the Home State parent institution (to confirm that the Applicant has the power and authority to perform its obligations and that the Adherence Agreement and Rulebook constitute legally valid and binding obligations of the Applicant. Both templates are enclosed under Annex 4 of each relevant Adherence Pack.
Step 4	Legal Opinion #1	<p>The Legal Opinion #1 (Branch State) is signed by a legal counsel from an EEA country where the participating branch is authorised or licensed. Before submitting the Adherence Pack, the Applicant shall specifically ensure that Opinion 1 of the Annex 4 pro-forma, confirming that the branch is duly authorised or licensed by an appropriate regulator, has been duly completed. Only authorised or licensed branches can apply for adherence to the Scheme.</p>
Step 5	Legal Opinion #2	<p>The Legal Opinion #2 (Home State) is signed by the legal counsel of the home state of the licensed branch’s “head office” (i.e. country of incorporation of the PSP), and covers the laws of that country.</p>
Step 6	Make sure that the Legal Opinions do not pre-date the Adherence Agreement and that all dates are consistent	<p>In completing the Legal Opinions the Legal Counsel is asked to confirm that the Adherence Agreement has been validly executed by the Applicant.</p> <p>Consequently, the Legal Opinions cannot pre-date the Adherence Agreement. The Applicant will ensure that this is respected before submitting its Adherence Pack to the EPC Secretariat, saving time and costs.</p> <p>The Legal Counsel and the Applicant will also ensure that the date of signing of the Adherence Agreement is properly reflected under the “Assumptions” of the Legal Opinions.</p>
Step 7	Sending of the Legal Opinion – Evaluation time	<p>The Legal Opinion can be sent directly by the Applicant or by the Legal Counsel.</p> <p>Applicants are advised that a Legal Opinion which follows the pro-forma provided in Annex 3 of the Adherence Packages is usually handled rapidly, while any non-standard Legal Opinion might require longer processing.</p>

Table 8: Adherence Application - Instructions for licensed branch of a non-SEPA country



5 Application Processing by the EPC Secretariat

5.1 Evaluation of the Application

The **EPC Secretariat**, overseen by the SMB, is **responsible for determining whether an Applicant is eligible for joining the Schemes** in accordance with the criteria set out in section 5.4 of the Rulebooks.

The Secretariat 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.

In the case of a successful application, the Applicant or its Agent will receive a written notification of admission to a Scheme.

The major responsibilities of the Secretariat include:

- Collating the adherence documentation received in respect of each Applicant and preparing lists of Applicants;
- Determining applications and informing Applicants which fail to satisfy the eligibility criteria set out in section 5.4 of the Rulebooks;
- Managing data in respect of the Adherence Packs received and archiving files;
- Maintaining the EPC Registers of Participants;
- Producing the Registers of Participants and publishing the Registers on the EPC website.

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

5.2 Inclusion in the Register of Participant

The Applicant becomes a Scheme Participant and becomes subject to the Rulebook(s) on one of the Operational Readiness Date as published under the [EPC Calendar](#) or, where requested by the Applicant and agreed by the Secretariat, on a deferred Readiness Date (specified by the Applicant in advance to the Secretariat). The Secretariat may send the written notification to the Applicant.

The Secretariat will notify an Applicant for Scheme participation if it fails to satisfy the eligibility criteria set out in section 5.4 of the Rulebooks. In such case, the Secretariat may decide to request the Applicant to provide additional information, or to reject the application.

5.3 Reject of an Application

Where the Secretariat rejects an application, it will provide a letter to the Applicant setting out its reasons for rejecting an application. The Applicant may file a complaint with the DRC for a re-consideration of its application. An Applicant should consult the Rules and the DRC Mandate for further information on filing a complaint in these circumstances.

The DRC is responsible for investigating complaints from applicant Participants whose application for participation in one or more Schemes has been rejected.

The role of the DRC in relation to scheme adherence is set out in detail in the DRC Mandate.



5.4 Processing flow of Applications (Including All Actors)

Actions of Applicant, Agent, NASO, EPC Secretariat and DRC in the Adherence Process	
Step 1	<p>An Applicant or its Agent prepares and sends the Adherence Pack either to the appropriate NASO or directly to the EPC.</p> <p>Applicants are required to submit an Adherence Pack to the EPC (and NASO, if applicable) in two manners:</p> <ol style="list-style-type: none"> i) <u>Electronic copies of the Adherence Documents (Adherence Pack and Additional Documents)</u> should be sent (PDF version of the Adherence Agreement, the Schedule information and the Legal Opinion) by e-mail either to the EPC at sct@epc-cep.eu (for SCT and SCT Inst) and/ or sdd@epc-cep.eu (for SDD Core and SDD B2B) 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.epc-cep.eu. Applicants may, however, choose to provide the Schedule information in a Word document for which a template is available as well at www.epc-cep.eu. Applicants are recommended to also save an electronic copy for their own records. ii) <u>The original documents (mandatory)</u>. When original Adherence Packs are sent either to NASOs or to the EPC (European Payments Council AISBL, Cours Saint-Michel 30A, B-1040 Brussels, Belgium), this should be done by secure means (e.g. courier or special delivery), not by regular mail. The Applicants are required to send original wet copies only of the Adherence Agreement (Annex 1) and of the Legal Opinion (Annex 3 or 4).
Step 2	<p>If a NASO is relevant to the process:</p> <ul style="list-style-type: none"> • the NASOs collect and check Adherence Packs. • NASOs should retain a copy of each Adherence Pack for their records <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> <ol style="list-style-type: none"> i) Electronically (PDF version of Adherence Agreement, Legal Opinion, and the Schedule information; by e-mail to sct@epc-cep.eu and/ or sdd@epc-cep.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.epc-cep.eu. ii) the original documents to be sent to EPC (European Payments Council AISBL, Cours Saint-Michel 30A, B-1040 Brussels, Belgium). When original Adherence Packs are to be sent to the EPC, this must be done by secure means (e.g. courier or special delivery), not by regular mail.
Step 3	The EPC Secretariat receives the application and stores an electronic version of it. Then it date-stamps the Adherence Packs received from NASO(s) or directly from Applicants.
Step 4	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 marked as received.



Step 5	The EPC Secretariat process the application and gives feedback to the Applicant if further evidence or information are needed. In case of successful application, the Secretariat sends a written confirmation to the Applicant. All approved applications will be logged into the Register for the first publication date following the date of approval and in accordance with (but not earlier than) the Readiness Date supplied by the Applicant.
Step 6	If the application is rejected, the EPC Secretariat sends a letter of explanation to the Applicant, which may decide to appeal the decision to the DRC.
Step 7	The EPC Secretariat updates the Registers of Participants.
Step 8	On Publication Date, the EPC Secretariat publishes the Registers of Participants.

Table 9: Processing Applications Flow

6 Scheme Participation Fees

6.1 Invoicing

In accordance with the Rules, the EPC may levy Scheme participation fees to recover the costs related to the Payment Scheme Management functioned performed by the EPC.

To this end, specific invoicing related details for each Applicant are to be provided with the Schedule to the Adherence Agreement (for example **VAT number, address and contact details for invoicing**).

It is to be noted in this context that any future BIC changes, name changes or changes of address or contact details to be processed in the Register of Participants should be notified to the Secretariat as soon as it is reasonably practicable to do so. It is the responsibility of the Participant to ensure that the Secretariat is provided with information in relation to the Participant that is accurate and up-to-date at all times.

6.2 Payment of the Invoices

The EPC aims to collect SEPA Scheme participation fees using SEPA Direct Debit Core (SDD Core) as the preferred payment instrument.

By making use of SDD Core, the Participants' payment administration will be made easier, since the process is automated. It will also avoid missing payment deadlines, which generates reminders as well as unnecessary escalation and extra work, and could even result into being suspended from the Registers of Participants.

Participants which prefer not to make use of SDD Core may settle their SEPA Scheme participation fee invoices by SEPA Credit Transfer (SCT) only. No other payment methods are supported by the EPC.

Applicants will be requested to indicate their preferred method of payment (SDD Core or SCT) with the Schedule to the Adherence Agreement. Applicants wishing to make use of SDD Core to settle their Scheme participation fees are requested to provide the EPC with a duly completed and signed template SDD Core mandate, the template of which will be provided by the Secretariat.

More details regarding the Scheme participation fee invoicing policy and guidelines are set out in the document [EPC194-15](#).



7 Personal Data Protection

7.1 Personal data collected in relation to the adherence process

In the course of completing its adherence application, an Applicant may provide the EPC with information or documents including “personal data” (i.e. information relating to an identified or identifiable natural person, hereafter referred to as a “data subject”).

The personal data collected typically include contact details of data subjects provided by the Applicant (such as personal data relating to employees, officers, or directors of the Applicant) and are only accessible or shared on a need-to-know basis.

Applicants that submit personal data relating to a data subject to the EPC in the course of completing their adherence application must ensure that they do so in accordance with all applicable laws and regulations, including providing notice to the individual about the adherence process and, where required, obtaining appropriate consent.

The EPC may process such personal data for the purpose of ensuring the performance of the adherence agreement, the Rulebooks and/or the Scheme Management Internal Rules.

7.2 Rights of data subjects

The EPC shall, under the conditions of the applicable Belgian legislation, allow data subjects to:

- exercise their access rights and obtain the correction or deletion of their personal data
- restrict the processing of their personal data in the future
- object to the processing of their personal data on compelling legitimate grounds
- unsubscribe from any EPC publications, notably the EPC newsletter

Data subjects may exercise the above rights by sending a written request with a proof of their identity to European Payments Council AISBL, to the attention of the EPC Legal Counsel, Cours Saint-Michel 30, B-1040 Brussels, Belgium, or by e-mail to secretariat@epc-cep.eu.

The relevant scheme participant shall ensure that the EPC is at all times provided with up-to-date contact details in order to allow the EPC to contact the scheme participant.

7.3 Disclosure of personal data

The EPC will refrain from including any personal data with the Participant’s data shared on the EPC public website.

As and when required to achieve the performance of the adherence agreement, the Rulebooks, and/or the Rules, the EPC may share personal data with its processors and disclose them to third parties (, professional advisers, NASO’s, or relevant supervisory authorities).

In addition, the EPC may, in exceptional circumstances, disclose personal data to third parties when:

- disclosure is required by law or regulation
- non-disclosure exposes the EPC or its staff to civil or criminal liability
- disclosure is necessary to co-operate with competent authorities
- disclosure is necessary to the relevant persons involved in any further investigation or subsequent judicial proceedings instigated as a result of an enquiry by the EPC (e.g., external



counsel) or following a scheme participant's complaint in accordance with the relevant provisions of the Rules

The EPC will require entities acting as processors to process the personal data on behalf and under the instructions of the EPC to achieve the performance of the adherence agreement, the Rulebooks, and/or the Rules only.

The personal data collected by the EPC in the context of the adherence process will not be transferred to countries that do not offer a level of data protection considered as adequate under applicable EU standards.

7.4 Personal data breach notification

In case of a breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, personal data that the EPC collected in the context of the adherence process, the EPC will notify the personal data breach to the relevant supervisory authority and to the individuals concerned, if and as required under the applicable Belgian legislation.