

Mandatory IBAN and BIC from 2007

Mandatory IBAN and BIC for all international Euro payments within EU/EEA* and Switzerland from 1st January 2007.

*EU/EEA – EU Member States and Norway, Iceland and Liechtenstein

To develop a Single European Payments Area (SEPA), the European political institutions and the banking industry have been working together to:

- Reduce the cost of international Euro payments within the EU/EEA* to domestic levels.
- Simplify the processing of payments through the implementation of standard payment formats.

This has resulted in lower costs for customers who send or receive international Euro payments up to €50,000 within EU/EEA. To qualify for the reduced pricing, the payment instruction must contain the International Bank Account Number (IBAN) and SWIFT Bank Identifier Code (BIC) of the receiver of the payment.

From 1st January 2007, in support of EU legislation, European banks will exclusively use the International Bank Account Number (IBAN) and SWIFT Bank Identifier Code (BIC) as the account identifier of the receiver on **all** international Euro payments sent within EU/EEA* and Switzerland.

What does this mean for you?

Sending Outgoing International Euro Payments to Europe

From the start of next year, you will need to include the valid IBAN and BIC information of the receiver's bank account on **all** Euro payment instructions, regardless of value, that you send to another EU Member State, Norway, Iceland, Liechtenstein or Switzerland. If you do not provide this information on your payment instruction, AIB will be unable to process your outgoing payment.

Receiving Incoming International Euro Payments from Europe

You will need to ensure that you provide your IBAN and BIC information to anyone who is sending you Euro payments from another EU Member State, Norway, Iceland, Liechtenstein or Switzerland. This information is available on your AIB account statement. If the sender does not provide your valid IBAN and BIC information on the payment instruction, the sending bank should not process the payment.

In accordance with EU Regulation 2560/2001, business customers who are trading commercially in Europe are legally obliged to inform their business partners of their IBAN and BIC account details on their invoices.

For more information, please contact your Global Treasury Services Relationship Manager or visit www.aibcm.com/internationaltradeandpayments

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