



Direct Debit

SEPA

Study association ConceptT



1 What is direct debit?

Simply, a Direct Debit is an instruction from you to your bank or building society. It authorises the organisation you want to pay to collect varying amounts from your account - but only if you've been given advanced notice of the amounts and dates of collection.

Once you have agreed those, the money is deducted automatically. If the organisation you are paying wants to change an amount or date of collection, they have to tell you about it first.

In a nutshell, Direct Debit is the simplest and most convenient way for you to pay regular and occasional bills.

2 The benefits of Direct Debit

Whether using Direct Debit to pay your household bills or business costs the benefits are the same and worth the few minutes it takes to set up a Direct Debit.

IT SPREADS THE COSTS

Paying your regular bills or business costs by Direct Debit allows you to spread costs over a period that you agree with the organisation you are paying.

IT'S GUARANTEED

Direct Debit payments come with a guarantee so you're automatically protected by three important safeguards:

- An immediate money back guarantee from your bank in the event of an error in the payment of your Direct Debit
- Advance notice if the date or amount changes
- The right to cancel at any time.

IT GIVES YOU PEACE OF MIND

Direct Debit is one of the safest and most reassuring ways of paying your bills:

- Payments are made automatically, so bills are never forgotten, lost in the post or delayed by postal problems and there's no risk of late payment charges
- Organisations using the Direct Debit scheme have to pass a careful vetting process, and are closely monitored by the banking industry
- The Direct Debit Guarantee protects you and your money. It's offered by all banks and building societies that take part in the scheme.

3 Direct Debit Guarantee

3.1 Your rights

Organisations using the Direct Debit Scheme go through a careful vetting process before they're authorised, and are closely monitored by the banking industry. The efficiency and security of Direct Debit is monitored and protected by your own bank or building society.

The Direct Debit Guarantee applies to all Direct Debits. It protects you in the rare event that there is an error in the payment of your Direct Debit*.

3.2 Direct Debit Guarantee

- The Guarantee is offered by all banks and building societies that accept instructions to pay Direct Debits
- If there are any changes to the amount, date or frequency of your Direct Debit the organisation will notify you (normally 10 working days) in advance of your account being debited or as otherwise agreed. If you request the organisation to collect a payment, confirmation of the amount and date will be given to you at the time of the request
- If an error is made in the payment of your Direct Debit, by the organisation or your bank or building society, you are entitled to a full and immediate refund of the amount paid from your bank or building society
 - If you receive a refund you are not entitled to, you must pay it back when the organisation asks you to
- You can cancel a Direct Debit at any time by simply contacting your bank or building society. Written confirmation may be required. Please also notify the organisation.

* The Guarantee covers Direct Debit payments. It cannot be used to address contractual disputes between you and the billing organisation.