



SEPA Direct Debits? Simply the best

Dovetail's SEPA DD Solution beats all of the legislative requirements, offers unparalleled flexibility to create added-value products and integrates easily with your current systems. It's all part of the Dovetail Payments System, an open, flexible and scalable payments services hub, built on a robust platform that integrates fully with a bank's current systems and applications.

The Dovetail Payments System is component based, exploiting modern open standards and technology. Dovetail has used these components to assemble payments solutions to suit the markets in which you operate.

The Dovetail SEPA DD reference solution addresses the key needs of a business that aims to provide a SEPA DD offering, from a complete processing environment through to easy Mandate Management.

A qualified success!

During qualification, the system ensures the payment instruction is valid, that the debit and credit parties have valid account numbers and bank details, and are reachable through the CSMs or bi-lateral correspondents chosen by the bank. Qualification also validates against the rules in the latest SEPA rulebooks for both Core and B2B schemes.

The system checks to determine if the payment instruction can be processed to meet the requested value date. If not, the payment instruction can be automatically re-dated or passed back to the client.

Dovetail's enrichment and repair facility allows a bank to resolve many of the issues that result in failed payments, ensuring more are processed – and qualified for any value-added services. Automated repair and enrichment techniques include: adding or removing zeros from account numbers; removing invalid characters; ensuring that fields contain specific data to enable STP; mapping of old account numbers to new ones; and updating of IBAN/BIC numbers.

When a payment fails validation and cannot be enriched or repaired, it can be automatically rejected (back to the customer or clearing scheme) or manually repaired and re-qualified, depending



Dovetail
Progressive renovation in payments.

on your business requirements for that payment type and particular customer. Screens and payment templates are provided to allow the problem to be identified quickly and the payment re-submitted.

When the Dovetail Payments System receives the return of a payment instruction, it applies a comprehensive multi-tiered matching algorithm to ensure the highest rate of success in identifying the original transaction.

Situations may arise that require a rapid response, such as placing a hold on the processing of collection requests from a certain customer or bank. The system provides an 'Internal Filter' stage to filter payments based on user-defined criteria and act on the filtered payments (for example, to hold the payment).

Keeping it legal...

Critical to success are processing stages that check the business validity of a payment. Dovetail provides stages that check that the payment meets the regulatory requirements of each relevant country for that payment and bank operation (AML, residency reporting etc), any fraud protection requirements, and, not least, that the customer has the funds to make the payment.

Tailored offerings

The SEPA DD rulebooks define a standard level of service that must be provided by all banks. Dovetail's Products and Agreements capability allows you quickly and easily to add business differentiators to your products, letting you offer different value propositions to the market. This enables you to launch products faster, offer different levels of value-add, and vary standard products as you onboard clients.

Example variations that can be used to differentiate customer propositions include, client advising, enrichment, blocking requests from specific creditors, and currency conversion where your customer does not hold a Euro denominated account.

Time is of the essence

Dovetail provides a 'future payments' warehouse in which a payment can be stored until the correct time for submission to meet the requested value date. For example, a Direct Debit collection request against a new mandate can be submitted by a creditor in advance and the Dovetail system will submit it to the clearing scheme up to 14 days before its value date. On the debtor side, this collection request will be validated and then stored in the pre-settlement warehouse for processing on value-date.

Where the clearing scheme requires submission of payment instructions by file, the Dovetail system will bulk instructions together into submission files. The size and frequency of submitted files can be configured over the operating day using a combination of size and time.

Held to account

To ensure that the correct accounting entries are made, Dovetail includes a booking stage in the workflow. This stage can create all the various accounting entries required to ensure your and your clients' books are correctly updated. The Dovetail system can aggregate accounting entries, for example creating a single entry for collections or returns received that day and posting single credits against multiple debits. Customer advices and statements can also be generated.

Comprehensive, flexible, proven

The Dovetail Payments System is in operation in the toughest conditions in some of the world's biggest payments banks. Using our reference solutions, you can progressively renovate your complete payments system at a pace to suit you.

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