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First Steps.....
Applying For and Starting To Use Direct Debits in Your Company

Introduction

This document outlines the initial steps in applying for and processing your first direct debit transactions. The steps outlined below are specific to direct debits; however, EazyEFT will also help you manage your direct credits for payments to suppliers and/or staff for example. You can still follow the steps below except replace ‘customer’ references with ‘supplier’ and ‘debits’ with ‘credits’.

The ability to process Direct Debits & Credits has historically been the privilege of large companies with complex systems, but with EazyEFT, our market leading innovative software product, this facility is now available to any organisation, subject to bank approval.

EazyEFT allows you to process Direct Debits by inputting the relevant amounts and generating an "EMT" file which is then sent to your bank for processing.

EazyEFT is a very effective timesaving and cost reducing utility that is widely used in many different types of organisations.

EazyEFT can help reduce the hassle and costs of reminders and telephone calls by collecting money via electronic funds transfer. In some organisations, where cash collection involves a personal visit to the customer, EazyEFT can save a considerable amount of time and cost.

In the present culture of late payments and tight cash flows, Direct Debit is becoming a more widely accepted method of collecting payments. Companies and individuals are now agreeable to the concept, as it is standard practice with utility companies and finance arrangements.

Outlined below are the initial steps in applying for and processing your first direct debit transactions.

Apply for Direct Debit Originator ID

Your first point of contact should be your own bank branch. You apply to your bank for acceptance as a Direct Debit Originator. Your bank may already know the nature of your business but they may ask you for details about the number of customers or number of transactions which you plan to process electronically. They will also confirm that you will be using an accepted software system such as EazyEFT. You will be asked to complete an application form.

If you intend processing Direct Debits, your bank will ask to see the Direct Debit Instruction form which you will ask your customers to sign and also a letter to your customers explaining how the Direct Debit scheme operates. We have prepared standard versions of these documents which have been approved numerous times and you can download these from our website at **www.lirsoftware.com**

Note : Even prior to receiving your originator ID from your bank you can download and install EazyEFT to evaluate EazyEFT and to start the initial setup steps and familiarise yourself with the system, which is very easy to use (see next section below).

Following approval by your Bank, they will submit your application to IPSO (Irish Payment Services Organisation www.ipso.ie). IPSO issues the Originator Identification number and keeps a database of all Direct Debit Originators.

Your Bank will then issue the Originator ID Number to you and you can start processing Direct Debits.

Download and Install EazyEFT

Download and install EazyEFT to evaluate EazyEFT and to start the initial setup steps and familiarise yourself with the system, which is very easy to use.

Download : www.lirsoftware.com/downloads/downloads.htm
Installation guide : www.lirsoftware.com/downloads/InstallationGuide.zip

The initial setup of EazyEFT is outlined in our help file. To access this help, run EazyEFT (the default username is ‘administrator’ and the default password is ‘admin’ – ensure your caps lock is off as the password must be entered in small letters – the username will always appear in capitals regardless whether or not the caps lock is on or off). Within EazyEFT, press F1, then see the ‘Getting Started’ section. Some of these steps are also outlined later in this document.

Contact Your Clients

Once you have received your Direct Debit Originator ID from your bank you can start to contact your clients to request them to fill-in the mandate form. The mandate form will contain their contact and more importantly, their bank details. We have some sample documents on our website as follows:-

Invitation Letter to Clients
www.lirsoftware.com/downloads/Direct Debit Letter (EazyEFT).doc

Sample mandate form
www.lirsoftware.com/downloads/Direct Debit Instruction Form (EazyEFT).doc

Bank Upload Facility

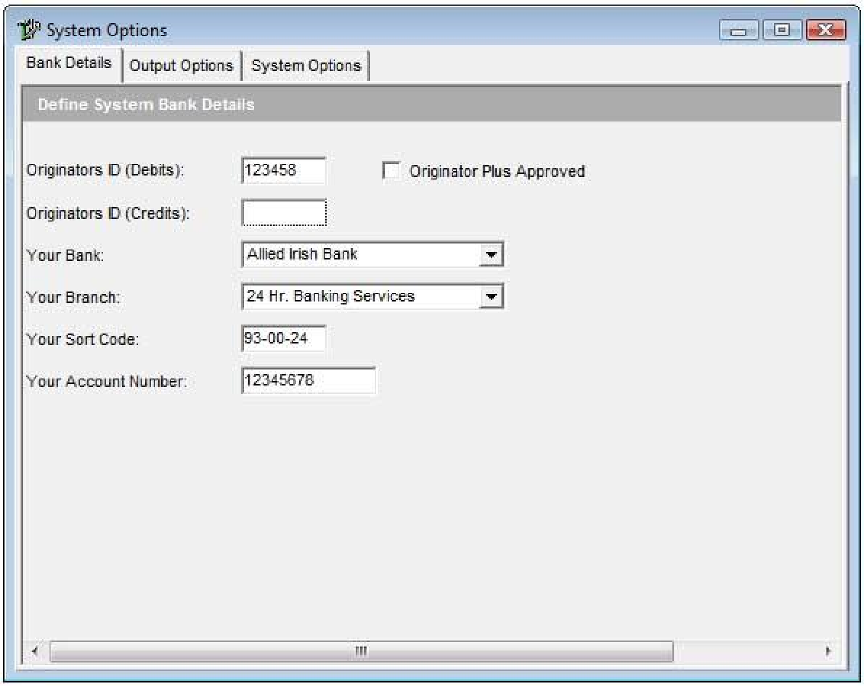
Ensure your bank has provided you with the facility & instructions for uploading the transfer (EMT) files for processing.

Getting Started With EazyEFT

As the first step in configuring EazyEFT it is necessary to enter your originator ID and bank details, this is done as follows:-

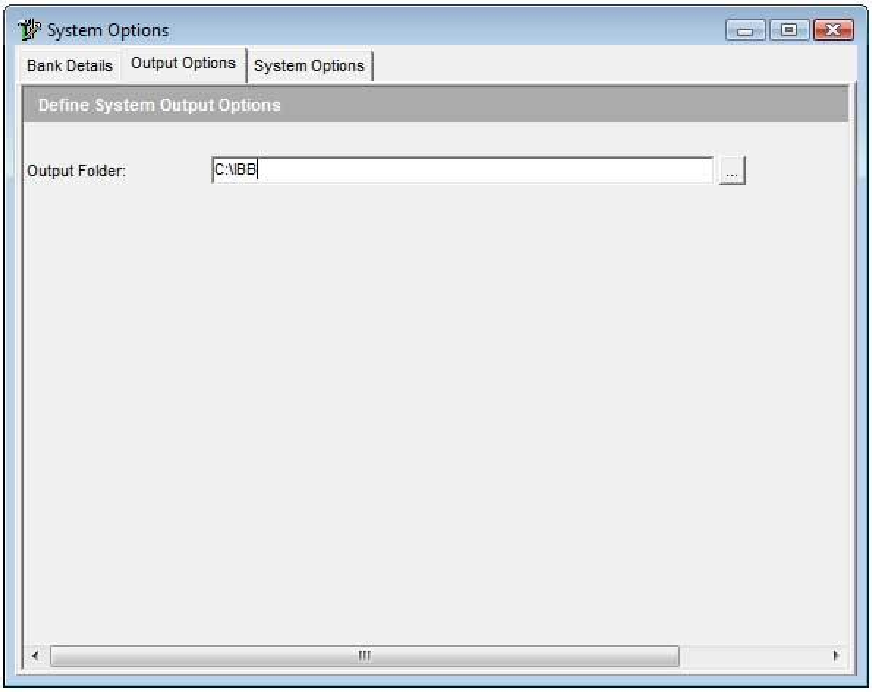
1. Run EazyEFT.
2. From the main menu click on the ‘Security’ menu option on the left.
3. Click on the ‘System Options’ menu item on the right.
4. Click on the ‘Bank details’ tab.
5. Enter your Direct Debit Originator ID in the ‘Originator ID (Debits)’ field.
6. Enter your bank details in the ‘Your Bank’, ‘Your Branch’, ‘Your Sort Code’ and ‘Your Account Number’ fields (see figure 1 below for a sample screen layout).

Figure 1



7. Click the 'Save' button.
8. Click on the 'Output Options' tab.
9. The 'Output Folder' field allows you to specify the default folder in which to save the transfer (EMT) files. Some banks may supply you with additional software for electronic transfer of these files and your bank may specify the location and file name to be used. For example, for AIB it is advisable to use a folder called 'C:\IBB' (see figure 2 below for a sample screen layout). If this folder does not exist then please check with your network or IT administrator on how to create this folder if you are unsure on how to create it yourself.

Figure 2



10. Click the 'Save' button.

Purchase EazyEFT

The evaluation version of EazyEFT available for download from our website is fully functional with the one exception; the function to create the transfer (EMT) file that you send to your bank for processing is disabled. To enable this you need to purchase a license which is very quick and easy. Within EazyEFT press F1 (help), click on ‘Appendix’ on the left and then ‘Order Form’ on the right. Fill-in your company and payment details on-screen, print the order form and then fax it to us for processing. The fax number will be on the header of the printout.

Once we receive the order form and payment for the license we will then email back to you the license file and a copy of our invoice for your records. If paying by credit card we can send back the license file within a couple of hours, other methods will take longer. This license file will ‘unlock’ EazyEFT but will leave any data entered intact

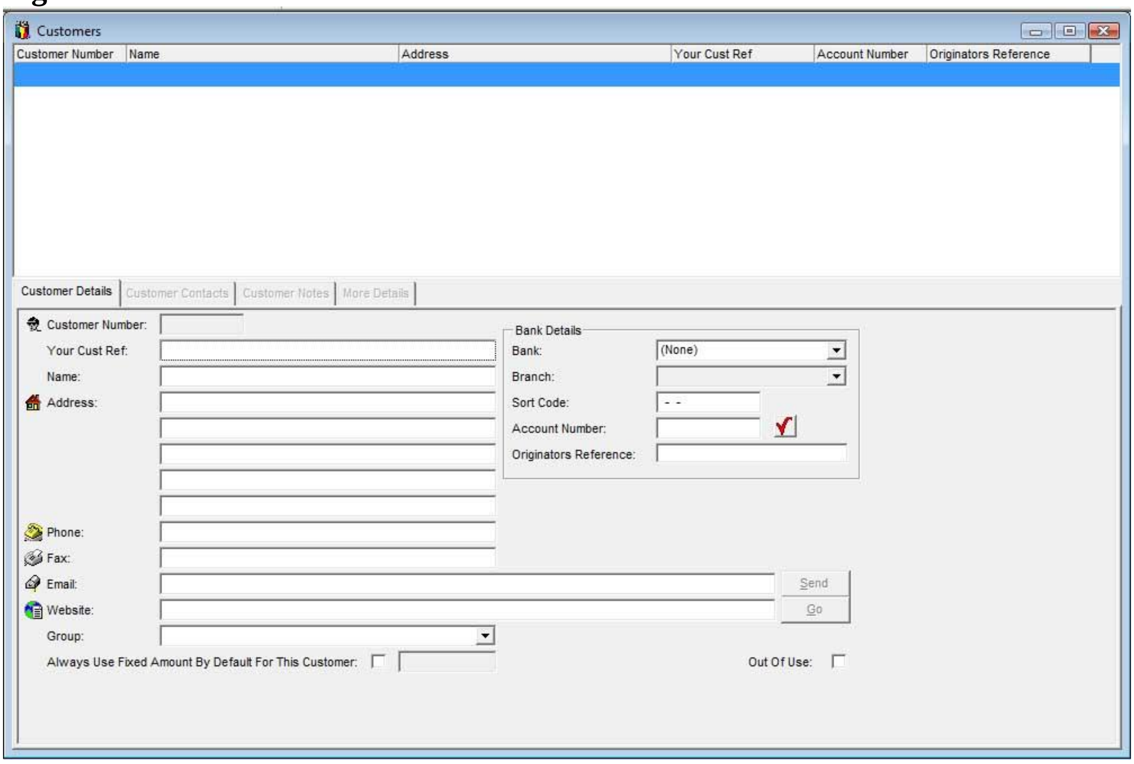
Latest Prices : www.lirsoftware.com/ordering/prices.htm

Send Test File to Your Bank

Prior to sending actual ‘live’ direct debit transactions you must send a test file to your bank for checking purposes. To do this you need to ensure that you have purchased, received and installed the EazyEFT license file (see Purchase EazyEFT section above). You can then create a mock customer and send a test transaction and test transfer (EMT) file to your bank. Ensure your bank has provided you with the facility & instructions for uploading the transfer (EMT) files for processing. When creating a mock customer it is necessary to enter valid bank details (normally the user or the company’s bank details). This account will not be debited in any way and is used purely for test purposes. The mock customer, test transaction and test transfer (EMT) file can be setup as follows:-

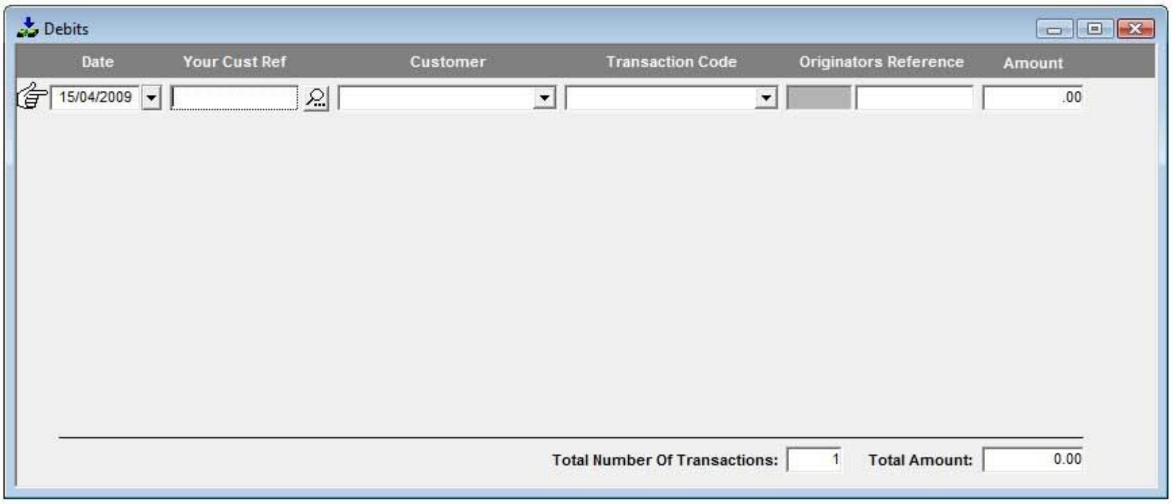
1. Within EazyEFT click on ‘Maintenance’ on the left hand side of the main menu.
2. Click on ‘Customers’ on the right hand side.
3. Click on the ‘New’ button (see figure 3 below for a sample screen layout).

Figure 3



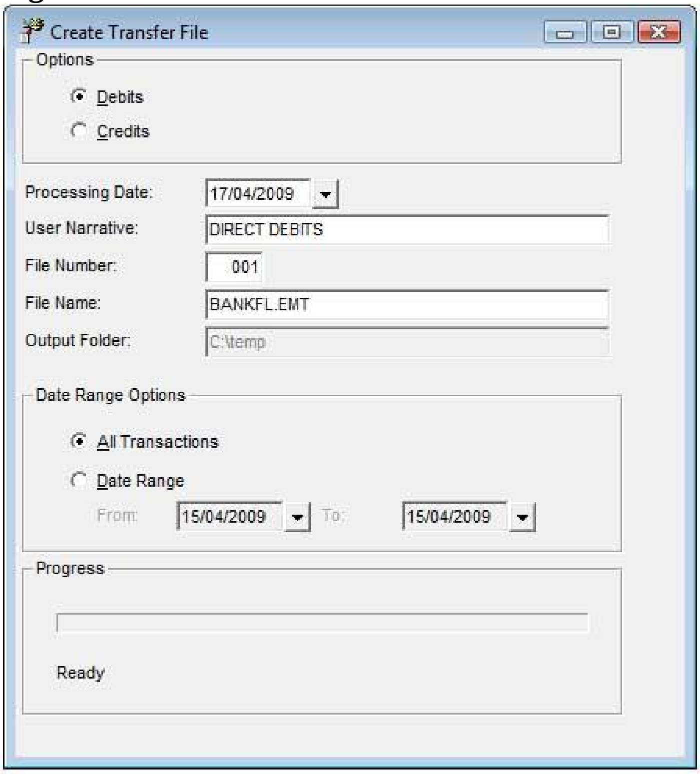
4. Enter in at least the following:-
    a. Name
    b. Bank
    c. Branch
    d. Sort Code
    e. Account Number
5. Click on the red tick mark to the right of the account number to check the account number via the IPSO website. This will inform you whether or not the account number entered is valid for the sort code (bank branch) entered. If the result is positive then this does not necessarily mean that the number entered actually exists but rather that this account number is valid for that sort code and branch entered. If IPSO reports that the number is invalid then check the account details entered.
6. Leave the 'Originator Reference' field blank as the system will use the 'Customer Number' as the basis for the originator reference. (Press F1 within the customer maintenance screen for more details in relation to the originator reference).
7. Click the 'Save' button.
8. Click on the 'Close' button to quit out of the customer maintenance screen.
9. From the main menu click on the 'Payments' option on the left hand side menu.
10. Click on 'Debits' on the right hand side menu.
11. You will see a blank transaction first, click on the down arrow to the right of the blank field under the 'Customer' column (see figure 4 below for a sample screen layout).

Figure 4



12. Select the mock customer that was just created from the drop-down list.
13. Enter an amount of €1 in the amount field (again, nothing will happen to this account as this is only a test transaction).
14. Click the 'Save' button.
15. Click on the 'Close' button.
16. Go back into the 'Debits' option to ensure that the test transaction was saved correctly.
17. Click on the 'Close' button.
18. Click on the 'Create Transfer File' option on the right hand side menu (see figure 5 below for a sample screen layout).

Figure 5



19. Ensure 'Debits' is ticked.
20. Leave the 'Processing Date', 'User Narrative', 'File Number' and 'File Name' fields as is.
21. Check that the 'Output Folder' is correct.
22. Ensure 'All Transactions' is ticked.
23. Click on the 'Create File' button on the top menu.
24. Click 'Yes' on next pop-up question to proceed to create the transfer file.
25. Click 'Ok' to view the report.
26. Click on the 'Print' button on the top menu to print the report (see figure 6 below for a sample report layout - this printout is purely for test purposes to familiarise yourself with the details that are on the report).

Figure 6

27. Once the report is printed click on the 'Close' button. At this point EazyEFT's job is complete.

28. Send test file to the bank – For example, AIB requires you to email the transfer (EMT) file to ‘emts.test@aib.ie’ whereas Ulster Bank requires you to upload the file via their AnyTime banking facility and mark the upload as ‘test’. Other banks methods vary so you would need to check your bank’s documentation to find out the exact process involved.
29. In due course your bank will contact you to inform you that the test file was received successfully. If your bank does not contact you within a few days then contact your bank to check the status of the test file submission.

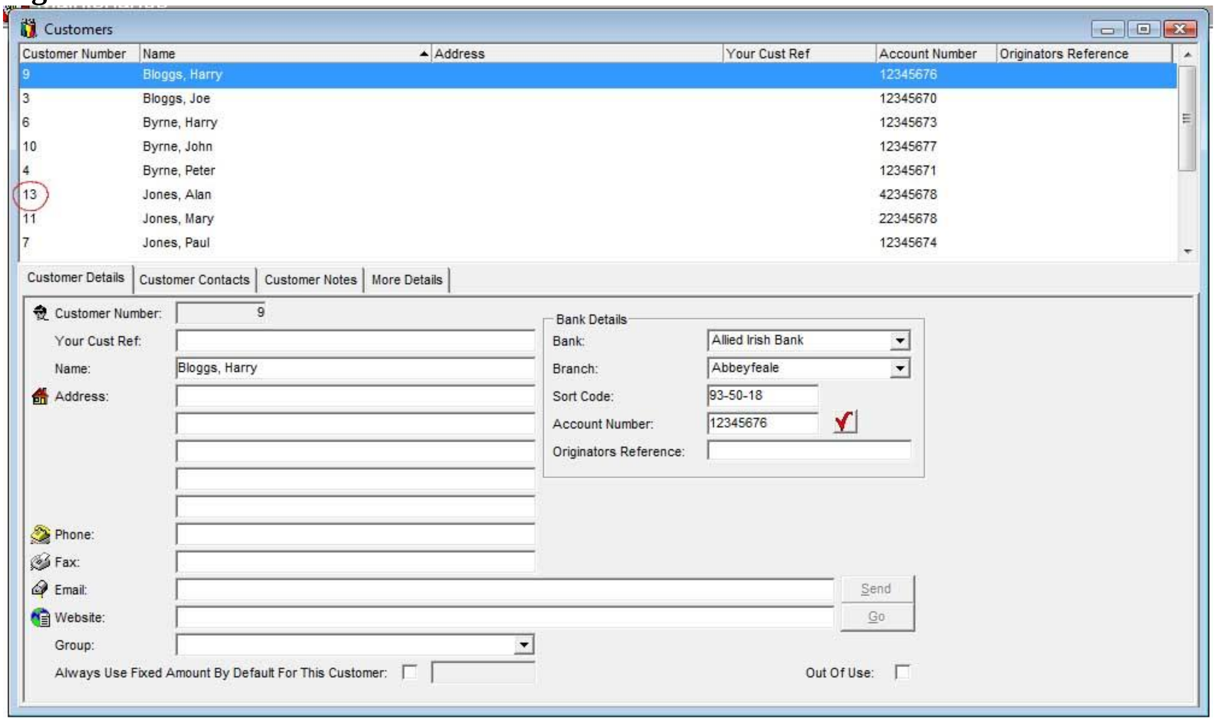
You are now in a ‘live’ mode.

Create Customers

Once you start to receive mandate forms from your clients you need to create these customers in EazyEFT as follows:-

1. Within EazyEFT click on ‘Maintenance’ on the left hand side of the main menu.
2. Click on ‘Customers’ on the right hand side.
3. Click on the ‘New’ button.
4. Enter the customers details, with the minimum being the following:-
    a. Name
    b. Bank
    c. Branch
    d. Sort Code
    e. Account Number
5. Click on the red tick mark to the right of the account number to check the account number via the IPSO website. This will inform you whether or not the account number entered is valid for the sort code (bank branch) entered. If the result is positive then this does not necessarily mean that the number entered actually exists but rather that this account number is valid for that sort code and branch. If IPSO reports that the number is invalid then check the details entered against the mandate form or it may even be necessary to double-check the details directly with the customer.
6. Most organisations will leave the ‘Originator Reference’ field blank within EazyEFT. When creating transactions the system will use the ‘Customer Number’ as the basis for the originator reference. (Press F1 within the customer maintenance screen for more details in relation to the originator reference).
7. Click the ‘Save’ button.
8. If you wish EazyEFT to generate originator references for you then make a note of the customer number and then write this number on the mandate form in the originators reference field for the customer in question. The number must be at least six digits long so you may have to pad the number with zeros. For example, if the customer number is ‘13’ then the correspondence originator reference will be ‘000013’. Again, press F1 within the customer maintenance screen for more details in relation to the originator reference. (see red highlight on figure 7 below for a sample screen layout).

Figure 7



9. Photo copy the mandate form for your own records and send the original to the customers branch. **Please note :** You cannot submit transactions for this customer for at least two weeks, until the mandate form has been received by the branch and setup on the bank's own system.

Create Transactions

On an ongoing basis you can create transactions, and once the list is complete, you can then create and upload the 'EMT' file for processing by your bank.

1. From the main menu click on the 'Payments' option on the left hand side menu.
2. Click on 'Debits' on the right hand side menu.
3. You will see a blank transaction first, click on the down arrow to the right of the blank field under the 'Customer' column.
4. Select the required customer from the list.
5. Enter the required amount in the amount field.
6. Click on the 'New' Button to enter the next transaction if required.
7. When finished entering transactions click the 'Save' button.
8. Double-check that the 'Total Number of Transactions' and the 'Total Amount' matches your expectations.
9. Click on the 'Close' button.
10. Go back into the 'Debits' option to ensure that the transaction(s) were saved correctly.
11. Click on the 'Close' button.

Create Transfer (EMT) File

Important Note: When creating the transfer (EMT) file you will be required to enter a 'Processing Date'. This is the date that you want the money to come out of your client's account. The date must be at least two working days in advance and can even be a couple of weeks in advance of the actual transfer (EMT) file creation and upload date. Don't leave the creation and upload of the transfer (EMT) file until last minute in case of any unforeseen issues, e.g. the Internet connection is down. The steps involved in creating and uploading the 'live' transactions are:-

1. Click on the 'Create Transfer File' option on the right hand side menu.
2. Ensure 'Debits' is ticked.
3. Enter the required 'Processing Date' (see important note above)
4. Leave the 'User Narrative', 'File Number' and 'File Name' fields as is.
5. Check that the 'Output Folder' is correct.
6. Ensure 'All Transactions' is ticked.
7. Click on the 'Create File' button on the top menu.
8. Click 'Yes' on next pop-up question to proceed to create the transfer file.
9. If a message appears asking you to overwrite a previously created file then select 'Yes'.
10. Click 'Ok' to view the report.
11. Click on the 'Print' button on the top menu to print the report (this printout has important details that are required when uploading the file to your bank).
12. Once the report is printed click on 'Close'. At this point EazyEFT's job is complete.
13. Upload the transfer (EMT) file to you bank. Your bank should have provided you with the facility and instructions to do this. Also, within our help file we have some guides to help with this process (Press F1, then 'Payments', 'Sending files to your bank' and then choose your particular bank, if listed). If you have any issues with uploading the file then you may have to contact your bank for assistance as they are responsible for this process.
14. Once the transfer (EMT) file has been successfully uploaded it is good practice to sign and date the report and keep it stored securely as this is your hard copy for your own records.

Document End