

Corporate NEWS

in payments



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NA PARTNERSTVÍ ZÁLEŽÍ



KB

IMPROVEMENTS AND NOVELTIES

Smart improvements in Direct Debit processing

We prepared for you several novelties in Direct Debit processing. Do you collect payments from your clients through Komerční banka? We have improved Direct Debit processing to make sure that you will collect payments from as many clients who have an account with our bank as possible.

To make everything simple, fast and intuitive, a debtor no longer has to establish a Direct Debit mandate (authorization) before the first collection, but can wait until s/he receives the first Direct Debit order. We **will notify the client by an e-mail notification or SMS notification** and will **pre-fill the Direct Debit mandate authorization** form in the

MojeBanka internet banking application so that the client can simply confirm it and the Direct Debit order can be executed immediately. We give the client **5 days** in total **to establish or change the Direct Debit mandate** (or to credit additional funds to the account). After this time, we may inform you by a message that the collection has not occurred. **The client can establish the Direct Debit mandate as recurrent or, from now on, also one-off** (single purpose).

If your clients have accounts with KB, you can expect an increased percentage of paid invoices, and the associated reduction in the costs of reminding your clients in case of outstanding debts.

New foreign payment module within MultiCash KB application

The new module complies with the rules of the Directive (EU) 2015/2366 governing the processing of payment orders within the EEA. It will be available early in December with the option of installing for the version 3.20 or higher. **Updating the module will not be solved automatically; you should contact your relationship manager with a service request.** The newly set rules will prevent payment processing problems in cases where SHA is the only charge code that

can be chosen. Whenever you import a batch of payments, the module will alert you to the existence of an erroneously selected charge code and will change it upon your approval.

The bank will not convert **payment orders entered via older versions of the modules that do not comply with the rules of the Directive** to the correct charge code but will reject them.

What's new in cheques

Payments in USD

Starting from 01 10 2017, Komerční banka will not draw bank cheques denominated in USD. Cheques denominated in USD cannot be used for foreign payments as of the same date, either, since the correspondent bank discontinued providing the service.

Modifications to Moje Banka Business

The clients who use Moje Banka Business may ask for issuing private KB cheques and drawing a bank cheque via this application. Thus a client who wishes to get them does not have to visit a KB point of sale any longer.



WHAT ARE WE WORKING ON FOR YOU

■ QR codes for document issuers

Make life easier for yourselves and your customers: try to offer them a simple and convenient manner of paying without making any errors. Your customer will not need to copy any payment information from your invoice, and you will not have to deal with any complaints, e.g. due to an incorrect account number or a variable/specific symbol wrongly copied from the invoice. **The payments you receive from your customers will henceforth be accompanied with all the details you provided in the relevant invoice.**

By scanning the QR payment codes, the client can make a one-of (non-recurring) payment, but also set up a standing

order or a Direct Debit mandate. **Introducing QR codes in your documents is quite easy.** At <https://kb.cz.qrplatba> we provide the necessary information for you. We are trying to increase the number of payments made by scanning the QR payment codes because QR payments are a good service for both the debtor and the creditor, regardless the respective banks whose services they use. That's why **we offer you the opportunity to consult us about the possible use of QR payments and about the benefits you will receive from them.** If you are interested in this service, please contact us at qrplatby@kb.cz.



■ Messages for creditors in import formats

In the case of domestic payments entered as data files (BEST KB, EDI BEST KB, KM client format), **the methods of forwarding a message for creditor / message for partner have been unified.**

From now on, the message for creditor / message for partner can have up to 140 characters even in the case of a BEST KB data file, similarly to other formats. **The structure of our formats remains unaltered,**

however, Komerční banka will only use the AV message field (**AV field**) when forwarding a message in the BEST KB and EDI BEST KB formats.

Now the Debtor's description will only be available in direct banking applications and will not be forwarded to your partner (creditor). If you still wish to send a message to your partner, please fill in the AV message field (**AV field**).

TIPS/HINTS/GADGETS

What are the latest deadlines for submitting payment orders in 2017?

Payments in CZK that should be credited to a creditor's account in another bank before the end of 2017 should be made on-line via KB direct banking services **by 20:30 hrs, 28 December 2017 at the latest** (with the same due date) in the case of **standard payments**; or by **14:00 hrs, 29 December 2017** in the case of **express payments**; or submitted as standard payments at a counter during the business hours on 28 December 2017; or as super express payments by 12:30 hrs, 29 December 2017 at the latest. The same deadlines apply also to building savings payments.

Building savings payment orders submitted on 29 December 2017 must be marked as express payments when made via direct banking or as super express payments when submitted at a KB point of sale. Building savings payment orders marked as standard payments and submitted

on 29 December 2017 will not be credited to a building savings account before 2018.

Payments made **inside KB can be made as late as 29 December 2017** (with the same due date), either on-line via direct banking services by 20:30 hrs or at a counter during the business hours of a branch or a point of sale.

Detailed information on the payment orders' deadlines at the end of 2017 can be found on direct banking bulletin boards or on www.kb.cz.

All branches and points of sale of Komerční banka that operate on weekends will be open on Saturday, 30 December 2017, as usual, without any reduction in services. **All the branches and points of sale will be closed on Sunday, 31 December 2017.**

Downloading accounting data for a given period of time

We have improved the accounting data download function in MojeBanka Business direct banking channel. Starting from 04 12 2017, you can select a required period of time (however no longer than 31 calendar days) in the Main menu / Lists / Downloading accounting data, and download several files in a given format simultaneously.

The resulting ZIP file is named after the selected period of time and contains relevant data for each day on which any movement on the given account occurred. If you wish to download only one export file, please select a specific date instead of the from-to period.

Download accounting data

Interval from till Format

Select subject Sort data by

Transactions

Mark all **Turnover summary** **Download**

We have accelerated payments within the bank

Payments between KB accounts are faster now.
As of September 2017, it takes **5 seconds** to transfer funds

between your accounts or to your business partner's account kept with KB.

WORLD NEWS, LEGISLATION

■ SHA charge code only allowable for foreign payments within EEA

Pursuant to the Directive (EU) 2015/2366 the **SHA charge code can only be used for foreign payments made in any currency within the European Union or the European Economic Area (EEA) as of 13 January 2018**. OUR and BEN charge codes should no more be used for any foreign payments within the EEA. **This change applies to all foreign payments within the EEA including those made using on-line forms or import in batches**. A foreign payment made with

a cheque is the only exception where the OUR charge code is still acceptable. **Foreign payments with the OUR or BEN charge codes and a date of payment falling due after 13 January 2018 submitted before that date will be rejected and will not be made**. All payments made within the EEA and denominated in EUR will be processed and subject to charge as SEPA payments.

Recommendation:

We recommend you to adjust your foreign payments internal processes or, as the case may be, modify your accounting system as soon as possible so that you can only use the SHA charge code for foreign payments within the EEA. Your business partners have hitherto paid no charges to their banks for foreign payments with the OUR charge code. In future, though, they will receive foreign payments with the SHA charge code and may be obliged to pay charges to their bank for such incoming foreign payments.

If a foreign payment with a SHA charge code, denominated in a currency that is not an EEA currency, is made to a creditor's bank within the EEA, the creditor may receive the payment reduced by correspondents' charges (the creditor's bank charge should be recorded separately from the payment itself). In the case of a payment with a SHA charge code, denominated in an EEA currency and made to an EEA country, the full amount of the payment will be credited to the creditor and the charge will be deducted separately.

■ Public procurement: Bank guarantees in the electronic form only allowed in the procurement procedure

Effective since this April, a specific provision of the Public Procurement Act requires selected public contracting authorities to communicate electronically with a tenderer during the procurement procedure. This provision applies, in particular, to government bodies (ministries, state authorities, etc.), the Czech National Bank, and central contracting authorities. The obligation to communicate electronically also involves a duty to prove the lodging of a security in the form of a bank guarantee. In practice, it means that Komerční banka will provide the tenderer with the original bank guarantee for the bid in the form of a file with electronic signatures attached. The tenderer will then present the original of the guarantee in the electronic form as part of the tender submitted electronically, i.e. will attach the original file provided by the bank, including the electronic signatures.

For other public contracting authorities (municipalities, state enterprises, contributory organizations, etc.), the effectiveness of this provision has been postponed by law until 18 October 2018. After this date, no contracting authority may allow the

submission of tenders (bids) in a paper-based form. Electronic promissory notes of bank guarantees will be provided similarly wherever they are part of procurement procedures, or if bank guarantees are provided to winning tenderers to be submitted to tenderers during the procurement procedures.

In connection with the commencement of the provision of electronic guarantees and committed guarantees, the procedure for early termination of such guarantees and committed guarantees before the date of their validity has also been amended: instead of terminating the validity of a paper-based guarantee/committed guarantee by returning the original of the relevant guarantee certificate, the contracting authority will release the guarantor from the commitment by a written deed. Information on this issue can also be found at the official website of the Ministry for Regional Development of the Czech Republic regarding public contracts and concessions (<http://www.portal-vz.cz/cs/Jak-na-zadavani-verejnych-zakazek/Metodiky-stanoviska/Metodicka-doporuceni>).



Do you seek for more information or you have a tip on improvement or on what would you like to see next time? It is all highly welcomed! Communicate with us through your bank advisor. You can also contact us through the KB infoline +420 800 521 521 or mojebanka@kb.cz.