



# ePayments FAQs

20 March 2013

## **What is the ePayments Code?**

The ePayments Code (the Code) was released by the Australian Securities and Investments Commission (ASIC). The Code updates and replaces the Electronic Funds Transfer (EFT) Code of Conduct. As with the EFT Code of Conduct, the ePayments Code will continue to play an important role in the regulation of electronic payment facilities in Australia. It regulates electronic payments, including internet, mobile and telephone banking; ATM; EFTPOS; BPAY®; credit and debit card transactions (not intended to be validated by a signature); and new technologies such as Visa PayWave.

## **When will RAMS comply with the ePayments Code?**

RAMS will comply with the Code from 20 March 2013.

## **What is a mistaken internet payment?**

The ePayments Code introduces the term 'mistaken internet payments' and a prescribed process for recovering these payments when made from a personal (consumer) transaction account via the "Pay Anyone" feature in online banking.

A mistaken internet payment is a payment made by a consumer through a "Pay Anyone" online banking facility where funds are paid into the account of an unintended recipient as a result of the user's error, or the user being advised of the wrong BSB number and/or account number.

## **What is not a mistaken internet payment under the ePayments Code?**

The ePayments Code definition of "mistaken internet payment" does not include:

- Use of BPAY®
- Transfers you did not intend to make
- Transfers to an account that has changed account owners since the consumer was first advised of the BSB and account number. myRAMS processes refer only to the BSB and account number in processing payments. It is the consumer's responsibility to ensure that all details of the accounts to which they are making payment are current.

## **Who do I report the mistaken internet payment to?**

If you made the mistaken internet payment from a RAMS account, you need to report the mistaken internet payment to us, as soon as possible, after you become aware of it. If you made a mistaken internet payment from an account with another financial institution, you should contact that financial institution as soon as possible.

## **How do I report a mistaken internet payment?**

You can report a mistaken internet payment by:

- Using the form available on myRAMS; or
- Calling **13 RAMS that's 13 7267**, if calling within Australia, or +612 9647 6967 if calling from overseas.

We will acknowledge receipt of your report which you should retain as evidence of the date and time of your report.



**Are there specific timeframes to report a mistaken internet payment?**

A mistaken internet payment can be reported at any time, however it is advisable to report a mistaken internet payment as soon as possible, after you become aware of them.

Where the sending financial institution is satisfied that the mistaken internet payment occurred and there are sufficient credit funds available in the account of the unintended recipient to the value of the mistaken internet payment, the process that will apply will depend upon when the report of the mistaken internet transaction is made:

- (i) Where the report of the mistaken internet payment is made within 10 business days of the payment:
  - if the receiving financial institution is satisfied that a mistaken internet payment has occurred, it will return the funds to the sending institution within 5 business days of the request or any reasonably longer period up to a maximum of 10 business days.
- (ii) Where the report of the mistaken internet payment is made between 10 business days and 7 months of the payment:
  - the receiving financial institution will investigate the payment and complete the investigation within 10 business days of receiving a request;
  - if the receiving financial institution is satisfied that a mistaken internet payment has occurred, it will prevent the unintended recipient from withdrawing the funds for a further 10 business days and notify the unintended recipient that they will withdraw the funds if that recipient does not establish they are entitled to the funds within that 10 business day period;
  - if the unintended recipient does not establish they are entitled to the funds within that time, the receiving financial institution will return the funds to the sending financial institution within 2 business days of the end of that period.
- (iii) Where a report of the mistaken internet payment is made after 7 months of payment:
  - If the receiving financial institution is satisfied a mistaken internet payment occurred, it must seek the consent of the unintended recipient to return the funds.

In each case listed above, where the receiving financial institution is not satisfied that a mistaken internet payment has occurred, it may (but is not required to) seek consent of the unintended recipient to return the funds.

Where the funds are returned to the sending financial institution, the sending financial institution will return the funds to the holder of the account from which the payment was made as soon as practicable.

**Is the unintended recipient obliged to return the full amount of the mistaken internet payment**

Where:

- (a) both the receiving and the sending financial institutions are satisfied that a payment made to a consumer's account is a mistaken internet payment; and
- (b) sufficient credit funds are available in that account to the value of that payment; and
- (c) the mistaken internet payment is reported 7 months or less after the payment; and
- (d) for mistaken internet payments reported between 10 business days and 7 months of the payment, the receiver of the funds does not establish that they are entitled to the payment within the relevant 10 business day period,

the receiving financial institution will, without receiving the receiver's consent, deduct from their account an amount equal to that mistaken payment and send that amount to the financial institution of the payer (the person who made the mistaken payment).



We can prevent you from withdrawing funds which are the mistaken internet payment where we are required to do so to meet our obligations under the ePayments Code.

**I have received a mistaken internet payment and do not have the funds to repay the amount in full, what can I do?**

If there are insufficient funds in your account that received the mistaken internet payment, you should co-operate with us to facilitate payment by you of an amount of the mistaken internet payment to the payer.

Depending on your account type, we will send you a letter offering you options to repay the amount in full or in monthly instalments over 3, 6 or 12 months. You should then sign and return the letter with the elected repayment plan offer.

**Are there specific timeframes in which the unintended recipient must return the mistaken internet payment amount?**

If you are the unintended recipient of a mistaken internet payment, you should return the funds to the sender as soon as possible.

Where you are an unintended recipient of a mistaken internet payment and the sender of the funds reports the payment to their financial institution within 10 business days of the payment, if you have sufficient credit funds in your account then the amount can be taken out of your account up to 10 business days from the date on which we received the request for return of funds from the sender's financial institution.

**What is the process of recovering funds for a mistaken internet payment?**

The process for recovering mistaken internet payments is regulated by the ePayments Code, where that Code applies to the payment. The process will differ depending on whether we are the sending or receiving financial institution, how promptly the mistake has been reported to the sending financial institution and if there are enough funds in the unintended recipient's account to enable the receiving financial institution to recover the mistaken payment.

Generally, the process is faster if the mistaken internet payment is reported to the sending financial institution within 10 business days after payment. Your relevant account Terms and Conditions describe in detail the processes that apply when a mistaken internet payment is reported to the financial institution.

Please note that where a financial institution other than us is the receiving institution for a mistaken internet payment, we cannot guarantee that it will follow the processes prescribed in the ePayments Code.

**Is there a fee to report a mistaken internet payment?**

No, there is no fee to report a mistaken internet payment. Normal account fees and charges will apply for transactions and payments made from your account. Please check the Terms and Conditions applicable to your account.



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## **What is the difference between a mistaken internet payment (MIP), a Trace & Recall and a Disputed Transaction?**

- A mistaken internet payment is specific to payments made by a customer from a consumer account via the 'Pay Anyone' online banking facility which have been paid into the account of an unintended recipient as a result of the user's error, or the user being advised of the wrong BSB number and/or account number..
- A Trace and Recall is a process for attempting to retrieve all other types of incorrect payment transactions completed via any channel (i.e. ATM, Branch, Online, etc), including duplicate transactions or incorrect amounts.
- A disputed transaction is when a transaction has been made (usually a withdrawal) and the owner of the account is questioning the transaction.

## **How do I find out the status of my mistaken internet payment report?**

If you have reported a mistaken internet payment to us and wish to check the status of this report, you can do so by calling **13 RAMS *that's* 13 7267** if calling within Australia, or +612 9647 6967 if calling from overseas.

## **How do I cancel a MIP report?**

If you have recently reported a mistaken internet payment and now wish to cancel this report, you can do so by calling **13 RAMS *that's* 13 7267** if calling within Australia, or +612 9647 6967 if calling from overseas.

## **I have a 'MIP Debit' transaction on my statement, why has this occurred?**

A 'MIP Debit' transaction on your statement indicates we are satisfied a mistaken internet payment has occurred and we have debited your account to return the money to the sending financial institution.