

BEST PRACTICES FOR BILLING ORGANISATIONS

(a) Expiry Date of GIRO authorisation

Some Billing Organisations (BOs) may allow their customers to specify an expiry date whereby their GIRO authorisation will expire. This is in cases where there is a definite end to the contractual or customer relationship. For example, the Ministry of Education (MOE) has taken the lead to include an expiry clause in the GIRO form for parents of P1 students entering schools. MOE will help parents to inform their banks of the termination of the GIRO authorisation once the child leaves the school system. Hire purchase schemes or instalment plans are other instances where it may be possible to specify the expiry date of GIRO authorisation.

(b) Deduction Limit

Some BOs allow customers to set a limit on GIRO deductions if the payments or consumption pattern do not vary widely from one billing cycle to another. BOs should inform their customers whether they will advise their customers to pay via alternative means should the payment required exceed the GIRO deduction limit. BOs should also inform their customers upfront of any administrative/service charge or penalty levied on them should the GIRO deduction fail on the account of the payment required exceeding the deduction limit.

(c) Presentation of Information on GIRO

BOs should present the key information on GIRO succinctly and simply at the back of the GIRO application form. Such key information includes the procedures in applying for GIRO, quantum of any administrative/service charges or penalties for failed deductions and procedures to terminate GIRO authorisation. Additional information on GIRO should also be made available to their customers in an appropriate medium such as the BO's website or brochures.