



BS 7099 : Part 1 : 1989
ISO 7982-1 : 1987

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British Standard Procedures for

Telecommunication of funds transfer messages between banks

Part 1. Vocabulary and data elements

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National foreword

This Part of this British Standard has been prepared under the direction of the Information Systems Technology Standards Policy Committee (IST/-). It is the UK implementation of, and is identical to, ISO 7982 : Part 1 : 1987 'Bank telecommunication-Funds transfer messages-Part 1 : Vocabulary and data elements', published by the International Organization for Standardization (ISO), except that the title of the British Standard differs in order to more accurately reflect the actual contents of the text.

This Part of BS 7099 implements the international text without change for the reasons given below (see 'Reasons for implementation').

The UK actively participated in the development of the international standard through BSI Technical Committee IST/12 and fully approved publication of the international standard.

It is expected that other Parts of ISO 7982 will be developed eventually but no details are available at present (see also item (b) in 'Reasons for implementation' below).

There are no plans at present to supplement this British Standard with any additional guidance, and any comments or enquiries on the international standard or its application should be addressed to the Secretary to IST/12 at the BSI headquarters address.

Reasons for implementation

This Part of BS 7099 implements the international standard for the following reasons.

(a) Because information technology equipment, services and systems tend to be, and generally need to be, designed, purchased and used in a world-wide context IST/- policy is to agree, wherever possible, standards at international level and not to prepare unique national standards. At the time of its approval, the text of the international standard was considered to be the best that could be achieved, taking into account both the needs of the 'market place' and the 'state of the art' in this subject area, and the international standardization process.

(b) The international work originally appeared to be leading to a set of standards that would cover various requirements for telecommunication of banking messages but, since publication of this Part, that work has been given lower priority than other subject matter and progress has stopped.

Despite that, implementation of the agreed international text in the UK is considered both necessary and desirable in order to encourage use of the preferred terms in all aspects of funds transfer operations.

(c) Publication of British Standards corresponding to the international standards in which IST/- resources were invested will ensure that the BSI Catalogue becomes, and then remains, a comprehensive first source of information for UK users of IT equipment and services about the availability of international standards on IT subjects. In turn, this will facilitate UK use of, and access to, those standards.

Cross-references

International standards	Corresponding British Standards
ISO 2014 : 1976 *	BS 5249 Representation of elements of data in interchanges using data processing systems Part 1 : 1976 Representation of dates and times (Technically equivalent)
ISO 4217 : 1987	BS 5716 : 1989 Method of coding the representation of currencies and funds (Identical)
ISO 8730 : 1986	BS 7101 : 1989 Procedures for protecting authentic wholesale messages between financial institutions (Identical)

Information on the availability of interim ISO documents, as well as up-to-date information on existing and projected British Standards publications in the general area of Information Technology, is included in the 'BASIC LIST' and regular Newsletter published as part of the BSI Information Technology Services (BITS) initiative.

For details, contact the Marketing Department at BSI, Linford Wood, Milton Keynes MK14 6LE.

Compliance with a British Standard does not of itself confer immunity from legal obligations.

*NOTE. It is expected that ISO 2014 will be superseded shortly by ISO 8601. It is then intended to publish an identical British Standard to supersede BS 5249 : Part 1, which will be withdrawn.

Bank telecommunication — Funds transfer messages —

Part 1: Vocabulary and data elements

0 Introduction

The international use of electronic communication media and services by banks to initiate and carry out a variety of banking transactions has increased dramatically. This has been made possible in part by the development by banks and service providers of national and international communication networks. These networks, however, have developed in response to individual markets on a more or less independent basis which has led to a lack of uniformity and commonality in their definition and use of terms and data elements.

The number of participants, volume of messages, and use of multiple networks has created a need for a common terminology and uniform definition of data elements that appear in these messages, so that instructions will be clear to all parties and the need for interpretation and human intervention will be minimized.

In this electronic communication environment, messages which are currently being exchanged, or are anticipated for future electronic exchange, support such varied banking functions as: funds transfers, foreign exchanges, securities transactions, collections, and documentary credits. This part of ISO 7982 addresses the vocabulary and data elements of funds transfer messages only.

Additionally, two annexes which do not constitute part of this International Standard are provided to assist with its interpretation.

1 Scope and field of application

This part of ISO 7982 identifies and defines terms and data elements used in describing, processing, and formatting funds transfer payment orders.

Since it is incumbent upon the receiver of a funds transfer message to interpret and understand the full intent and

meaning of funds transfer messages received through a variety of services or systems, the terms and data elements identified in this part of ISO 7982 are, generally, defined from the perspective of the Receiver.

It should be noted that in certain cases there exists more than one term covering the same concept. For each of these cases, this part of ISO 7982 includes all the terms used but designates one of them as the "preferred term".

To avoid confusion caused by this multi-term situation, it is recommended that use of the "preferred term" be introduced as common practice in all aspects of funds transfer operation.

2 References

ISO 2014, *Writing of calendar dates in all-numeric form.*

ISO 4217, *Codes for the representation of currencies and funds.*

ISO 7746, *Banking — Telex formats for interbank payment messages.*¹⁾

ISO 8730, *Banking — Requirements for message authentication (wholesale).*

3 Vocabulary

While this vocabulary by the limitation of its scope addresses terms used in funds transfer messages (see 3.57), certain of these terms are or may be used in other banking applications and may differ slightly by term or definition owing to the uniqueness of that particular application.

NOTE — Funds transfer data elements are identified by italic type.

¹⁾ At present at the stage of draft.

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3.1 account identification: Identification assigned by the account servicing bank to identify the account of the account owner.

3.2 account owner bank: A bank for which an account is serviced at another bank (account servicing bank).

3.3 account servicing bank: A bank that is the depository for an account.

3.4 account servicing bank's reference: Reference assigned by the account servicing bank to identify the transaction. (This is the reference to which the account owner shall refer in cases of inquiry to that bank.)

3.5 account with bank: See preferred term **beneficiary's bank**.

3.6 advice: Affirmation that an action has taken place.

3.7 attention party: The person or department whose attention should be drawn to the message.

3.8 authentication key: A cryptographic key designed to be known only to the correspondent parties. When this key and the text of the message are applied to the authentication algorithm (see ISO 8730), the result will be the **M.A.C.** (*Message Authentication Code*).

3.9 authenticator: A code in a message between the sender and receiver used to validate the source and all or part of the text of a message, based on a bilaterally agreed upon method of calculation.

3.10 authenticator key: A cryptographic key designed to be known only to the correspondent parties. When this key and the text of the message are applied to an agreed upon algorithm, the result will be the **authenticator**.

3.11 available funds: Funds available for transfer or withdrawal in cash.

3.12 bank: A depository financial institution.

3.13 BankWire: A private telecommunication/settlement service for banks in the USA.

3.14 beneficiary: Ultimate party to be credited or paid as a result of a transfer.

3.15 beneficiary advice information: Information to be used in advising the beneficiary (e.g. telephone number, cable address, contact's name, and so on).

3.16 beneficiary advice method: A code that specifies the method to be used to notify the beneficiary that his account has been credited or that funds are at his disposal (e.g. telephone, letter, wire, and so on).

3.17 beneficiary identifier: A code that unambiguously identifies the beneficiary to the beneficiary's bank and which may include specification of the type of identifier code that is being supplied.

3.18 beneficiary method of payment: A code that specifies how payment is to be made to the beneficiary.

3.19 beneficiary name and address: Identifies the beneficiary by name and address in sufficient detail to provide positive identification.

3.20 beneficiary's bank: Bank that is requested to act as the financial agent for the beneficiary of a transfer.

3.21 beneficiary's bank advice information: Information to be used in advising the beneficiary's bank (e.g. telephone number, cable address, contact's name, and so on).

3.22 beneficiary's bank advice method: A code that specifies the method to be used to notify the beneficiary's bank that the account has been credited or that funds are at their disposal (e.g. telephone, letter, wire, and so on).

3.23 beneficiary's bank identifier: A code that unambiguously identifies the beneficiary's bank and which may include specification of the type of identifier code that is being supplied.

3.24 beneficiary's bank information: Miscellaneous information pertaining to the transfer and intended for the beneficiary's bank only.

3.25 beneficiary's bank name and address: Identifies the beneficiary's bank by name and address in sufficient detail to provide positive identification.

3.26 book transfer: A transfer between two accounts both serviced by the bank executing the transaction.

3.27 CashWire: BankWire's USA net settlement payments service.

3.28 charges: Fees associated with financial services.

3.29 charges applied: Charges levied for the provision of financial services.

3.30 charges to: Stipulates by whom financial services charges are to be paid.

3.31 CHAPS (Clearing House Automated Payment System): An electronic interbank system for sending guaranteed, unconditional, sterling payments for same day settlement from one Settlement Bank, on behalf of itself or its customers, to another Settlement Bank.

3.32 CHIPS (Clearing House Interbank Payments System): A private telecommunications payment service operated by the New York Clearing House Association for banks in the New York area, which handles US dollar payments only.

3.33 cleared funds: See preferred term **available funds**.

3.34 communication service: A service that moves messages among subscribers, including funds transfer transactions that are subject to settlement by other means.

3.35 correspondent banks: Banks that have exchanged authorized signature lists and/or codes, and/or engage in an exchange of services, and/or have an account or accounts with each other.

3.36 cover payment: Reimbursement of a correspondent bank for a payment.

3.37 credit advice: Advice by the account servicing bank of a credit to the account of the receiver (account owner). This advice shall not be used to transmit payment instructions.

3.38 credit party: The party to be credited or paid by the receiving bank.

3.39 currency code: The ISO code identifying the currency (see ISO 4217).

3.40 date: A calendar representation of a point in time (see ISO 2014).

3.41 debit advice: Advice by the account servicing bank of a debit to the account of the receiver (account owner).

3.42 debit party: The source of funds on the receiving bank's books.

3.43 debit transfer: An instruction where the sender with authorization specifies a debit party other than himself.

3.44 details of payment: See preferred term **originator to beneficiary information**.

3.45 direct debit: See preferred term **debit transfer**.

3.46 draw down: An instruction to reduce the balance of the sender's account serviced by the receiver by a payment to the sender's account at another financial institution.

3.47 due from account: See preferred term **nostro account**.

3.48 due from bank: See preferred term **account servicing bank**.

3.49 due to account: See preferred term **loro account**.

3.50 due to bank: See preferred term **account owner bank**.

3.51 entry date: Date on which entries are made in the records of an account.

3.52 favour of: See preferred term **beneficiary**.

3.53 fed funds: See preferred term **federal funds**.

3.54 federal funds: US dollars on deposit at a Federal Reserve Bank in the USA.

3.55 Fedwire: A payment service operated by the United States Federal Reserve System as a private wire network for transfers between financial institutions having accounts at the Federal Reserve Bank.

3.56 funds transfer (commonly abbreviated to transfer): Complete movement of funds between the originator and the beneficiary. A funds transfer may consist of one or more funds transfer transactions.

3.57 funds transfer message: A message which provides instructions for, reports on, or otherwise supports the movement of funds among banks and their customers.

3.58 funds transfer transaction (commonly abbreviated to transaction): Movement of funds directly between two parties involving no intermediaries other than a payment or communications service.

3.59 funds type: Characteristics of funds within a given currency, pertaining to availability and mobility/usage or exchange regulation (e.g. in the USA, "same day funds", and "next day funds"; in Belgium, "convertible francs" and "financial francs").

3.60 funds type code: The component of the currency code that identifies the funds type (see ISO 4217).

3.61 good value: Expression used to request the application of a defined retroactive value date to a transaction.

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3.62 identifier code: A code that unambiguously identifies a party.

3.63 identifier code type: A code that specifies the type of identifier code used to identify a party.

3.64 immediate funds: See preferred term **available funds**. In the USA the connotation of immediate funds is same day funds in which settlement is simultaneous with the execution of the transaction.

3.65 initiator: See preferred term **originator**.

3.66 input sequence number (ISN): A consecutive sequence number that allows for input message control between the sending bank and the service.

3.67 instructing bank: The bank that instructs the sender to execute the transaction.

3.68 instructing bank identifier: A code that unambiguously identifies the instructing bank and which may include specification of the type of identifier code that is being supplied.

3.69 instructing bank name and address: Identifies the instructing bank by name and address in sufficient detail to provide positive identification.

3.70 instructing party: Party instructing the sender to execute the transaction.

3.71 instruction: A communication or that part of a communication that contains the authorization and required details for a transfer.

3.72 instruction date: Date on which the sender initiated the instruction.

3.73 intermediary bank(s): Bank(s) between the receiving bank and the beneficiary's bank through which the transfer must pass if specified by the sending bank. In such cases, this is the receiving bank's credit party.

3.74 intermediary bank advice information: Information to be used in advising the intermediary bank (e.g. telephone number, cable address, contact's name, and so on).

3.75 intermediary bank advice method: A code that specifies the method to be used to notify the intermediary bank that the account has been credited or that funds are at its disposal (e.g. telephone, letter, wire, and so on).

3.76 intermediary bank identifier: A code that unambiguously identifies the intermediary bank and which may include specification of the type of identifier code that is being supplied.

3.77 intermediary bank name and address: Identifies the intermediary bank by name and address in sufficient detail to provide positive identification.

3.78 loro account: An account serviced by a bank on behalf of an account owner bank.

3.79 M.A.C (Message Authentication Code): A code in a message between the sender and the receiver used to validate the source and part or all of the text of the message (see ISO 8730). The code is the result of an agreed calculation.

3.80 message: A communication containing one or more transactions or one or more items of related information.

3.81 message authentication: The technique used between the sender and receiver to validate the source and part or all the text of a message.

3.82 message status indicator(s) — sender: Information supplied by the sending bank defining special circumstances pertaining to the transmission of the message (e.g. suspected/possible duplicate).

3.83 message status indicator(s) — service: Information supplied by the service defining special circumstances pertaining to the transmission of the message (e.g. suspected/possible duplicate).

3.84 message type code: A code that designates the function of and/or the action requested by the message.

3.85 method of advice: A specified way for informing a party.

3.86 multiple message: One message containing either more than one transaction or more than one item of related information.

3.87 next day funds: Funds immediately available for transfer in like funds and, subject to settlement, available the next business day for same day funds transfer or withdrawal in cash. This funds type is applicable only to certain specific US dollar transactions.

3.88 nostro account: A record kept by an account owner bank of an account serviced on its behalf by an account servicing bank.

3.89 notice: Information sent to the receiver regarding a future event.

3.90 notice to receive: A notice to an account servicing bank that it will receive funds to be credited to the account of the sender of the notice.

- 3.91 originator:** Initiator of the transfer instructions.
- 3.92 *originator identifier:*** A code that unambiguously identifies the originator and which may include specification of the type of identifier code that is being supplied.
- 3.93 *originator name and address:*** Identifies the originator by name and address in sufficient detail to provide positive identification.
- 3.94 originator's bank:** Identifies the bank acting for the originator of the transfer.
- 3.95 *originator's bank identifier:*** A code that unambiguously identifies the originator's bank and which may include specification of the type of identifier code that is being supplied.
- 3.96 *originator's bank name and address:*** Identifies the originator's bank by name and address in sufficient detail to provide positive identification.
- 3.97 *originator to beneficiary information:*** Information to be conveyed from the originator to the beneficiary.
- 3.98 output sequence number (OSN):** A consecutive sequence number that allows for output message control between the service and the receiving bank.
- 3.99 pay date:** Date on which the funds are to be available to the beneficiary for withdrawal in cash.
- 3.100 payment:** A transfer of funds in any form between two parties.
- 3.101 payment date:** Date on which a payment is executed.
- 3.102 payment order:** An instruction that specifies a funds transfer.
- 3.103 payment service:** A service that moves messages among subscribers and also effects settlement for those messages that constitute funds transfer transactions.
- 3.104 pay thru bank:** See preferred term **beneficiary's bank**.
- 3.105 pay thru information:** See preferred term **beneficiary's bank information**.
- 3.106 pay to:** Indicates that the receiver should provide the specified funds to the designated payee.
- 3.107 posting date:** See preferred term **entry date**.
- 3.108 processing priority:** The level of urgency requested by the sender for the processing of the message by the receiver.
- 3.109 *processing priority code:*** A code that specifies the requested processing priority.
- 3.110 receiver's correspondent bank:** A bank receiving funds on behalf of the receiver from the sender or the sender's correspondent bank.
- 3.111 *receiver's correspondent bank identifier:*** A code that unambiguously identifies the receiver's correspondent bank and which may include specification of the type of identifier code that is being supplied.
- 3.112 *receiver's correspondent bank name and address:*** Identifies the receiver's correspondent bank by name and address in sufficient detail to provide positive identification.
- 3.113 receiver's information:** Miscellaneous information pertaining to the transfer and intended for the receiving bank.
- 3.114 receiving bank:** The bank to which the message is delivered.
- 3.115 *receiving bank identifier code:*** A code that unambiguously identifies the bank that is to receive the message. Constitutes the routing code or system-related address by which the receiving bank is known to the service handling the message.
- 3.116 *receiving bank name and address:*** Identifies by name and address the bank that is to receive the message in sufficient detail to provide positive identification.
- 3.117 *receiving bank date and time:*** Date and time the message was delivered to the receiver by a service (see ISO 2014).
- 3.118 reference:** A transaction identifier which is normally included as part of the information supplied with the transaction itself, and can subsequently be used to distinguish the transaction identified from other transactions (e.g. in nostro account reconciliation).
- 3.119 *reference for the beneficiary:*** The reference which enables the beneficiary to identify the transfer.
- 3.120 reimbursement bank:** The bank providing cover for a payment order. (See also **receiver's correspondent bank** and **sender's correspondent bank**.)
- 3.121 reimbursement party:** The party that is the source of funds to the receiver.