Business Transaction

DEBIT ADVICE

Rev 2003-04-15

Swedish Bankers´ Association
Svenska Bankföreningen

1. Functional Definition

A Debit Advice is used to advise a customer/account holder of a withdrawal from his/her account with a financial institution.

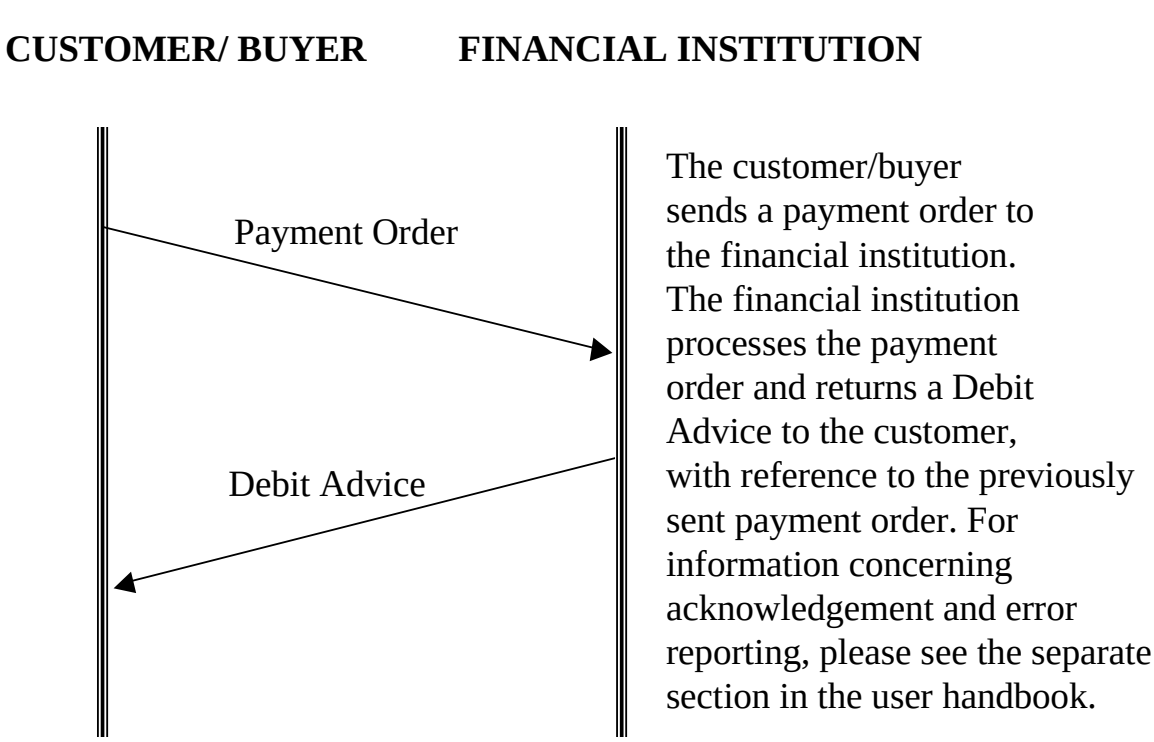
A Debit Advice accordingly informs the customer about debit transactions towards an account, including details on dates, amounts, charges, etc.

The Debit Advice also contains information that allows automatic reconciliation of sent payment orders.

A Multiple Debit Advice makes it possible to provide information on several such debit transactions in the same message.

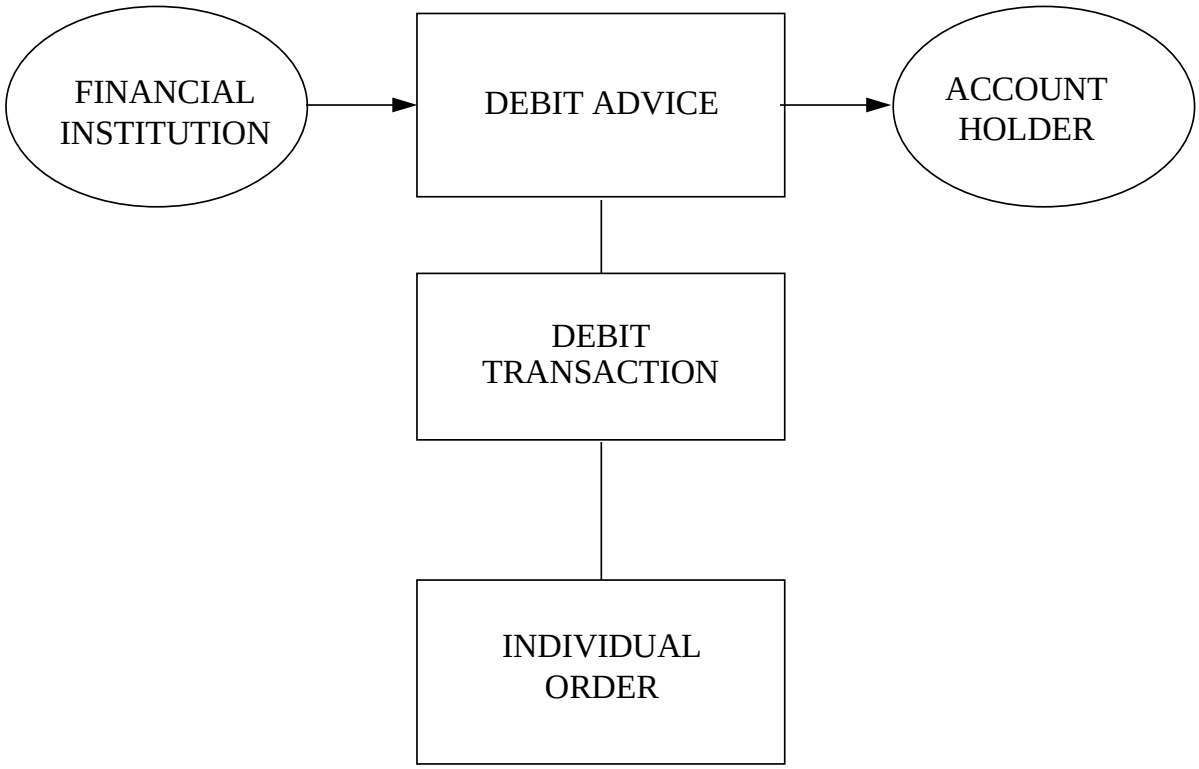
2. Scope

The business transaction Debit Advice is described in this document with reference to its use, function, structure, implementation and contents in a payment scenario. It does not describe how the Debit Advice is used in, for example, a direct debit scenario.



3. Structure

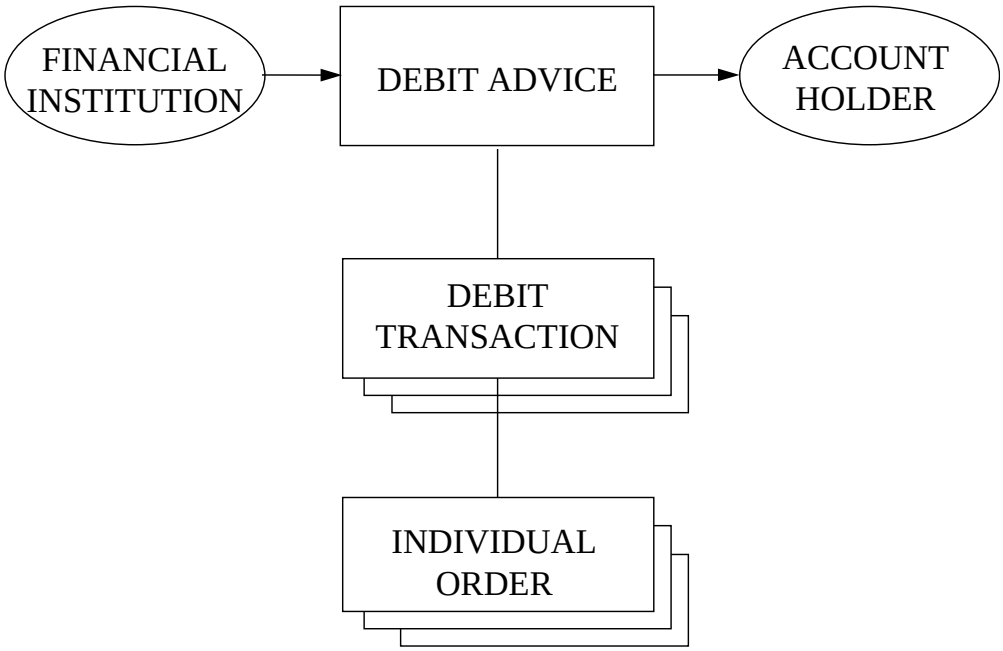
The business transaction *Debit Advice* can logically be divided into the following groups of information:



Logical structure for a Debit Advice. The structure is hierarchical and should be interpreted from left to right and from top to bottom.

The *Debit Advice* consists of a *Debit Transaction*, which refers to a debit towards an account, and at least one *individual order*, such as a payment.

Several such debit transactions can be grouped together in an advice, and each of these debit transactions can consist of several individual orders. The business transaction consequently constitutes a *Multiple Debit Advice*.



Logical structure for a Multiple Debit Advice. The structure is hierarchical and should be interpreted from left to right and from top to bottom.

A **Multiple Debit Advice** covers one or more debit transactions, each of which includes one or more individual orders.

A **Debit Transaction** may include information on the:

- debit account and account holder, account servicing financial institution
- posted amount and date of transaction
- transaction type
- total charges

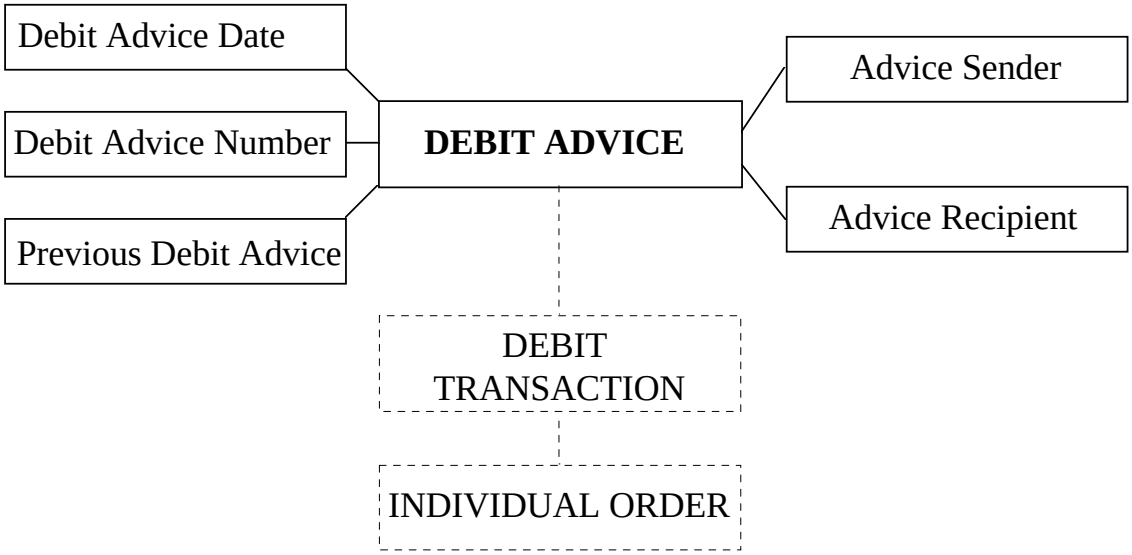
A debit transaction is the result of one or more individual orders (individual payments).

An **Individual Order** may include information on:

- amounts, date and currencies
- credit account and/or account servicing financial institution
- beneficiary, payee (credit account holder), ordering customer, payor (debit account holder)

3.1 Debit Advice

The Debit Advice group contains the following information:



Debit Advice Date is the date on which the Debit Advice was created.

Debit Advice Number is a unique number which identifies the Debit Advice. This number is used in the event of enquiries.

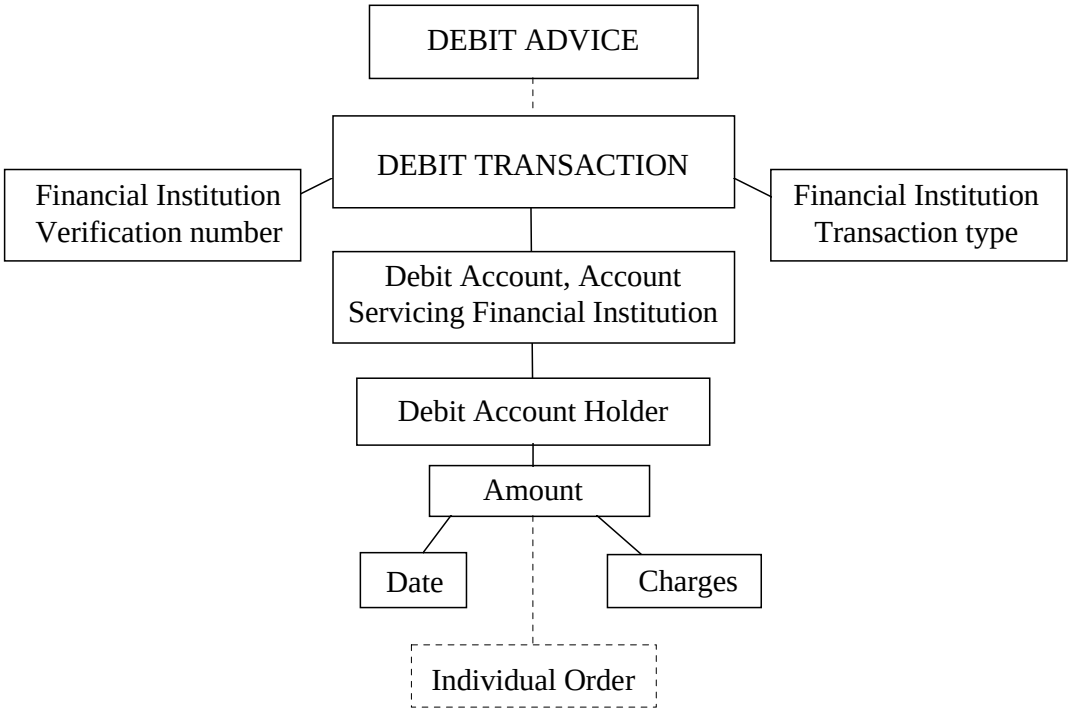
Previous Debit Advice contains details of the reference number and the date of a previous Debit Advice. Used only in the event of re-transmissions, duplicates or the like.

Advice Sender identifies the party who sends the advice. *Advice Recipient* identifies the party who is the recipient of the advice. These parties are only used in special implementations and by agreement.

Debit Transaction and *Individual Order* (see below).

3.2 Debit Transaction

The Debit Transaction group contains the following information:



Every *Debit Transaction* is given a unique reference number by the financial institution - *Financial Institution Verification Number*. This number is used, for example, in the event of enquiries.

The financial institution will, where possible, provide information on the *Financial Institution Transaction Type*, e.g. cheque, international payment with attached references. The object is to simplify and speed up reconciliation of the payment for the customer.

Debit account and account servicing financial institution. Every Debit Transaction contains information in coded form on which account has been debited and the account servicing financial institution.

Debit account holder is identified through the account number and customer identification. In the event that the debit account holder and the ordering customer are not the same party, the ordering customer is identified separately (see the individual transaction) through name and address.

Amount specifies information on the amount that has been debited towards the account.

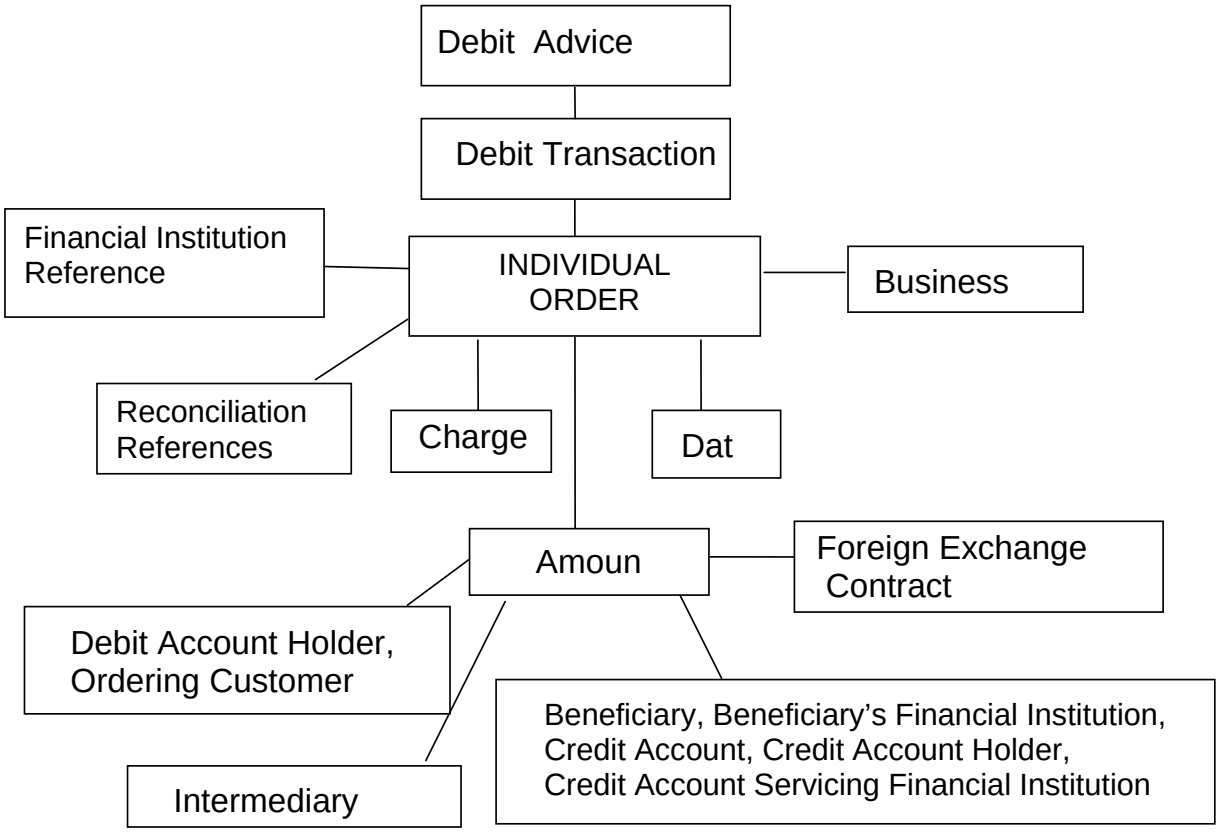
Date contains information on the posting date and value date.

Charges contain information on the type of charges, amount per type of charge, as well as total charges.

Individual Order (see below)

3.3 Individual Order

The Individual Order group contains the following information:



Every *Individual Order* must have a unique reference number, *Financial Institution Reference*, allocated by the financial institution. This reference is used in the event of enquiries. *Reconciliation References* contains the customer's own references for this transaction, and are obtained from the previously sent payment order. If the credit orders specified within this debit order are identical with the debit order and its attached credit order in the payment order, the financial institution only reports back the customer's debit order reference, generic for all credit orders. Where there is no conformity, the debit order reference and the credit order reference are reported for each individual credit order.

Date identifies the actual execution date, as well as any posting date and value date.

Charges contain information on the type of charges, amount per type of charge, as well as total charges.

Business Type contains information on the type of underlying business transaction, e.g. payment for goods or services. This information has been supplied by the payment sender in the payment order.

Amount specifies the individual amount for this order. This amount constitutes part, or the total, of the amount in the Debit Transaction.

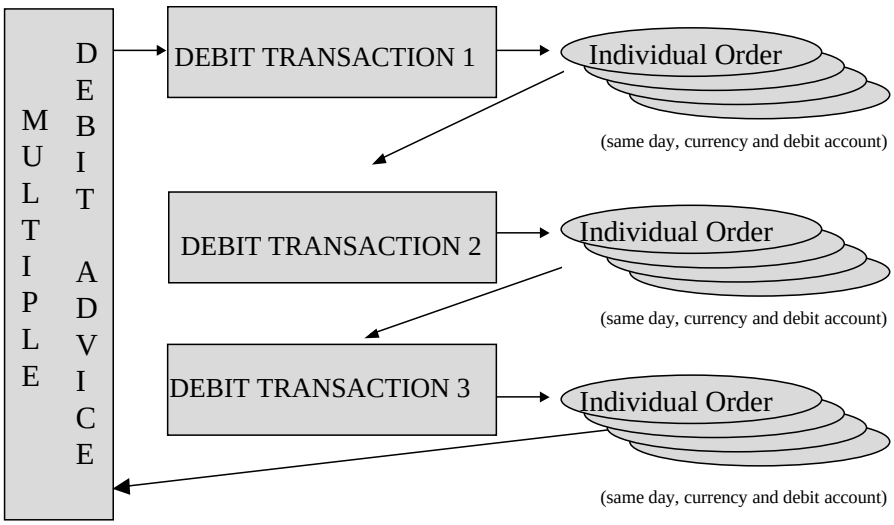
Where the Debit Advice reports on a payment occurring against a *Foreign Exchange Contract*, e.g. forward agreements, details such as contract number and date can be reported.

In addition, the financial institution will specify the *Beneficiary* of the individual order, as well as, where available, the *Credit Account* and *Account Servicing Financial Institution.* Where the account number is not available, but the *beneficiary's financial institution* has been identified in the payment order, this will be reported.

Where the Ordering Customer is other than the Debit Account Holder, the ordering customer is identified here. The ordering customer is identified through name and address.

If an international payment has been transmitted via an *intermediary bank*, the debit account holder's financial institution will, if possible, provide details of this.

3.4 Structure of the Multiple Debit Advice

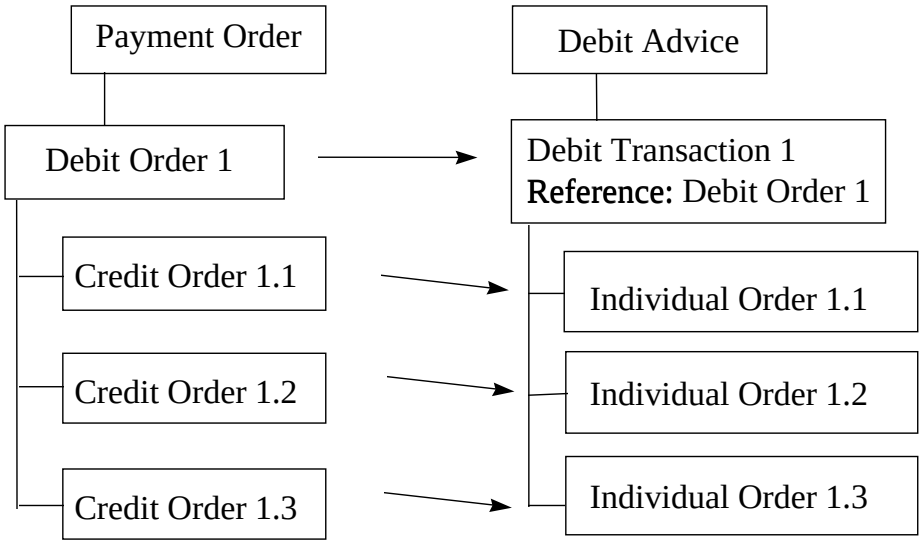


In the Multiple Debit Advice, many debit transactions can be reported simultaneously. Each Multiple Debit Advice can comprise a maximum of 9,999 debit transactions. One debit transaction corresponds to one debit towards the debit account in the financial institution.

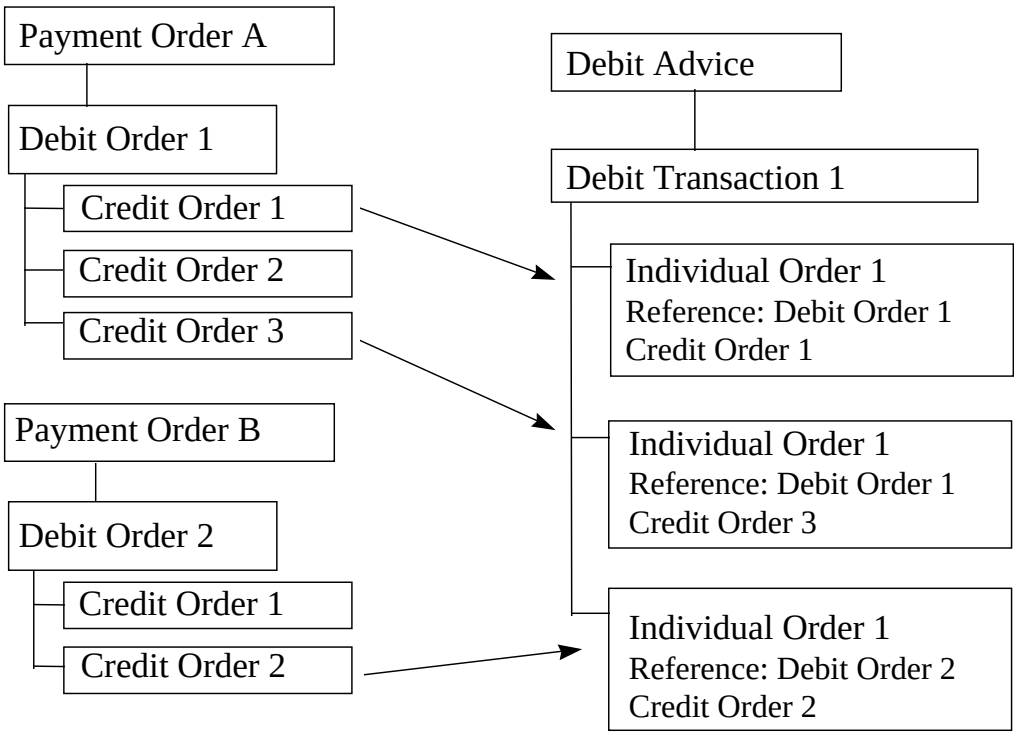
Each debit transaction can cover one or more individual orders. These individual orders have been debited accordingly, as a lump sum, to the same bank account, and have the same posting and value date.

A Multiple Debit Advice can report transactions from many different sources. If it originates in a multiple payment order, the financial institution reports back on the references the payment sender used for the different transactions in the payment order.

When the debit transaction in the Debit Advice exactly matches the order which was sent as a debit and credit order within a payment order, the financial institution only reports back the debit order reference.



Where the Debit Advice does not exactly match the order sent to the financial institution, the institution reports back both the debit order reference and the credit order reference.



4. Business Terms, Contents

The following pages specify the detailed contents and occurrence of business terms and groups of terms within the framework of the above structure. Definitions and descriptions of individual business terms are given in a separate *Term Directory*, using the specified identification number (e.g. A001).

In order to improve readability, related business terms have been grouped into *groups of terms*, each of these has been allocated an explanatory heading. A group of terms with special significance for a business transaction must always carry an allocated value, while others are conditional and their use is therefore related to the various conditions that apply to the implementation of the business transaction in each individual case.

Conditions for the occurrence of business terms or groups of terms can be as follows:

- M (mandatory)
- R (required)
- D (dependent)
- A (advised)
- O (optional)

'Mandatory' means that the business term must be specified under all circumstances.
'Required' means that the term must be specified from a business point of view, but the data element is not mandatory in the currently selected syntax, UN/EDIFACT.
'Dependent' means that the business term has to be specified but according to certain rules.
'Advised' means that use is recommended since it facilitates processing, but it is not mandatory.
'Optional' means that it is up to the party creating the order whether to use the business term or not. Thus, the information does not have to be specified.

This means that the conditions need to be agreed by the parties before being applied in practice. The conditions are reported where appropriate. Experience shows that the goal should be for the recipient of a message to be fully aware in advance of the detailed conditions for the use of both groups of terms and individual Business Terms. This can be specified in an appendix to the EDI agreement between the parties to the transaction (Interchange Agreement, IA).

5. Business Transaction Debit Advice

5.1 Debit Advice **M**

5.1.1 Identifications and references **M**

A005	*Debit advice, number*	*R*
B003	*Debit advice, date*	*R*
A027	*Message function code*	*R*
A030	*Previous debit advice, number*	*D*
B029	*Previous debit advice, date*	*D*

5.1.2 Parties **O**

C112	*Advice sender*	*O*
C113	*Advice recipient*	*O*

5.2 Debit Transaction M

5.2.1 Identifications and references M

A022	*Financial institution verification number*	*R*

5.2.2 Parties and accounts M

In a debit transaction, the following must be identified:

- the debit account and account holder
- account servicing financial institution

Debit account and account holder **M**

The debit account and account holder are identified through:

C008	*Debit account*	*R*
C016	*Debit account holder's identification*	*R*
E049	*Account currency*	*O*

Debit account servicing financial institution **M**

To identify a financial institution abroad, the IBAN (International Bank Account Number) and/or the SWIFT address is used and, if necessary, the institution branch number, e.g. sorting code or "bankleitzahl", for faster processing. Domestic financial institutions are identified via institution branch numbers (clearing numbers)

C028	*Debit account servicing financial institution, SWIFT address*	*D*
C027	*Debit account servicing financial institution, institution branch number*	*D*
C107	*Institution branch number type, code*	*O*
C108	*Institution branch number type, code list responsible agency*	*O*

5.2.3 Amount and currency M

E017	*Amount debited*	*R*
E018	*Currency of amount debited*	*R*

5.2.4 Date R

B005	*Value date*	*O*
B006	*Posting date*	*R*

5.2.5 Financial institution transaction type O

Information from the financial institution about the type of transaction involved, e.g. bank giro, international payment or cheque.

D023	*Financial institution transaction type, code*	*O*
D001	*Geographical environment, code*	*R*

5.2.6 Charges D

Amount of charges and charges type

E065	*Total amount of charges, debited*	*D*
E071	*Total amount of charges, debited separately*	*D*
E004	*Charge currency*	*R*

5.3 Individual Order R

5.3.1 Identifications and references M

A026	*Financial institution order reference, number*	*R*
A024	*Transaction reference, number*	*R*
A023	*Transaction reference, type*	*M*

Reconciliation references

This information originates from a multiple payment order (EDIFACT) and forms the basis for automatic reconciliation by the customer of executed payment orders. The financial institution always returns references from a payment order. If the debit advice exactly matches a previously sent payment order, the debit order reference can be specified generically for all subsequent credit orders.

A017	*Debit order reference, verification number*	*D*
A018	*Customer reference number, verification number*	*D*

5.3.2 Date O

B005	*Value date*	*O*
B006	*Posting date*	*M*

5.3.3 Transaction type D

This provides information on the type of payment involved, e.g. domestic or international, and the reason for payment (purchase of goods, rent etc). It is also possible to specify whether payment takes place internally within a company or group. The information originates from the original payment order.

D002	*Payment type, code*	*O*
D001	*Geographical environment, code*	*O*
D003	*Intra-group payment, code*	*O*
D020	*Underlying business type, code*	*O*

5.3.4 Amount and currency **M**

E008	*Original amount*	*M*
E013	*Currency of original amount*	*M*
E005	*Converted amount*	*D*
E010	*Currency of converted amount*	*D*
E017	*Amount debited*	*R*
E018	*Currency of amount debited*	*R*
E072	*Transferred Amount*	*D*
E073	*Currency of transferred amount*	*D*
E050	*Debit currency*	*D*
E002	*Payment currency*	*D*
E052	*Exchange rate, base*	*D*
E015	*Exchange rate*	*D*

5.3.5 Information on foreign exchange contracts **D**

These business terms are used only if the *order* has been executed against a currency contract.

D004	*Contract number*	*R*
B018	*Reference date*	*D*
B019	*Contract date*	*R*

5.3.6 Parties and account numbers **O**

Information on parties and account numbers is normally only reported back to the customer, from the previously sent payment order. Where the financial institution has discovered and corrected an error, the amended information will be reported back.

Beneficiary **M**

If the beneficiary has been identified by name/address:

C035	*Beneficiary's name*	*D*
C036	*Beneficiary's box/street address*	*D*
C037	*Beneficiary's postcode*	*D*
C038	*Beneficiary's postal address*	*D*
C039	*Beneficiary's country code*	*D*
C083	*Beneficiary's province/county/state*	*D*

If the identification is in coded form:

C034	*Beneficiary's identification*	*D*

Payee **D**

If the credit account holder has been identified through name/address:

C070	*Payee's name*	*D*
C071	*Payee's box/street address*	*D*
C072	*Payee's postcode*	*D*
C073	*Payee's postal address*	*D*
C074	*Payee's country code*	*D*
C075	*Payee's province/county/state*	*D*

If the identification is in coded form:

C058	*Payee's identification*	*D*

Beneficiary's financial institution **M**

Used when the beneficiary's financial institution has been specified in coded form, but the account number is not available. Used only for international payments.

C049	*Beneficiary's financial institution, SWIFT address*	*D*
C048	*Beneficiary's financial institution branch number*	*D*
C107	*Institution branch number type, code*	*D*
C108	*Institution branch number type, code list responsible agency*	*D*

Credit account **D**

C040	*Credit account*	*D*
E049	*Account currency*	*D*

Normally, the currency of the account can be deduced from the account number. Where this is not possible, the currency can be specified.

Credit account holder's financial institution **M**

To identify a financial institution abroad, the IBAN (International Bank Account Number) and/or the SWIFT address is used where possible. In certain cases, this can be supplemented with the financial institution branch number, e.g. sorting code or "bankleitzahl", for faster processing. Domestic financial institutions are identified via institution branch number (clearing number). In certain cases the coded identification of the financial institution is not available, in which case name, town and country are used.

C067	*Credit account servicing financial institution, SWIFT address*	*D*
C066	*Credit account servicing financial institution, institution branch number*	*O*
C107	*Institution branch number type, code*	*O*
C108	*Institution branch number type, code list responsible agency*	*O*
C068	*Account servicing financial institution, name*	*D*

C069	*Account servicing financial institution, town*	*D*
C122	*Account servicing financial institution, country*	*D*

Intermediary financial institution **D**

Only for international payments. Intermediary banks are identified through SWIFT address.

C031	*Intermediary bank, SWIFT address*	*D*

The ordering customer **D**

The debit account holder and the ordering customer are normally the same party, and can therefore be identified through account number and identification. Sometimes, however, the ordering customer is a party other than the debit account holder, and must in that case be identified separately through name and address, or in coded form.

The ordering customer is identified either through:

C001	*Ordering Customer's identification*	*D*

or through:

C002	*Ordering Customer's name*	*D*
C003	*Ordering Customer's box/street address*	*D*
C004	*Ordering Customer's postcode*	*D*
C005	*Ordering Customer's post address*	*D*
C089	*Ordering Customer's province/county/state*	*D*
C006	*Ordering Customer's country code*	*D*

Payor **D**

Additional information related to the debit account holder (Payor).

C016	*Payor's customer number*	*D*
C017	*Payor's name*	*O*
C018	*Payor's box/street address*	*O*
C019	*Payor's postcode*	*O*
C020	*Payor's postal address*	*O*
C021	*Payor's country code*	*O*
C022	*Payor's province/county/state*	*O*

5.3.7 Charges D

Allocation of charges and charge accounts **M**

D007	*Charge allocation, code*	*M*
C050	*Charge account, account number*	*D*

Used when the charges are to be debited to another account.

C051	*Charge account, financial institution branch number*	*D*

Used when the charges are to be debited to another account.

E049	*Account currency*	*O*

Amount of charges and type of charges **D**

E074	*Total amount of charges, individual order*	*R*
E075	*Amount of charges, individual order, certain type of charges*	*D*
E004	*Charge currency*	*D*
D009	*Type of charges, code*	*O*
E046	*Charge amount status, code*	*D*