

## Business Transaction

# CREDIT ADVICE

Rev 2003-04-15

**Swedish Bankers' Association**  
**Svenska Bankföreningen**

## 1. Functional Definition

A Credit Advice is used to inform a customer/account holder of a deposit made into its account with a financial institution.

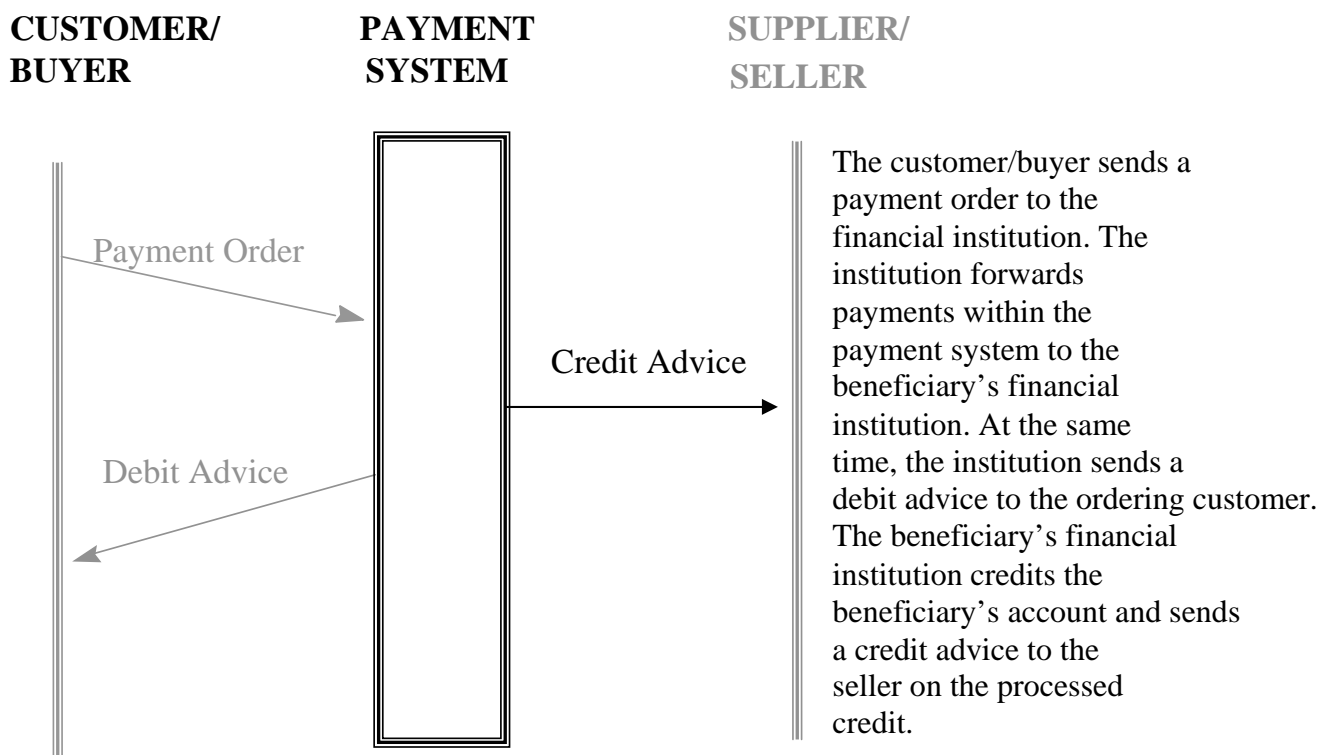
A Credit Advice accordingly informs the customer of credit transactions towards an account, including details on dates, amounts, charges, etc.

The Credit Advice also contains information that allows automatic reconciliation of received payments, for example accounts receivable.

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

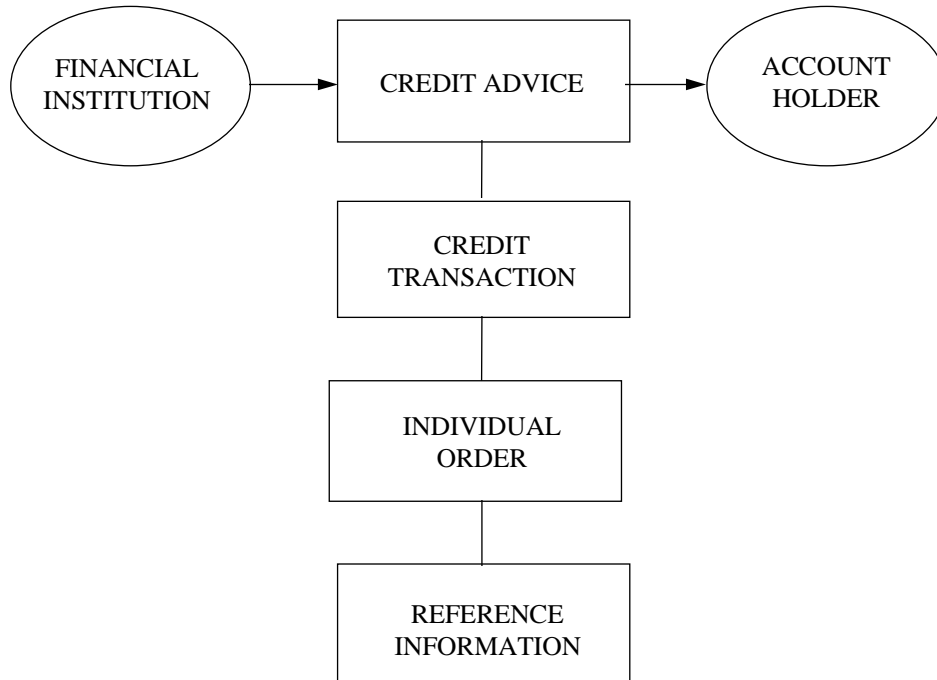
## 2. Scope

The business transaction Credit 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 Credit Advice is used in, for example, a direct debit scenario.



### 3. Structure

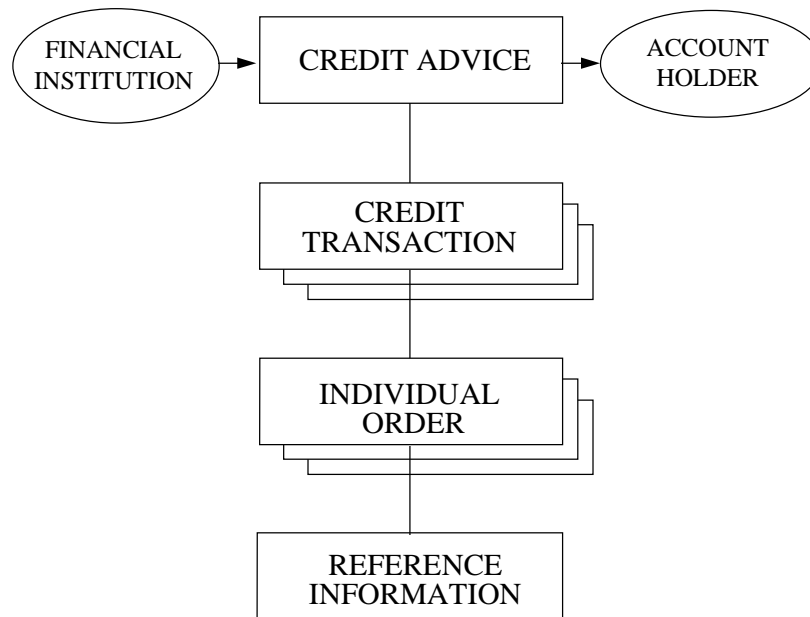
The business transaction Credit Advice can logically be divided into the following groups of information:



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

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

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



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

A **Multiple Credit Advice** covers one or more credit transactions, each of which includes one or more individual orders with associated references.

The **Credit Transaction** may include information on:

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

The credit transaction is the result of one or more individual orders (individual payments).

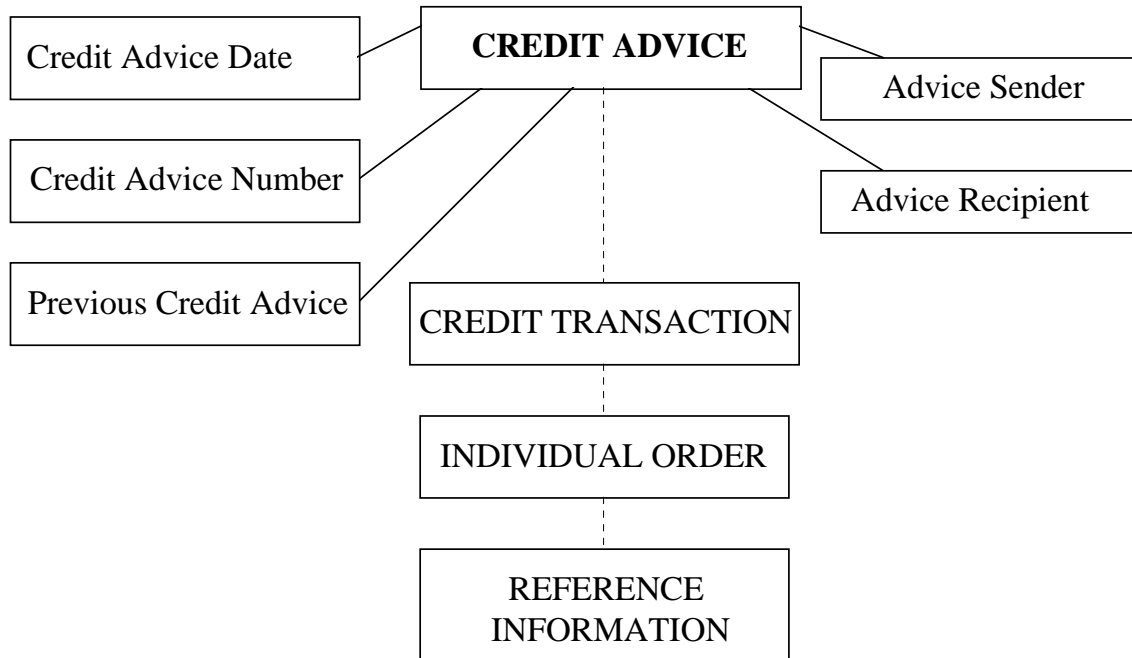
An **individual order** may include information on:

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

Each individual order may have a group of reference information attached to it. This contains information on the reason for payment (e.g. invoice number), directed from the ordering customer to the beneficiary.

### 3.1 Credit Advice

The Credit Advice group contains the following information:



*Credit Advice Date* is the date on which the Credit Advice was created.

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

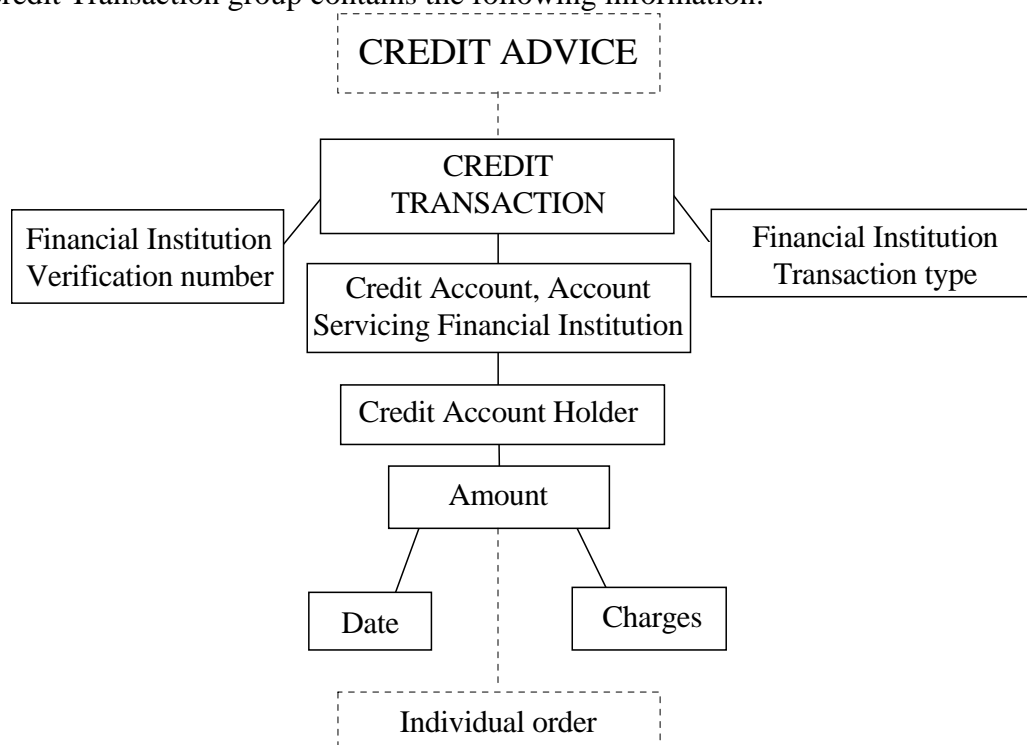
*Previous Credit Advice* contains details of the reference number and the date of a previous Credit Advice. Used only in the event of re-transmissions, duplicates and the like.

*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.

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

## 3.2 Credit Transaction

The Credit Transaction group contains the following information:



Every *Credit 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 reference numbers. The object is to simplify and speed up reconciliation of the payment for the customer.

*Credit account and account servicing financial institution*. Every *Credit Transaction* contains information in coded form on which account has been credited and the account servicing financial institution.

*Credit account holder* is identified through the account number and customer identity. In the event that the credit account holder and the beneficiary are not the same party, the beneficiary is identified separately (see the individual transaction) through name and address.

*Amount* contains information on the amount that has been credited to the account.

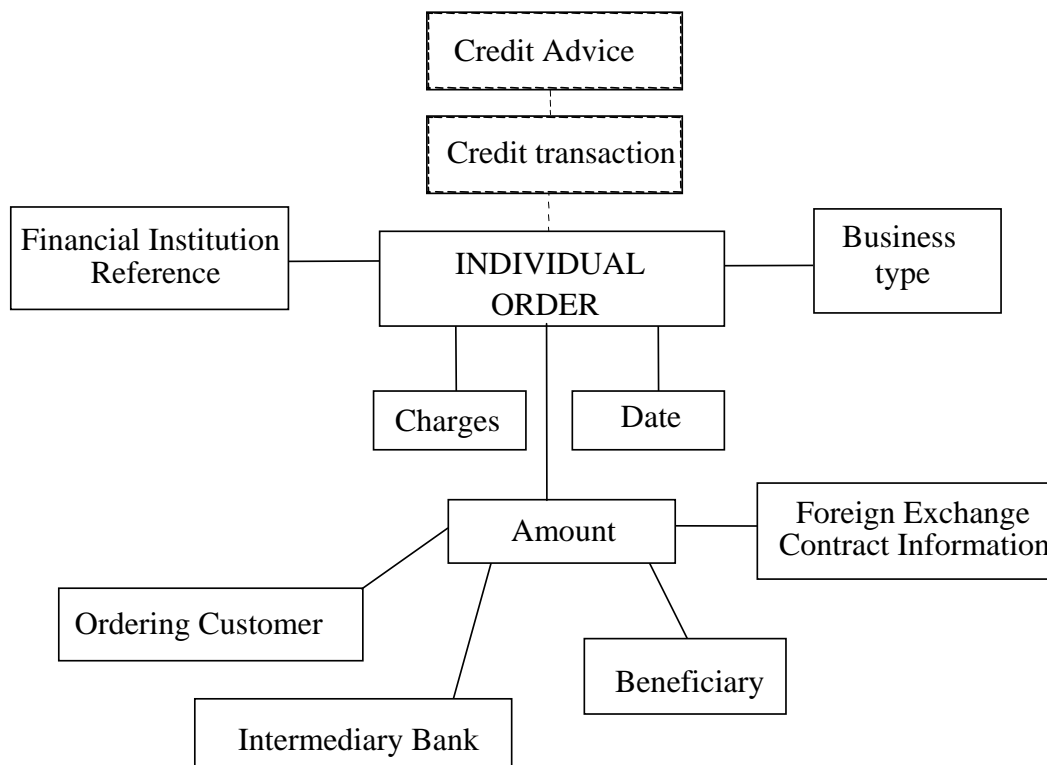
*Date* contains information on the posting date, value date and any correction date.

*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*, which is allocated by the financial institution. This reference is used in the event of enquiries and the like.

*Charges* contain information on the type of charges, amount per type of charge, and charges for the individual order.

*Date* identifies the posting date and any value date. It is also possible to state the correction date if the advice refers to a correction.

*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 Credit Transaction.

In addition, the financial institution will specify the *ordering customer* of the individual order. The ordering customer is identified by name and address.

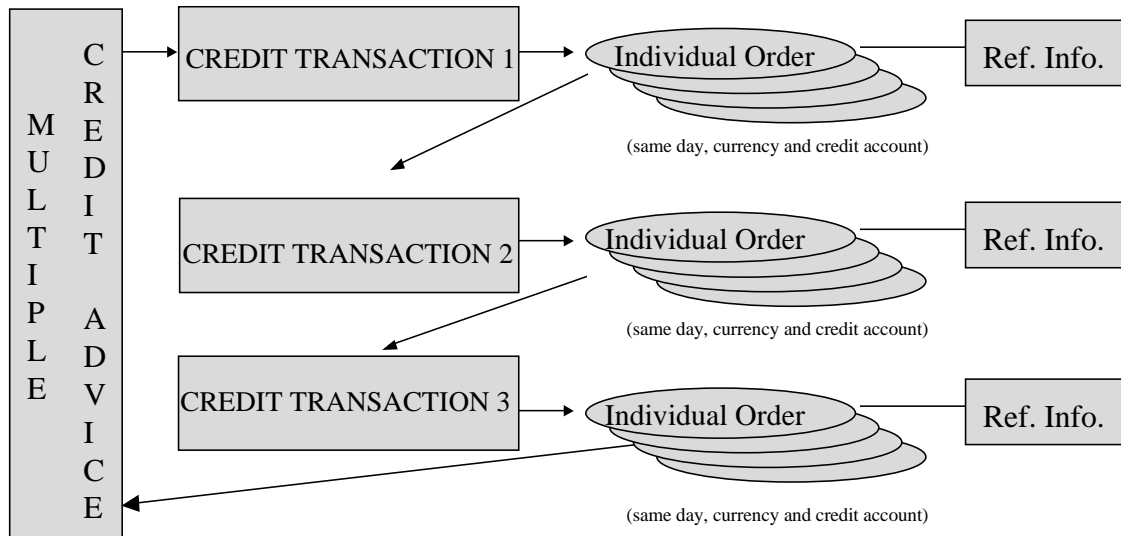
If an international payment has been transmitted via an *intermediary financial institution*, the credit account holder's financial institution will, if possible, provide information on this.

Where the beneficiary is other than the Credit Account Holder, the beneficiary is identified here. The beneficiary is identified through name and address.

When the Credit Advice reports on a payment occurring against a *foreign exchange contract*, e.g. forward agreement, details such as contract number and date can be reported.



### 3.5 Structure of the Multiple Credit Advice



The financial institution processes one or more individual orders which result in the crediting of a customer's account. These orders accordingly have the same posting and value date. On each individual order there may also be reference information from the payor, e.g. invoice number.

In a multiple credit advice, each credit transaction may comprise one or more individual orders. Similarly, credit transactions in relation to different credit accounts can be specified.

In the multiple credit advice, many credit transactions can be reported simultaneously. Each multiple credit advice can comprise 9,999 credit transactions.

## 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 Credit Advice

<b>5.1</b>	<b>Credit Advice</b>	<b>M</b>
<b>5.1.1</b>	<b>Identifications and references</b>	<b>M</b>
	<i>A006 Credit advice, number</i>	<i>R</i>
	<i>B004 Credit advice, date</i>	<i>R</i>
	<i>A027 Message function code</i>	<i>R</i>
	<i>A031 Previous credit advice, number</i>	<i>D</i>
	<i>B031 Previous credit advice, date</i>	<i>D</i>
<b>5.1.2</b>	<b>Parties</b>	<b>O</b>
	<i>C112 Advice sender</i>	<i>O</i>
	<i>C113 Advice recipient</i>	<i>O</i>
<b>5.2</b>	<b>Credit Transaction</b>	<b>M</b>
<b>5.2.1</b>	<b>Identifications and references</b>	<b>M</b>
	<i>A022 Financial institution verification number</i>	<i>R</i>
	<i>A023 Transaction reference, type</i>	<i>D</i>
	<i>A024 Transaction reference, number</i>	<i>D</i>
<b>5.2.2</b>	<b>Parties and accounts</b>	<b>M</b>
	In a credit transaction, the following must be identified:	
	<ul style="list-style-type: none"> <li>• the credit account and account holder</li> <li>• credit account servicing financial institution</li> </ul>	
	<b>Credit account and account holder</b>	<b>M</b>
	The credit account and account holder are identified through:	
	<i>C040 Credit account</i>	<i>R</i>
	<i>C058 Credit account holder's identification</i>	<i>R</i>
	<i>E049 Account currency</i>	<i>O</i>

**Credit 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 financial institution branch number. Domestic financial institutions are identified via institution branch numbers (clearing numbers)

<i>C067</i>	<i>Credit account servicing financial institution, SWIFT address</i>	<i>D</i>
<i>C066</i>	<i>Credit account servicing financial institution, institution branch number</i>	<i>D</i>
<i>C107</i>	<i>Institution branch number type, code</i>	<i>O</i>
<i>C108</i>	<i>Institution branch number type, code list responsible agency</i>	<i>O</i>

**5.2.3 Amount M**

<i>E007</i>	<i>Amount credited</i>	<i>R</i>
<i>E012</i>	<i>Currency of amount credited</i>	<i>R</i>

**5.2.4 Date R**

<i>B005</i>	<i>Value date</i>	<i>O</i>
<i>B006</i>	<i>Posting date</i>	<i>R</i>

**5.2.5 Financial institution transaction type O**

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

<i>D023</i>	<i>Financial institution transaction type, code</i>	<i>O</i>
<i>D001</i>	<i>Geographical environment, code</i>	<i>R</i>

**5.2.6 Charges D****Amount of charge and charge type**

<i>E065</i>	<i>Total amount of charges, debited</i>	<i>D</i>
<i>E071</i>	<i>Total amount of charges, debited separately</i>	<i>D</i>
<i>E004</i>	<i>Charge currency</i>	<i>R</i>

<b>5.3</b>	<b>Individual Order</b>	<b>R</b>
<b>5.3.1</b>	<b>Identifications and references</b>	<b>M</b>
	<i>A026 Financial institution order reference, number</i>	<i>R</i>
	<i>A024 Transaction reference, number</i>	<i>R</i>
	<i>A023 Transaction reference, type</i>	<i>M</i>
	<u>Reconciliation references</u>	
	This information originates from the payment order and forms the basis for automatic reconciliation by the customer of accounts receivable. This is used only where information on invoice number and the like is sent in a separate message. The reference then indicates the message.	
	<i>A025 Reference to remittance information, number</i>	<i>D</i>
<b>5.3.2</b>	<b>Date</b>	<b>O</b>
	<i>B006 Posting date</i>	<i>R</i>
	<i>B005 Value date</i>	<i>O</i>
<b>5.3.3</b>	<b>Transaction type</b>	<b>O</b>
	This provides information on the type of payment involved, e.g. domestic or international, and the reason for the 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.	
	<i>D002 Payment type, coded</i>	<i>O</i>
	<i>D001 Geographical environment, coded</i>	<i>O</i>
	<i>D003 Intra-group payment, coded</i>	<i>O</i>
	<i>D020 Underlying business type, coded</i>	<i>O</i>
<b>5.3.4</b>	<b>Amount and currency</b>	<b>M</b>
	<i>E008 Original amount</i>	<i>R</i>
	<i>E013 Currency of original amount</i>	<i>R</i>
	<i>E005 Converted amount</i>	<i>D</i>
	<i>E010 Currency of converted amount</i>	<i>D</i>
	<i>E007 Amount credited</i>	<i>R</i>
	<i>E012 Currency of amount credited</i>	<i>R</i>
	<i>E072 Transferred amount</i>	<i>D</i>
	<i>E073 Currency of transferred amount</i>	<i>D</i>
	<i>E002 Payment currency</i>	<i>D</i>
	<i>E051 Credit currency</i>	<i>D</i>
	<i>E052 Exchange rate, base</i>	<i>D</i>
	<i>E015 Exchange rate</i>	<i>D</i>

**5.3.5 Information on foreign exchange contracts D**

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

<i>D004</i>	<i>Contract number</i>	<i>R</i>
<i>B018</i>	<i>Reference Date</i>	<i>D</i>
<i>B019</i>	<i>Contract date</i>	<i>R</i>

**5.3.6 Parties and account numbers O****Beneficiary M**

Where the beneficiary is other than the credit account holder the beneficiary is identified either by name/address, or in coded form by customer number with the financial institution.

<i>C034</i>	<i>Beneficiary's identification</i>	<i>D</i>
<i>C035</i>	<i>Beneficiary's name</i>	<i>D</i>
<i>C036</i>	<i>Beneficiary's box/street address</i>	<i>D</i>
<i>C037</i>	<i>Beneficiary's postcode</i>	<i>D</i>
<i>C038</i>	<i>Beneficiary's postal address</i>	<i>D</i>
<i>C039</i>	<i>Beneficiary's country code</i>	<i>D</i>
<i>C083</i>	<i>Beneficiary's province/county/state</i>	<i>D</i>
<i>C033</i>	<i>Beneficiary's name and address, if any, unstructured</i>	<i>D</i>

**Payee D**

Additional information related to the credit account holder (Payee).

<i>C058</i>	<i>Payee's identification</i>	<i>D</i>
<i>C070</i>	<i>Payee's name</i>	<i>O</i>
<i>C071</i>	<i>Payee's box/street address</i>	<i>O</i>
<i>C072</i>	<i>Payee's postcode</i>	<i>O</i>
<i>C073</i>	<i>Payee's postal address</i>	<i>O</i>
<i>C074</i>	<i>Payee's country code</i>	<i>O</i>
<i>C075</i>	<i>Payee's province/county/state</i>	<i>O</i>
<i>C076</i>	<i>Payee's name and address, unstructured</i>	<i>D</i>

**Ordering customer O**

The ordering customer is normally identified by:

<i>C001</i>	<i>Ordering customer's customer number</i>	<i>O</i>
<i>C002</i>	<i>Ordering customer's name</i>	<i>D</i>
<i>C003</i>	<i>Ordering customer's box/street address</i>	<i>O</i>
<i>C004</i>	<i>Ordering customer's postcode</i>	<i>O</i>
<i>C005</i>	<i>Ordering customer's postal address</i>	<i>O</i>
<i>C089</i>	<i>Ordering customer's province/county/state</i>	<i>O</i>
<i>C006</i>	<i>Ordering customer's country code</i>	<i>O</i>
<i>C009</i>	<i>Ordering customer's name and address, if any, unstructured</i>	<i>D</i>
<i>C011</i>	<i>Ordering customer's contact person or department</i>	<i>O</i>
<i>C012</i>	<i>Ordering customer's telephone number</i>	<i>O</i>
<i>C013</i>	<i>Ordering customer's telefax number</i>	<i>O</i>
<i>C014</i>	<i>Ordering customer's telex number</i>	<i>O</i>

<i>C015</i>	<i>Ordering customer's e-mail address</i>	<i>O</i>
<i>C130</i>	<i>Ordering customer's financial institution, SWIFT address</i>	<i>D</i>
<i>C131</i>	<i>Ordering customer's financial institution, branch number</i>	<i>D</i>
<i>C107</i>	<i>Institution branch number type, code</i>	<i>D</i>
<i>C108</i>	<i>Institution branch number type, code list responsible agency</i>	<i>D</i>
<i>C132</i>	<i>Ordering customer's financial institution, name</i>	<i>D</i>
<i>C133</i>	<i>Ordering customer's financial institution, town</i>	<i>D</i>
<i>C134</i>	<i>Ordering customer's financial institution, country</i>	<i>D</i>

**Payor****D**

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

<i>C016</i>	<i>Payor's identification</i>	<i>D</i>
<i>C017</i>	<i>Payor's name</i>	<i>O</i>
<i>C018</i>	<i>Payor's box/street address</i>	<i>O</i>
<i>C019</i>	<i>Payor's postcode</i>	<i>O</i>
<i>C020</i>	<i>Payor's postal address</i>	<i>O</i>
<i>C021</i>	<i>Payor's country code</i>	<i>O</i>
<i>C022</i>	<i>Payor's province/county/state</i>	<i>O</i>

**5.3.7****Charges****O****Allocation of charges and charge accounts****M**

<i>D007</i>	<i>Charge allocation, code</i>	<i>M</i>
<i>C050</i>	<i>Charge account, account number</i>	<i>D</i>
	Used when the charges are to be debited to another account.	
<i>C051</i>	<i>Charge account, institution branch number</i>	<i>D</i>
	Used when the charges are to be debited to another account.	
<i>E049</i>	<i>Account currency</i>	<i>O</i>

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

<i>E074</i>	<i>Total amount of charges, individual order</i>	<i>R</i>
<i>E075</i>	<i>Amount of charges, individual order</i>	<i>D</i>
<i>E004</i>	<i>Charge currency</i>	<i>D</i>
<i>D009</i>	<i>Type of charges, code</i>	<i>R</i>
<i>E046</i>	<i>Charge amount status, code</i>	<i>D</i>

## 5.4. Contents of Reference Information

**O**

**The following section concerns proposals for term structure for Reference Information. The terms are not specified in the Term Directory.**

Reference information contains information on the reason for payment, e.g. invoice number. The information is only intended for the beneficiary. The information is not processed by the financial institution or institutions which the information passes through before it reaches the beneficiary in the form of a credit advice. The ordering customer and the beneficiary should therefore agree between themselves on the information that needs to be supplied together with the payment order (within the framework of the EDIFACT standard). This assumes, however, that the reference information in the Payment Order can be sent all the way to the beneficiary. When a Payment Order includes reference information, there are three different ways in which the reference information can reach the recipient:

- EDIFACT up to and including the beneficiary
- EDIFACT up to and including the beneficiary's financial institution
- EDIFACT up to and including the ordering customer's financial institution

The reference information can be given in two principally different ways, structured or unstructured. If the reference information is given in a structured way, it includes, among other things, the information described under the heading Structured Reference Information. The whole group of information described there can be repeated up to 9,999 times in a Credit Advice. If the reference information is stated in an unstructured way, i.e. as free text, there can only be one reference per Credit Advice. However, a reference comprises 5 x 70 characters. Swedish Bankers' Association recommends that Structured Reference Information be used, because it makes automatic processing of the information possible and, for example, reconciliation of accounts receivable.

<b>5.4.1</b>	<b>Information contents</b>	<b>M</b>
	<i>D022 Payment reference, type</i>	<i>M</i>
<b>5.4.2.</b>	<b>Total reference amount</b>	<b>O</b>
	<i>F001 Control amount</i>	<i>O</i>
<b>5.4.3.</b>	<b>Structured reference information</b>	<b>A</b>
	<i>F003 Document number</i>	<i>O</i>
	<i>F004 Document type</i>	<i>O</i>
	<i>F005 Document date</i>	<i>O</i>
	<i>F006 Document date, format</i>	<i>O</i>
	<i>F007 Document amount</i>	<i>O</i>
	<i>F008 Document currency</i>	<i>O</i>
	<i>F009 Amount type, code</i>	<i>O</i>
	<i>F010 Other reference number</i>	<i>O</i>
	<i>F011 Type of reference number</i>	<i>O</i>



<b>5.4.4.</b>	<b>Unstructured reference information</b>	<b>O</b>
	<i>F012 Reference information, free text</i>	<i>O</i>
	<i>F013 Text, language</i>	<i>O</i>