



## Operation Manual

# Payment System Settlement in Way4

03.51.30

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The document describes the main principles of settlement and reconciliation with payment systems in Way4 for transactions made with payment cards (card details or a card's digital representation).

The document is intended for Way4 users (bank or processing center employees) who are responsible for settlements with payment systems.

When working with this document, it is recommended to use the following resources from the OpenWay documentation series:

- "Way4 Global Parameters".
- "Interchange Routing".
- "Documents".
- "Way4 Account Schemes".
- "Visa Interchange Interface".
- "Mastercard Interchange Interface".
- "Visa "Clearing&Settlement" File".
- "Mastercard "Clearing&Settlement" File".

The following notation can be used in the document:

- Field labels in screen forms are shown in *italics*.
- Key combinations are shown in angular brackets, for example, <Ctrl>+<F3>.
- Names of screen form buttons and tabs are shown in square brackets, for example, [Approve].
- Sequences for selecting user menu items or context menu items are shown using arrows as follows: "Issuing → Contracts Input & Update".
- Sequences for selecting system menu items are shown using arrows as follows: Database => Change password.
- Variables that differ for each local instance, such as directory and file names, as well as file paths are shown in angular brackets, as in <OWS\_HOME>.

Warnings and information are marked as follows:



Warnings about potentially hazardous situations or actions.



Messages with information about important features, additional options, or the best use of certain system functions.

# 1 Terms and definitions

**Clearing currency/Billing currency.** A clearing currency is set by agreement with the payment system.

**Settlement currency** – one or several currencies selected by the issuer or acquirer for settlements with the payment system. A settlement currency is selected from a list of currencies supported by the payment system.

**Interchange** – a set of operations carried out within the framework of interaction with a payment system, including for completed transactions, with the subsequent exchange of clearing and settlement files.

**Cut-off time** – the time when the clearing day ends, established by the payment system.

**Settlement date** – a date when settlements are made.

**Central Processing date** – the calendar date during which a payment system processes data received from members (presentments, information about dispute cycle operations, and more). One clearing day may include several clearing cycles.

**Clearing cycle** – the period of time during which a payment system accepts and accumulates data from members (presentments, information about dispute cycle transactions and more).

**Interchange fee** – a fee that according to payment system rules is paid by the acquirer to the issuer for the exchange of data when goods/service are paid for with a card, or by the issuer to the acquirer when issuing cash to a cardholder. The payment system does not profit from interchange fees. The payment system sets the interchange fee rate for a specific transaction region depending on the card type, payment system program that services the card, transaction volume and business category.

**NOSTRO contract** – a bank contract whose accounts reflect settlements with a counterparty that is not registered in the system. For example, with a payment system, affiliate bank, partner organization (when settlements are made directly, bypassing the payment system), and more.

Interbranch operations are also recorded in NOSTRO contract accounts. This feature is not covered in this document.

**Transaction** – an operation that is made with a payment card, or using a card's details or a card's digital representation (token).

A presentment for a transaction (clearing) can be sent online in "Single Message System" (SMS) format through a payment system, or in a clearing file in the case of interaction in "Dual Message System" (DMS) format.

- **SMS format** – a format for online interaction between a payment system member and a payment system in which, after the issuer approves a transaction, the payment system independently generates a presentment for the transaction.
- **DMS format** – a format for interaction between a payment system member and a payment system, in which after the issuer approves a transaction, the acquirer sends a presentment in a clearing file.

**Domestic operation** – an operation which the issuer, acquirer and device are registered in the same country.

**Settlement bank** – an organization that is authorized by a payment system to settle financial claims and obligations between payment system members.

**Transaction charges** – payment system fees for processing transactions (including collection and delivery of information about payment system member transactions).

**Payment system member** – an organization conducting its activities according to a payment system's rules and participating in the issue of payment cards and/or acquiring. The main payment system members include processing centers, acquirers and issuers of payment cards. One and the same bank can be an issuer, an acquirer and a settlement bank at the same time.

**"Clearing&Settlement" file** – a file prepared by the payment system for reconciliation and settlement between payment system members.

When generating and processing the file, the following are carried out:

- **Clearing** – collection and reconciliation of data received from payment system members: presentations, information about dispute cycle operations, chargebacks, retrieval requests, and more. Clearing is performed at the end of a clearing cycle to ensure settlement for completed transactions.  
The amounts that were credited or debited as a result of settlement can be checked in clearing data.
- **Settlement** – the final process in processing transactions, in which settlements are made between payment system members. Settlements are made by transferring funds through a settlement bank according to "Clearing&Settlement" file data. Settlements are made on clearing days. Settlements can be:
  - National – settlements for transactions in the same country; that is, when the country of the acquirer and issuer is the same.
  - International – settlements for transactions when the acquirer's country differs from that of the issuer.
- **Reconciliation** – verification that the transaction amount provided as a result of clearing matches the net settlement amount received as a result of settlement.

**Net settlement** – the final financial position for settlement, calculated by offsetting mutual claims and obligations.

## 2 Overview

One of the key functions of a payment system is to ensure that settlements are made between payment system members for completed transactions.

Settlements are made according to information that payment system members receive daily from "Clearing&Settlement" files. A "Clearing&Settlement" file contains various messages, for example, information about completed transactions, payment system fees, interchange fees, dispute cycle transactions, etc.

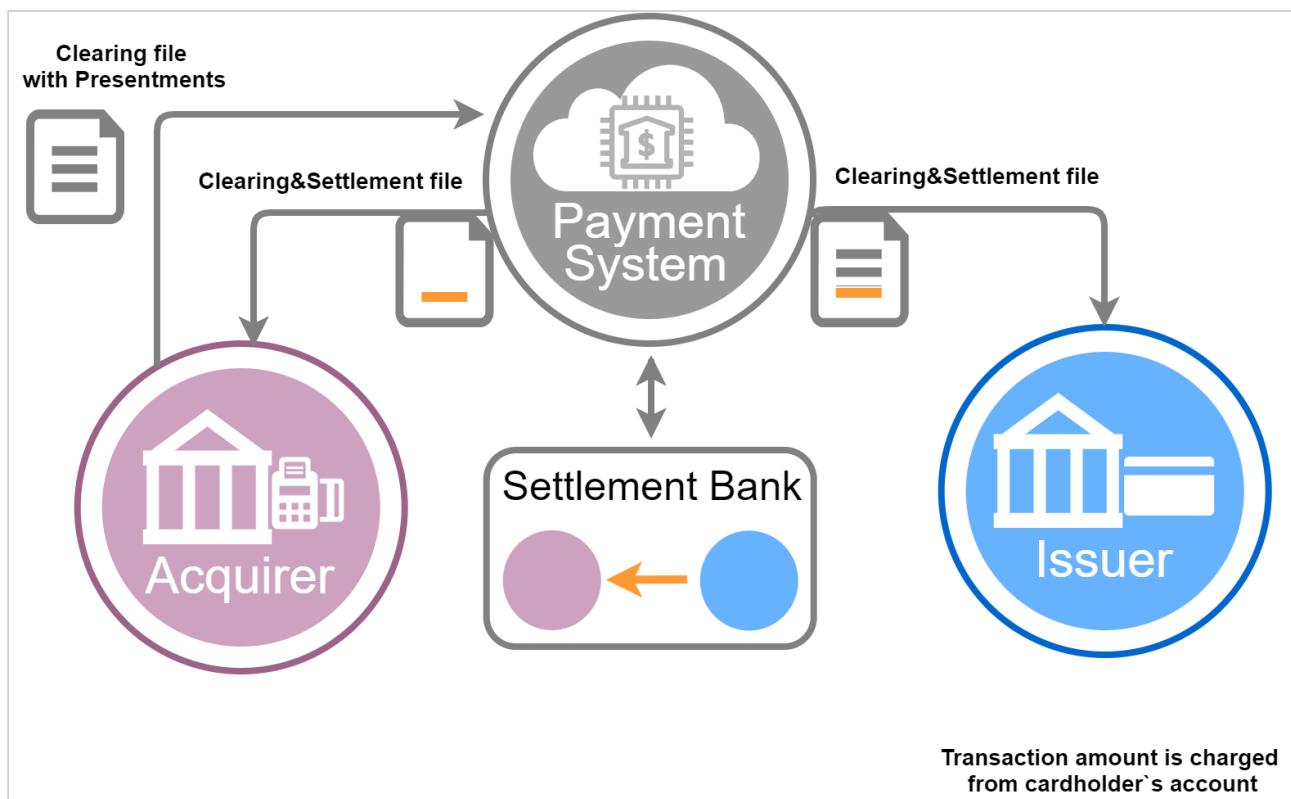
Each payment system member generates a "Clearing&Settlement" file once a day or several times a day. A file is sent in a clearing cycle proposed by the payment system.

To transfer files to a payment system, special software provided by the payment system is required, for example, "Visa EditPackage" or "MasterCard File Express".



Examples in this document are given for Visa, however, the principle of exchanging data for completed transactions can be applied to other payment systems.

The example below illustrates a generic scheme for exchange of clearing and settlement data between payment system members during a transaction in an acquirer's network:



1. The acquirer generates a clearing file with presentments and sends it to the payment system (for example, to "VisaNet Data Center" or to Mastercard "Global Clearing Management System").



Unlike transactions in DMS format when the acquirer sends the payment system information about each transaction twice, online transactions in SMS format do not have to be sent to the payment system in a clearing file.

2. On the clearing day, the payment system performs clearing and calculates data for the received incoming file, namely:

- Accepts, checks and edits the file
- Converts currency (if necessary)
- Calculates fees (interchange fees and payment system transaction fees)
- Creates records with settlement information
- Creates clearing and settlement files and sends them to payment system members. For acquirers, settlement information is generated based on clearing information that was received earlier (see item 1).

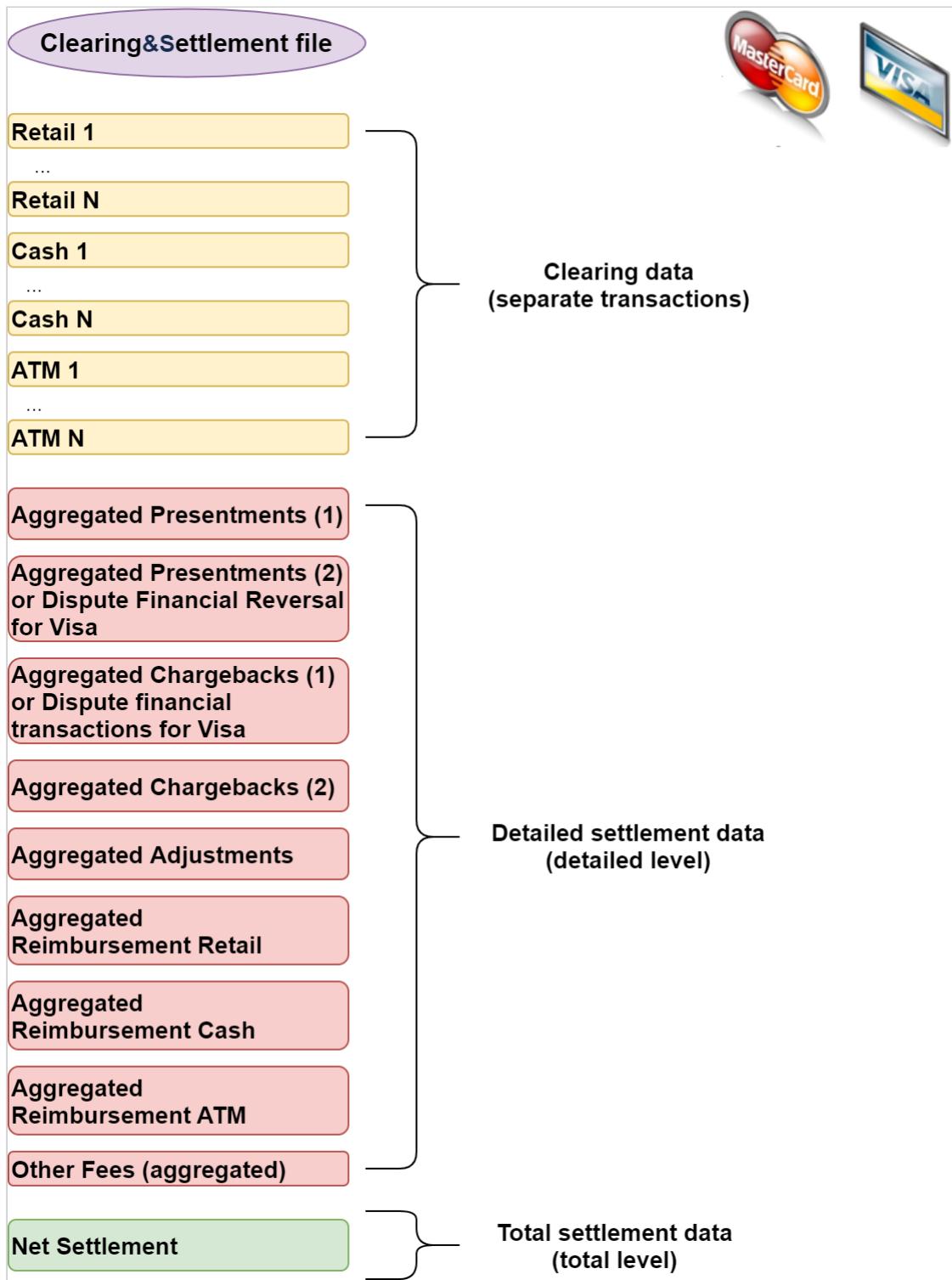
3. Payment system members:

- Accept files from the payment system
- Process documents generated in the system based on file messages and carry out accounting for transactions
- Perform reconciliation.

In Way4, files are exchanged with a payment system via special interfaces, for example Visa or Mastercard interface. These interfaces make it possible to exchange clearing and settlement information about completed transactions for the purpose of settlement between issuers and acquirers. For more information about payment system interchange interfaces, see the documentation for interchange with the corresponding payment system.

### 3 Clearing and settlement file structure

Clearing and settlement file structure:



A "Clearing&Settlement" file contains the following data types:

- **Clearing** – details for each transaction:
  - Incoming and outgoing presentments for each completed transaction with "our" cards or with the cards of other banks.
  - Issuing interchange fees.
  - Dispute cycle transactions, including interbank documents (Fee Collection and Funds Disbursement).



An issuing interchange fee amount is provided for each transaction in the transaction's clearing record (for more information, see the section "[Issuing interchange fee](#)").

The acquirer receives information about payment system interchange fees grouped by transaction types in the file's settlement information (Detailed level).

Clearing data is necessary to reflect client (cardholder, merchant) operations in accounts and to generate correct reports and reconciliation in settlement with payment systems.

- **Settlement** – amounts that are credited to or debited from payment system member accounts, grouped according to certain criteria (member type, data detail level, transaction type, fee type, etc.).

Settlement data is provided in the file in two levels:

- The total level shows the amount of net settlement.
- The detailed level shows amounts of transactions grouped by certain types. Transaction amounts at this level are specified as "Gross values" – the total amount without subtracting fees and/or other amounts.



The transaction amount shown at the net settlement level is equal to the amount of transactions at the detailed level (Gross), which is equal to the amount of transactions in clearing information (Total of Clearing).

To make settlement convenient, transaction amounts in the file are converted to the settlement currency.

Files are received via message channels, in which message identifiers (messages codes) are defined. These identifiers are used in Way4 to select rules for processing transaction information. The rules are defined in transaction types (that is, the transaction type defines message processing rules).



A file's settlement data can be imported to Way4 in two modes:

- Mode 1 (default): message code values start with "1644680%", "1644685%", "1644688%" (for Mastercard) and/or with "46%" (for Visa).
- Mode 2 (recommended): message code values start with "S1%" and "S2%" (used for data at the file's total and detailed levels respectively).

For more information, see the documents "Mastercard "Clearing&Settlement" File" and/ or "Visa "Clearing&Settlement" File".

The correspondence of message codes to transaction types supported by Way4 is defined in the "Message Types" dictionary: "Full → Configuration Setup → Transaction Types → Transaction – ALL → [Msg Types]". The "Message Types" form contains a list of all possible messages with message codes and transaction types that correspond to each message code.

When processing a file's records, a search is made for the required transaction type according to the code of the message received; transaction subtypes are used to define accounts for recording data (generally, when accounts are not defined otherwise, for example in Service settings).

A list of message codes supported in Way4 for importing and processing a file's settlement information of the file is provided in the document "Message codes for processing "Clearing&Settlement" files", for each payment system separately.

A list of supported transaction types for processing a file's settlement information (Category = Settlement) can be found in Way4 by selecting the menu item "Full → Configuration Setup → Transaction Types → Transaction – ALL".

After documents that were generated on the basis of file data (messages) have been processed, the following amounts are reflected in Way4 (for more information, see the section "[NOSTRO contract Account Scheme](#)":

- The amount of each transaction and interchange fee (when an incoming presentment is processed by the issuer).
- The amount of all transactions, grouped by transaction types.
- The amount of all payment system fees, grouped by transaction types.
- General settlement information.

## 4 NOSTRO contracts

NOSTRO contracts – a group of bank contracts to record settlements with counterparties (payment system, affiliate bank, partner organization, etc.) that are not registered in the system.

A NOSTRO contract is a bank contract whose accounts reflect settlements with branches, payment systems, affiliate banks, partner organization, and more. NOSTRO subcontracts are also used for routing when processing transactions.

A NOSTRO contract's accounts reflect amounts for transactions made with cards, including dispute cycle transactions, revenue/expenses from payment system and/or sponsor bank fees. A NOSTRO contract's accounts also record interbranch operations (for more information, see the document "Financial Institutions").

Detailed information about bank account contracts, and the procedure for registering these contracts in the system, is provided in the section "Financial Institution's Bank Account Contracts" of the document "Financial Institutions".

This section describes the following:

- [NOSTRO contract structure](#).
- [Interchange Routing](#).
- [Standard interchange routing contracts](#).
- [NOSTRO contract Account Scheme](#).

### 4.1 NOSTRO contract structure

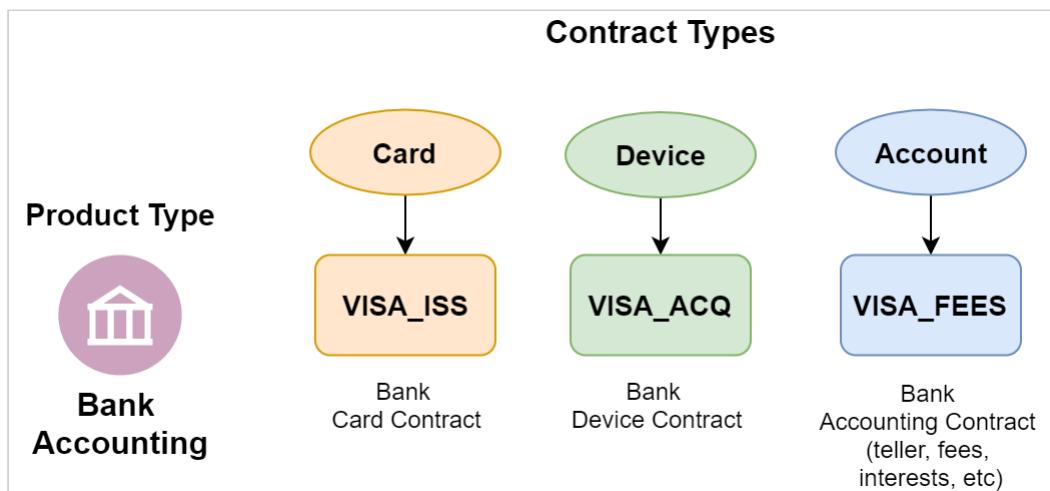
NOSTRO contracts (Full → Configuration Setup → Accounting Setup → Bank Accounting Contracts):

- Are registered in Way4 with the "Accountant" client type separately for each payment system (Visa, Mastercard, Diners Club and others) or partner organization.
- Have a two-level structure according to payment system regulations – a set of subcontracts is registered for each NOSTRO contract.

Each NOSTRO contract subcontract is classified:

- By Product type (Issuing, Acquiring, Bank Accounting).
- By contract type (Card, Device, Account).

Examples of subcontracts for the "XXX-VISA\_NOSTRO" contract:



- VISA\_ISS (Contract type = Card) – aggregating routing contract for Visa "foreign" cards that are acquired on the bank's devices.
- VISA\_ACQ (Contract type = Device) – aggregating contract for "foreign" devices that acquire Visa "our" cards.
- VISA\_FEES (Contract type = Account) – contract to reflect settlement information, including payment system fees.

Additionally, subcontracts can be split by the following:

- Card type, for example:
  - For Visa: Electron/Plus and others.
  - For Mastercard: Cirrus/Maestro and others.
- Transaction region/country (domestic or foreign operation).
- The acquirer's or issuer's region (Mastercard specific).
- Format of interaction between a payment system member and payment system: SMS or DMS.

NOSTRO subcontracts are used when configuring interchange routing for interaction with the payment system (see the section "Interchange Routing").

A list of NOSTRO subcontract is provided for different payment systems separately in the section "[Standard interchange routing contracts](#)".

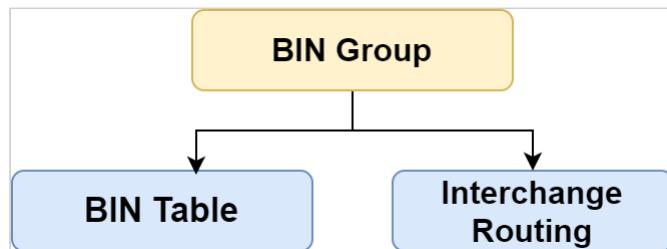
## 4.2 Interchange Routing

Interchange routing is a search for the appropriate counterparty (counterparty contract) when processing documents generated as a result of transactions made with cards, devices or financial institutions that are not registered in Way4.

Setup of interchange routing is necessary for:

- Determining the correct NOSTRO contract (routing contract).
- Preparing information to be exported to the payment system (for example, the acquirer's presentments).

Way4 has three main interchange routing tables:



- BIN table – table of bank identifiers (BIN, Bank Identification Number) for issuing (card number ranges) and acquiring (Member ID). BIN tables store information about card ranges and other characteristics of card products which belong to financial institutions that can be counterparties for operations in Way4.
- BIN group table – table of bank identifier groups. BIN groups are used in Way4 to classify interchange routing information. Each BIN group defines:
  - A list of payment system members that are counterparties with which operations are made according to the same rules.
  - A set of rules.

A set of counterparties is defined by BIN table records that belong to this BIN group, and a set of rules – by the corresponding records of the Interchange routing table.

- Interchange routing table – contains data that is used to select the required NOSTRO contract and determine parameters for sending messages depending on the financial institution and counterparty category.

When processing documents, it is necessary to do the following:

- Search for the target NOSTRO contract and determine parameters of an outgoing message by card number (in transactions with a "foreign" card on "our" device)
- Search for the source NOSTRO contract by parameters of an incoming message (in transactions with the "our" cards on "foreign" device).

A search for the required NOSTRO contract is made as follows (Full → Configuration Setup → Routing):

- According to the parameters of an outgoing document ("foreign" card's number) or incoming message (sender's Member ID), the most suitable record is selected from the BIN table, for example:

BIN Table for VISA Electron										<<	<	>	>>	1 of 1	b	x
Name	Member ID	Start BIN	End BIN	Proc Class	Term Cat	Brand	Sub BIN	Source	BIN Details							
Visa Electron	0001	100006	100006		All	VISA	100006	Own								
<b>Ins</b>	<b>Del</b>	<b>Query</b>	<b>Full Info</b>													

- According to the record found in the BIN table, the group in the BIN group table is determined:

BIN Groups					<<	<	>	>>	1 of 1	x
Name	Default Channel	Group Code	Routing Priority	Absolute Routing Priority						
Visa Electron	VISA	VRW-E		0 0						
<b>Ins</b>	<b>Del</b>	<b>Query</b>	<b>Routing</b>	<b>BIN Table</b>						

- According to the BIN group, the most suitable NOSTRO subcontract in the Interchange Routing table is determined. This contract's parameters are used when processing the corresponding incoming or outgoing document:

Routing for VISA Electron													<<	<<	>>	>>	1 of 5	b	x
Institution	Category	Term Cat	Curr	Contra Type	Trans Type	Trans Cond	Area	Custom Rules	Our MemberID	Our BIN	Channel	Online Channel	Routing Contract	Priority					
Principal	Device								0001	100006	VISA		001-VISA_ACQ	0					
Principal	Account								0001	100006	VISA		001-EP_FEES	0					
Principal	Account								0001	100006	VISA SMS		001-VISA_SMS_FEES	0					
Principal	Card	POS							0001	100006	VISA		001-EP_ISS	0					
Principal	Card	ATM							0001	100006	VISA SMS		001-EP_SMS_ISS	0					

For more information about interchange routing, see the document "[Interchange Routing \(360156831\)](#)".

## 4.3 Standard interchange routing contracts

Interchange routing contracts are NOSTRO subcontracts and are required for Services to be determined correctly when processing documents.

Subcontracts are registered in Way4 with the "Main/Sub" hierarchy type and the "See Main" rule for calculating the amount available during a transaction with the contract (Full → Configuration Setup → Accounting Setup → Bank Accounting Contracts → [Subs]).

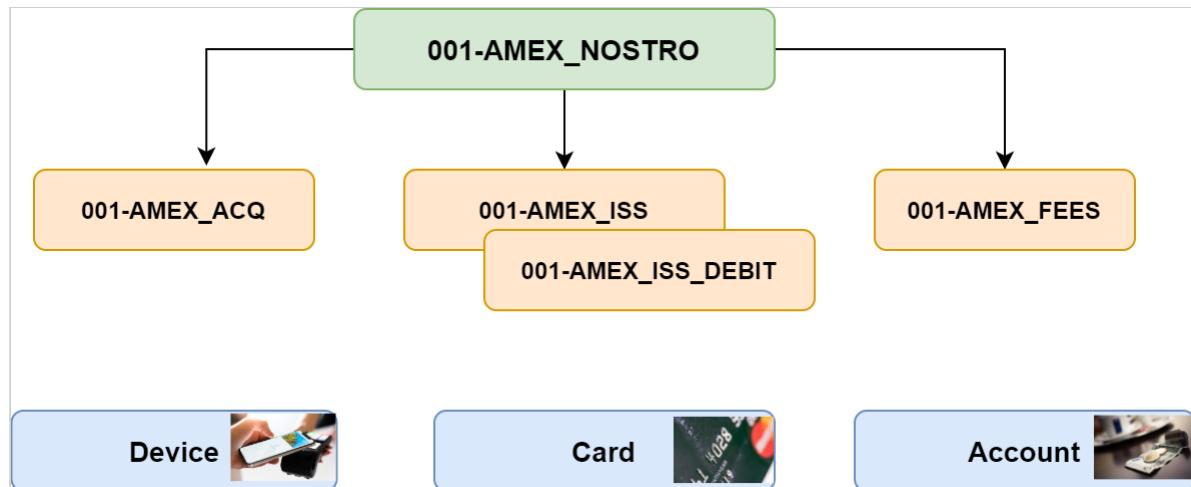
This section shows information about standard interchange routing contracts (NOSTRO subcontracts) for each payment system separately:

- "001-AMEX\_NOSTRO" subcontracts.
- "001-DCI\_NOSTRO" subcontracts.
- "001-JCB\_NOSTRO" subcontracts.
- "001-MC\_NOSTRO" subcontracts.
- "001-NSPK\_NOSTRO" subcontracts.
- "001-UPI\_NOSTRO" subcontracts.
- "001-VISA\_NOSTRO" subcontracts.

In case of Host-2-Host interaction with affiliate banks or partner organizations, a separate NOSTRO contract can be registered in Way4 to reflect interbank operations, if necessary.

### 4.3.1 "001-AMEX\_NOSTRO" subcontracts

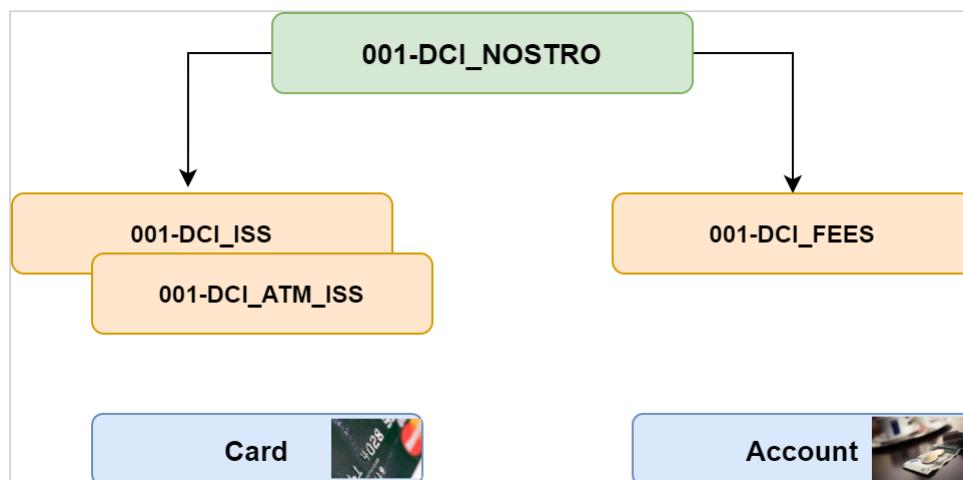
The "001-AMEX\_NOSTRO" contract has the following subcontracts:



- For device contracts:
  - 001-AMEX\_ACQ (AMEX Acq) – contract for "foreign" AMEX devices.
- For card contracts:
  - 001-AMEX\_ISS (AMEX Issuer) – contract for "foreign" AMEX cards.
  - 001-AMEX\_ISS\_DEBIT (AMEX Issuer Debit) – contract for "foreign" AMEX debit cards.
- For account contracts:
  - 001-AMEX\_FEES (AMEX Fees) – contract that is used to reflect settlement information and payment system fees for transactions with "our" or "foreign" AMEX cards.

### 4.3.2 "001-DCI\_NOSTRO" subcontracts

The "001-DCI\_NOSTRO" contract has the following subcontracts:

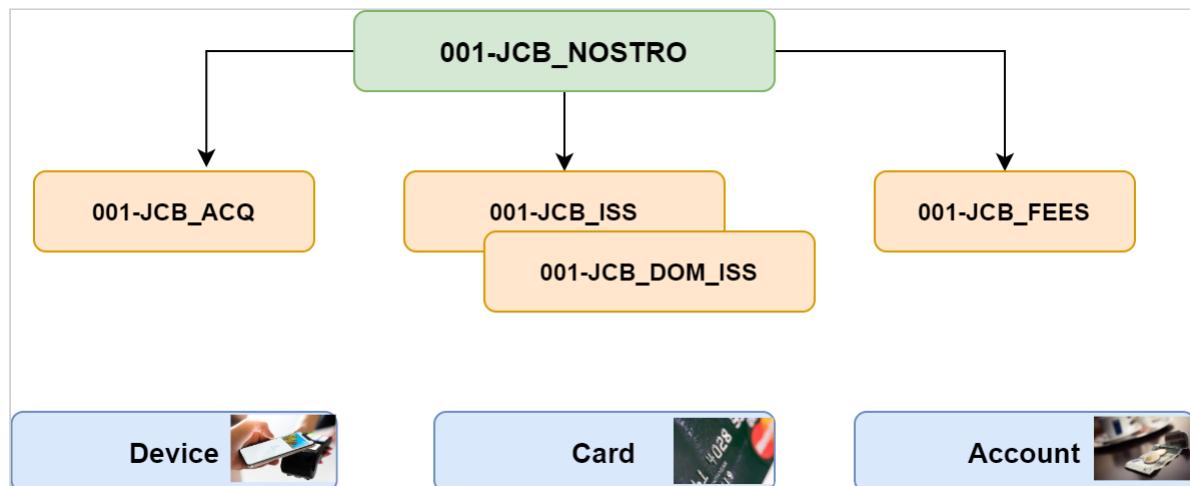


- For card contracts:
  - 001-DCI\_ISS (DCI Issuer) – contract for "foreign" DCI cards.

- 001-DCI\_ATM\_ISS (DCI ATM Issuer) – contract for "foreign" DCI cards that were acquired at the bank's ATM.
- For account contracts:
  - 001-DCI\_FEES (DCI Fees) – contract that is used to reflect settlement information and payment system fees for transactions with "our" or "foreign" DCI cards.

### 4.3.3 "001-JCB\_NOSTRO" subcontracts

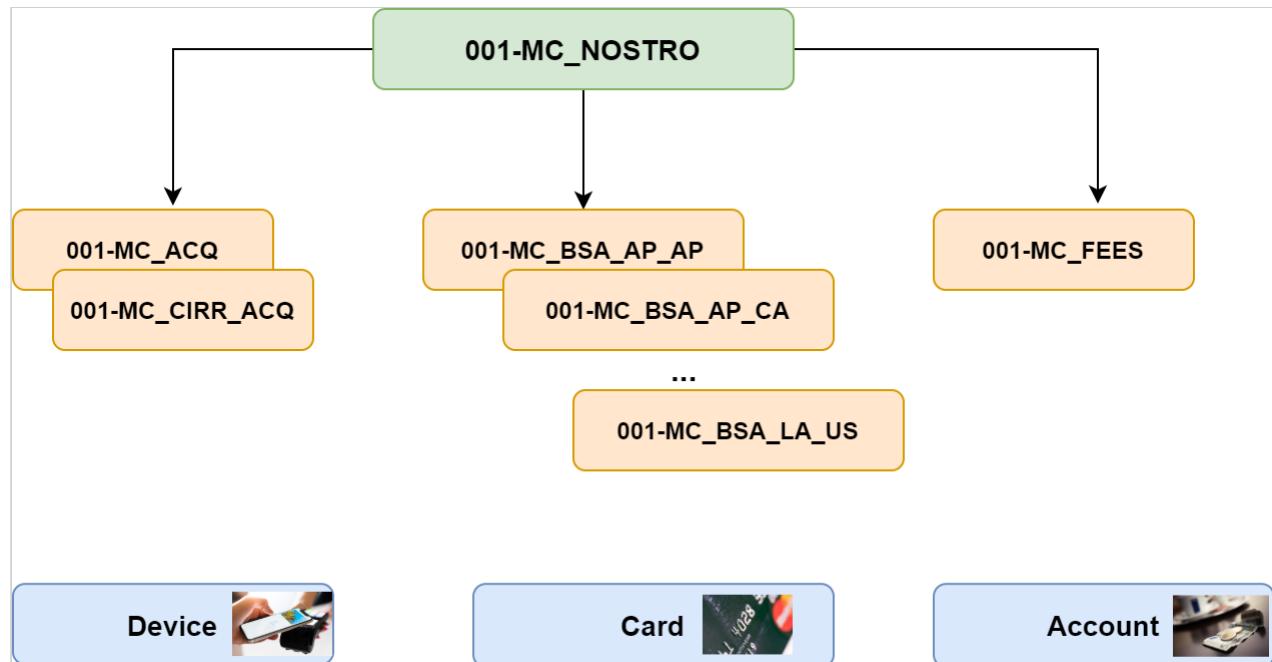
The "001-JCB\_NOSTRO" contract has the following subcontracts:



- For device contracts:
  - 001-JCB\_ACQ (JCB Acq) – contract for "foreign" JCB devices.
- For card contracts:
  - 001-JCB\_ISS (JCB Iss) – contract for "foreign" JCB cards.
  - 001-JCB\_DOM\_ISS (JCB Intra-Country Iss) – contract for "foreign" JCB cards that is used when processing transactions within national clearing.
- For account contracts:
  - 001-JCB\_FEES (JCB Fees) – contract that is used to reflect settlement information and payment system fees for transactions with "our" or "foreign" JCB cards.

#### 4.3.4 "001-MC\_NOSTRO" subcontracts

The "001-MC\_NOSTRO" contract has the following subcontracts:



Note that the bank or processing center does not use all the contracts specified below. For example, if the acquirer is in the "Europe" region, the following routing contracts can be used: "001-MC\_BSA\_DOM", "001-MC\_BSA\_DOM\_CM", "001-MC\_BSA\_EU\_AP", "001-MC\_BSA\_EU\_CA", "001-MC\_BSA\_EU\_EU", "001-MC\_BSA\_EU\_EU\_CM", "001-MC\_BSA\_EU\_GL\_CM", "001-MC\_BSA\_EU\_LA", "001-MC\_BSA\_EU\_SA", "001-MC\_BSA\_EU\_SA\_CM", and "001-MC\_BSA\_EU\_US".

- For device contracts:
  - 001-MC\_ACQ (MC Acq) – contract for Mastercard "foreign" devices.
  - 001-MC\_CIRR\_ACQ (MC Cirrus/Maestro Acq) – contract for "foreign" Mastercard devices when transactions are made with "our" Cirrus/Maestro cards.
- For card contracts:
  - 001-MC\_BSA\_AP\_AP (MC BSA AP AP Intra-Regional Asia Pacific Acq) – contract that is used for transactions with Mastercard cards if the acquirer's and issuer's region is "Asia Pacific".
  - 001-MC\_BSA\_AP\_CA (MC BSA AP CA Inter-Regional Asia Pacific Acq Canada Iss) – contract that is used for transactions with Mastercard cards if the acquirer's region is "Asia Pacific", and the issuer's region is "Canada".
  - 001-MC\_BSA\_AP\_EA (MC BSA AP EA Inter-Regional Asia Pacific Acq MEA Iss) – contract that is used for transactions with Mastercard cards if the acquirer's region is "Asia Pacific", and the issuer's region is "Middle East, Africa".

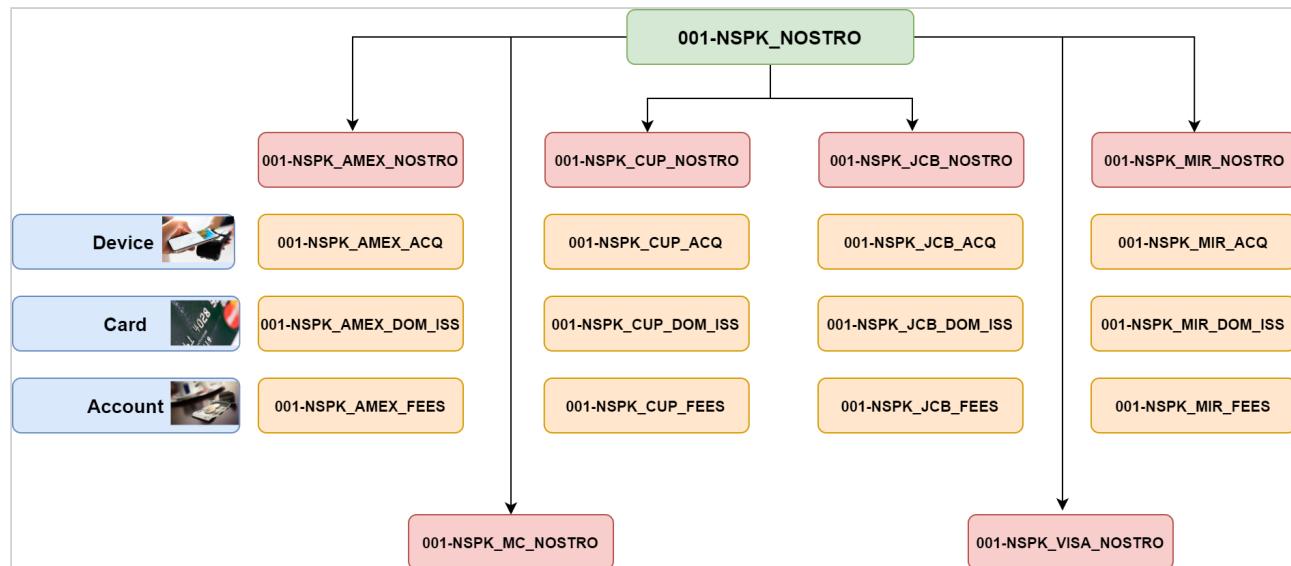
- 001-MC\_BSA\_AP\_EU (MC BSA AP EU Inter-Regional Asia Pacific Acq Europe Iss) – contract that is used for transactions with Mastercard cards if the acquirer's region is "Asia Pacific", and the issuer's region is "Europe".
- 001-MC\_BSA\_AP\_EU\_CM (MC BSA AP EU Inter-Regional Maestro Asia Pacific Acq Europe Iss) – contract that is used for transactions with Cirrus/Maestro cards if the acquirer's region is "Asia Pacific", and the issuer's region is "Europe".
- 001-MC\_BSA\_AP\_LA (MC BSA AP LA Inter-Regional Asia Pacific Acq LAC Iss) – contract that is used for transactions with Mastercard cards if the acquirer's region is "Asia Pacific", and the issuer's region is "Latin America and Caribbean".
- 001-MC\_BSA\_AP\_US (MC BSA AP US Inter-Regional Asia Pacific Acq USA Iss) – contract that is used for transactions with Mastercard cards if the acquirer's region is "Asia Pacific", and the issuer's region is "USA".
- 001-MC\_BSA\_DOM (MC BSA DOM Intra-Country Acq) – contract that is used for transactions with Mastercard cards within the national clearing.
- 001-MC\_BSA\_DOM\_CM (MC BSA DOM Intra-Country Maestro Acq) – contract that is used for transactions with Cirrus/Maestro cards within the national clearing.
- 001-MC\_BSA\_EA\_AP (MC BSA EA AP Inter-Regional MEA Acq Asia Pacific Iss) – contract that is used for transactions with Mastercard cards if the acquirer's region is "Middle East, Africa", and the issuer's region is "Asia Pacific".
- 001-MC\_BSA\_EA\_CA (MC BSA EA CA Inter-Regional SAMEA Acq Canada Iss) – contract that is used for transactions with Mastercard cards if the acquirer's region is "Middle East, Africa", and the issuer's region is "Canada".
- 001-MC\_BSA\_EA\_EA (MC BSA EA EA Intra-Regional MEA Acq) – contract that is used for transactions with Mastercard cards if the acquirer's and issuer's region is "Middle East, Africa".
- 001-MC\_BSA\_EA\_EU (MC BSA EA EU Inter-Regional MEA Acq Europe Iss) – contract that is used for transactions with Mastercard cards if the acquirer's region is "Middle East, Africa", and the issuer's region is "Europe".
- 001-MC\_BSA\_EA\_EU\_CM (MC BSA EA EU Inter-Regional Maestro SAMEA Acq Europe Iss) – contract that is used for transactions with Cirrus/Maestro cards if the acquirer's region is "Middle East, Africa", and the issuer's region is "Europe".
- 001-MC\_BSA\_EA\_LA (MC BSA EA LA Inter-Regional MEA Acq LAC Iss) – contract that is used for transactions with Mastercard cards if the acquirer's region is "Middle East, Africa", and the issuer's region is "Latin America and Caribbean".
- 001-MC\_BSA\_EA\_US (MC BSA EA US Inter-Regional MEA Acq USA Iss) – contract that is used for transactions with Mastercard cards if the acquirer's region is "Middle East, Africa", and the issuer's region is "USA".
- 001-MC\_BSA\_EU\_AP (MC BSA EU AP Inter-Regional Europe Acq Asia Pacific Iss) – contract that is used for transactions with Mastercard cards if the acquirer's region is "Europe", and the issuer's region is "Asia Pacific".

- 001-MC\_BSA\_EU\_CA (MC BSA EU CA Inter-Regional Europe Acq Canada Iss) – contract that is used for transactions with Mastercard cards if the acquirer's region is "Europe", and the issuer's region is "Canada".
- 001-MC\_BSA\_EU\_EA (MC BSA EU EA Inter-Regional Europe Acq MEA Iss) – contract that is used for transactions with Mastercard cards if the acquirer's region is "Europe", and the issuer's region is "Middle East, Africa".
- 001-MC\_BSA\_EU\_EA\_CM (MC BSA EU EA Inter-Regional Maestro Europe Acq MEA Iss) – contract that is used for transactions with Cirrus/Maestro cards if the acquirer's region is "Europe", and the issuer's region is "Middle East, Africa".
- 001-MC\_BSA\_EU\_EU (MC BSA EU EU Intra-Regional Europe Acq) – contract that is used for transactions with Mastercard cards if the acquirer's and issuer's region is "Europe".
- 001-MC\_BSA\_EU\_EU\_CM (MC BSA EU EU Intra-Regional Maestro Europe Acq) – contract that is used for transactions with Cirrus/Maestro cards if the acquirer's and issuer's region is "Europe".
- 001-MC\_BSA\_EA\_GL\_CM (MC BSA EA GL Inter-Regional Maestro Europe Acq) – contract that is used for transactions with Cirrus/Maestro cards if the acquirer's region is "Middle East, Africa", and the issuer's region is any region except "Europe" and "Middle East, Africa".
- 001-MC\_BSA\_EU\_LA (MC BSA EU LA Inter-Regional Europe Acq LAC Iss) – contract that is used for transactions with Mastercard cards if the acquirer's region is "Europe", and the issuer's region is "Latin America and Caribbean".
- 001-MC\_BSA\_EU\_US (MC BSA EU US Inter-Regional Europe Acq USA Iss) – contract that is used for transactions with Mastercard cards if the acquirer's region is "Europe", and the issuer's region is "USA".
- 001-MC\_BSA\_IR\_GL\_CM (MC BSA IR GL Inter-, Intra – Regional Intra-Country Maestro Standard) – contract that is used for transactions with Cirrus/Maestro cards for issuers and acquirers for which no special routing contract was created.
- 001-MC\_BSA\_LA\_AP (MC BSA LA AP Inter-Regional LAC Acq Asia Pacific Iss) – contract that is used for transactions with Mastercard cards if the acquirer's region is "Latin America and Caribbean", and the issuer's region is "Asia Pacific".
- 001-MC\_BSA\_LA\_CA (MC BSA LA CA Inter-Regional LAC Acq Canada Iss) – contract that is used for transactions with Mastercard cards if the acquirer's region is "Latin America and Caribbean", and the issuer's region is "Canada".
- 001-MC\_BSA\_LA\_EA (MC BSA LA EA Inter-Regional LAC Acq MEA Iss) – contract that is used for transactions with Mastercard cards if the acquirer's region is "Latin America and Caribbean", and the issuer's region is "Middle East, Africa".
- 001-MC\_BSA\_LA\_EU (MC BSA LA EU Inter-Regional LAC Acq Europe Iss) – contract that is used for transactions with Mastercard cards if the acquirer's region is "Latin America and Caribbean", and the issuer's region is "Europe".
- 001-MC\_BSA\_LA\_LA (MC BSA LA LA Intra-Regional LAC Acq) – contract that is used for transactions with Mastercard cards if the acquirer's and issuer's region is "Latin America and Caribbean".

- 001-MC\_BSA\_LA\_US (MC BSA LA US Inter-Regional LAC Acq USA Iss) – contract that is used for transactions with Mastercard cards if the acquirer's region is "Latin America and Caribbean", and the issuer's region is "USA".
- For account contracts:
  - 001-MC\_FEES (MC Fees) – contract that is used to reflect settlement information and payment system fees when making transactions with "our" or "foreign" Mastercard and Cirrus/Maestro cards.

### 4.3.5 "001-NSPK\_NOSTRO" subcontracts

The "001-NSPK\_NOSTRO" contract has the following subcontracts:



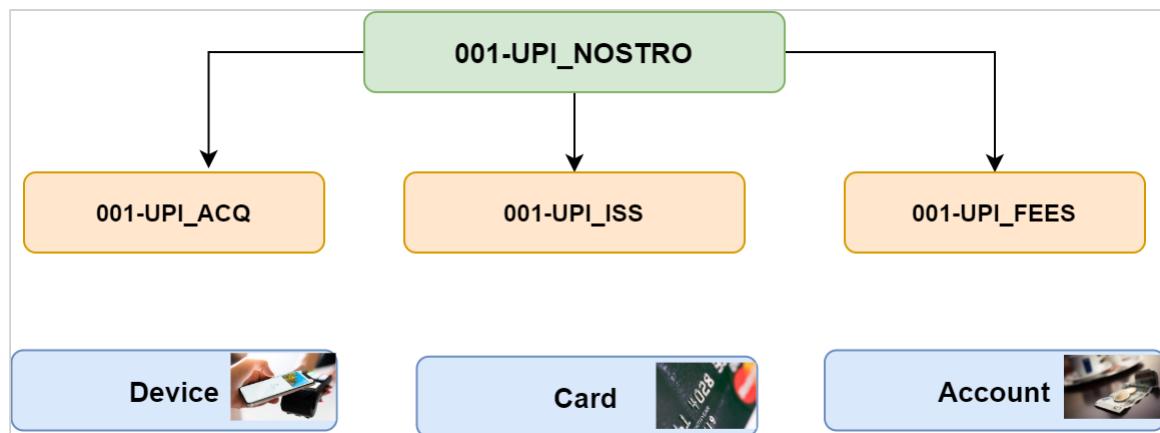
- 001-NSPK\_AMEX\_NOSTRO (NSPK AMEX Nostro) – contract that is used to reflect settlements with the payment system for transactions with AMEX cards in the Russian Federation (when the acquirer and issuer are registered in Russia).
  - For device contracts:
    - 001-NSPK\_AMEX\_ACQ (NSPK AMEX Acq) – contract for "foreign" AMEX devices when transactions are made in the Russian Federation.
  - For card contracts:
    - 001-NSPK\_AMEX\_DOM\_ISS (NSPK AMEX Intra-Country Iss) – contract for "foreign" AMEX cards within national clearing.
  - For account contracts:
    - 001-NSPK\_AMEX\_FEES (NSPK AMEX Fees) – contract that is used to reflect settlement information and payment system fees for transactions with "our" or "foreign" AMEX cards in the Russian Federation.
- 001-NSPK\_CUP\_NOSTRO (NSPK CUP Nostro) – contract that is used to reflect settlements with the payment system for transactions with CUP cards in the Russian Federation (when the acquirer and issuer are registered in Russia).

- For device contracts:
    - 001-NSPK\_CUP\_ACQ (NSPK CUP Acq) – contract for "foreign" CUP devices when transactions are made in the Russian Federation.
  - For card contracts:
    - 001-NSPK\_CUP\_DOM\_ISS (NSPK CUP Intra-Country Iss) – contract for "foreign" CUP cards within national clearing.
  - For account contracts:
    - 001-NSPK\_CUP\_FEES (NSPK CUP Fees) – contract that is used to reflect settlement information and payment system fees for transactions with "our" or "foreign" CUP cards in the Russian Federation.
- 001-NSPK\_JCB\_NOSTRO (NSPK JCB Nostro) – contract that is used to reflect settlements with the payment system for transactions with JCB cards in the Russian Federation (when the acquirer and issuer are registered in Russia).
    - For device contracts:
      - 001-NSPK\_JCB\_ACQ (NSPK JCB Acq) – contract for "foreign" JCB devices when transactions are made in the Russian Federation.
    - For card contracts:
      - 001-NSPK\_JCB\_DOM\_ISS (NSPK JCB Intra-Country Iss) – contract for "foreign" JCB cards within the national clearing.
    - For account contracts:
      - 001-NSPK\_JCB\_FEES (NSPK JCB Fees) – contract that is used to reflect settlement information and payment system fees for transactions with "our" or "foreign" JCB cards in the Russian Federation.
  - 001-NSPK\_MC\_NOSTRO (NSPK MasterCard Nostro) – contract that is used to reflect settlements with the payment system for transactions with Mastercard cards in the Russian Federation (when the acquirer and issuer are registered in Russia).
  - 001-NSPK\_MIR\_NOSTRO (NSPK MIR Nostro) – contract that is used to reflect settlements with the payment system for transactions with MIR cards in the Russian Federation (when the acquirer and issuer are registered in Russia).
    - For device contracts:
      - 001-NSPK\_MIR\_ACQ (NSPK MIR Acq) – contract for "foreign" MIR devices when transactions are made in the Russian Federation.
    - For card contracts:
      - 001-NSPK\_MIR\_DOM\_ISS (NSPK MIR Intra-Country Iss) – contract for "foreign" MIR cards within national clearing.
      - 001-NSPK\_MIR\_ISS (NSPK MIR Iss) – contract for "foreign" MIR cards.
    - For account contracts:

- 001-NSPK\_MIR\_FEES (NSPK MIR Fees) – contract that is used to reflect settlement information and payment system fees for transactions with "our" or "foreign" MIR cards in the Russian Federation.
- 001-NSPK\_VISA\_NOSTRO (NSPK Visa Nostro) – contract that is used to reflect settlements with the payment system for transactions with Visa cards in the Russian Federation (when the acquirer and issuer are registered in Russia).

#### 4.3.6 "001-UPI\_NOSTRO" subcontracts

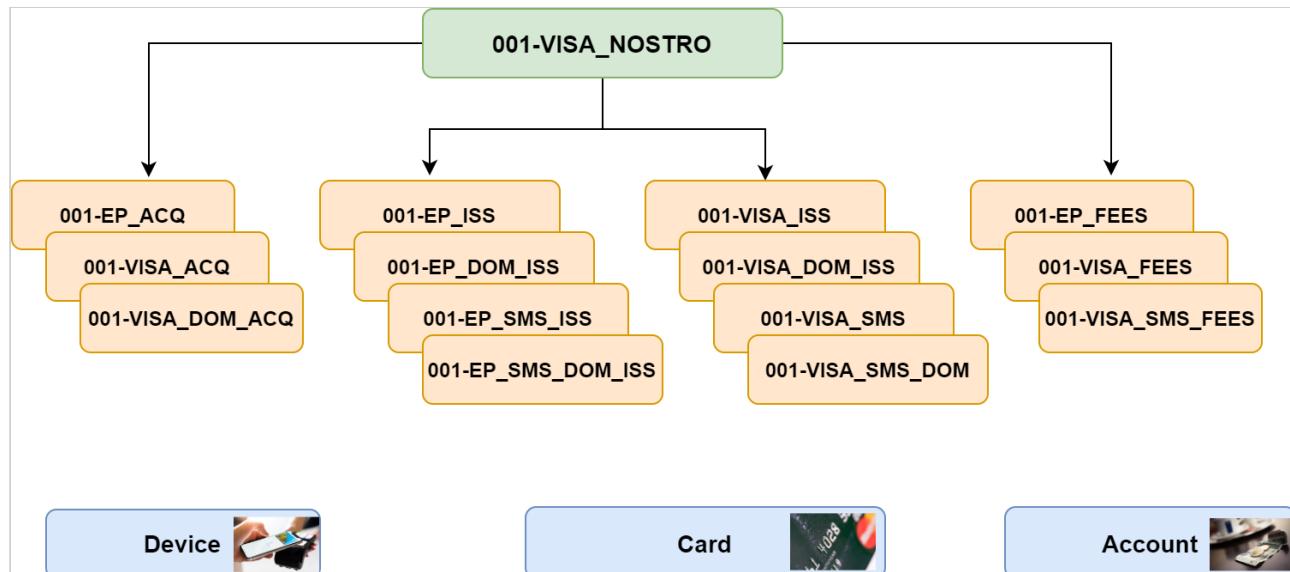
The "001-UPI\_NOSTRO" contract has the following subcontracts:



- For device contracts:
  - 001-UPI\_ACQ (UPI Acq) – contract for "foreign" UPI devices.
- For card contracts:
  - 001-UPI\_ISS (UPI Iss) – contract for "foreign" UPI cards.
- For account contracts:
  - 001-UPI\_FEES (UPI Fees) – contract that is used to reflect settlement information and payment system fees for transactions with "our" or "foreign" UPI cards.

### 4.3.7 "001-VISA\_NOSTRO" subcontracts

The "001-VISA\_NOSTRO" contract has the following subcontracts:

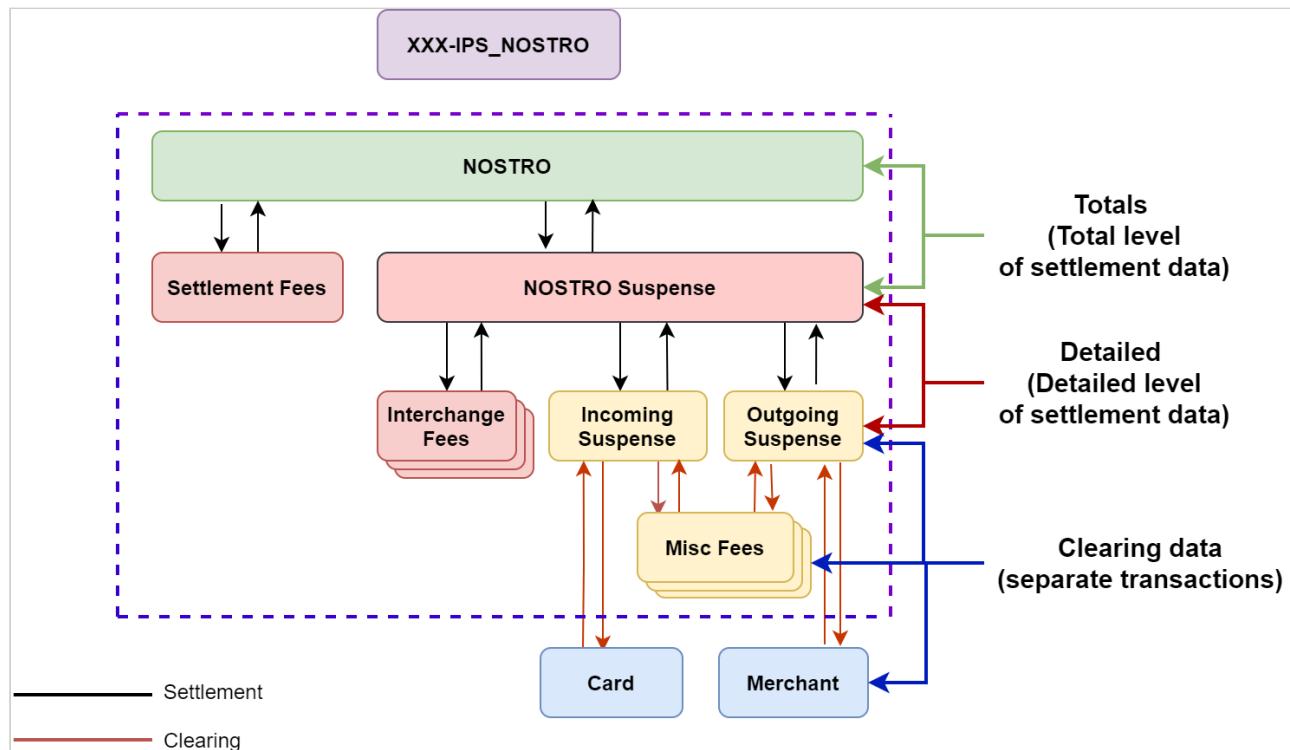


- For device contracts:
  - 001-EP\_ACQ (Electron/Plus Acq) – contract for "foreign" Visa devices that is used to process transactions with "our" Electron/Plus cards.
  - 001-VISA\_ACQ – contract for "foreign" Visa devices.
  - 001-VISA\_DOM\_ACQ (VISA Intra-Country Acq) – contract for "foreign" Visa devices that is used when processing transactions within national clearing.
- For card contracts:
  - 001-EP\_ISS (Electron/Plus Iss) – contract for "foreign" Electron/Plus cards.
  - 001-EP\_DOM\_ISS (Electron/Plus Intra-Country) – contract for "foreign" Electron/Plus cards that is used when processing transactions within national clearing.
  - 001-EP\_SMS\_ISS (Electron/Plus SMS Iss) – contract for "foreign" Electron/Plus cards that is used when processing transactions in SMS format.
  - 001-EP\_SMS\_DOM\_ISS (Electron/Plus SMS Intra-Country) – contract for "foreign" Electron/Plus cards that is used when processing transactions in SMS format within national clearing.
  - 001-VISA\_ISS (VISA Iss) – contract for "foreign" Visa cards.
  - 001-VISA\_DOM\_ISS (VISA Intra-Country) – contract for "foreign" Visa cards that is used when processing transactions within national clearing.
  - 001-VISA\_SMS (VISA SMS) – contract for "foreign" Visa cards that is used when processing transactions in SMS format.
  - 001-VISA\_SMS\_DOM (VISA SMS Intra-Country) – contract for "foreign" Visa cards that is used when processing transactions in SMS format within national clearing.
- For account contracts:

- 001-EP\_FEES (Electron/Plus Fees) – contract that is used to reflect settlement information and payment system fees for transactions with "our" or "foreign" Electron/Plus cards.
- 001-VISA\_FEES (VISA Fees) – contract that is used to reflect settlement information and payment system fees when making transactions with "our" or "foreign" Visa cards.
- 001-VISA\_SMS\_FEES (VISA SMS Fees) – contract that is used to reflect settlement information and payment system fees when making transactions in SMS format with "our" or "foreign" Visa cards.

## 4.4 NOSTRO contract Account Scheme

To record "Clearing&Settlement" file data (see the section "[Clearing and settlement file structure](#)") in the standard NOSTRO contract's Account Scheme, the following account templates are registered:



- **Nostro** – template of the account for recording net settlement, including amounts to be debited from or credited to the bank's correspondent account for settlements. The "Nostro" account is used to record "total level" transactions.
  - **Settlement fees** – template of the account for recording payment system fees: payment system members acquiring fee, one-time fees, fees for dispute cycle transactions, and others.
- For example, this account records fees with the following transaction types (Full → Configuration

## Setup → Transaction Types → Transaction Subtypes – All):

Transaction Subtypes - All									<<	<	>	>>	1 of 15	X
	Source Cat	Target Cat	Source Type	Target Type	Source Acc Type	Target Acc Type	Triggered Event	Fee Algorithm Options	Name					
→ Account	Account	Nostro	Nostro	Nostro Suspense	Settl Fees Passive				Other Charges					
Account	Account	Nostro	Nostro	Nostro Suspense	Settl Fees Passive				Iss Charges					
Account	Account	Nostro	Nostro	Nostro Suspense	Settl Fees Passive				Acq Charges					
Account	Account	Nostro	Nostro	Nostro	Settl Fees Passive				VSS Charges Other					
Account	Account	Nostro	Nostro	Nostro	Settl Fees Passive				VSS Charges Iss					
Account	Account	Nostro	Nostro	Nostro	Settl Fees Passive				VSS Charges Acq					
Account	Account	Nostro	Nostro	Nostro	Settl Fees Passive				Iss Charges Total					
Account	Account	Nostro	Nostro	Nostro	Settl Fees Active				EC Transfer Fee					
Account	Account	Nostro	Nostro	Nostro	Settl Fees Active				EC Fax Fee					
Account	Account	Nostro	Nostro	Nostro	Settl Fees Passive				Base charge PC Inc					
Account	Account	Nostro	Nostro	Nostro	Settl Fees Passive				Base Charge BIN Out					
Account	Account	Nostro	Nostro	Nostro	Settl Fees Passive				Base charge BIN Inc					
Account	Account	Nostro	Nostro	Nostro	Settl Fees Passive				Acq Charges Total					
Account	Account	Nostro	Nostro	Settl Fees Passive	Inc Suspense				VSS Conversion					
Account	Account	Nostro	Nostro	Settl Fees Passive	Inc Suspense				Iss Conversion Fee Total Out					

Ins | Del | Query

- **Nostro Suspense** – template of the account for recording transactions and fees at the detailed level of the file's settlement data. After processing documents that were generated on the basis of the file's data (messages), the "Nostro Suspense" account balance must be zero.
- **Incoming Suspense/Outgoing Suspense** – templates of accounts for incomplete settlements with the payment system. These templates show transactions made with the bank's cards and/or devices (recording of clearing information). The "Incoming Suspense" account shows amounts "to be debited" by the payment system for transactions made with "our" cards on "foreign" devices, payment system fees, etc. The "Outgoing Suspense" account shows amounts "to be paid" by the payment system for transactions made on "our" devices with "foreign" cards.
- **Interchange Fees** – templates for accounts that are used to record interchange fee amounts. In Way4, fees are recorded separately depending on the operation type:
  - **Retail Fees Active/Retail Fees Passive** – asset/liability account pair for recording fees for "Retail", "Credit", and "Unique" transactions.
  - **Cash Fees Active/Cash Fees Passive** – asset/liability account pair for recording fees for cash withdrawal at a terminal.
  - **ATM Fees Active/ATM Fees Passive** – asset/liability account pair for recording fees for cash withdrawals at ATMs.

An interchange fee is shown at the detailed level of a file's settlement data, as the sum of transactions of a certain type.



An interchange fee can be recorded for each transaction separately:

- An issuing interchange fee is provided by the payment system in each presentment as part of the presentment's clearing record (for more information, see the section "[Issuing interchange fee](#)").
- For acquirers, fees can be recorded using:
  - Payment system reconciliation files with information about a fee that was debited or credited for each transaction (if there is a corresponding agreement with the payment system). Reconciliation files are imported to Way4 for generating documents in which Actual Interchange Fee (AIF) and the acquirer's revenue/expense that was confirmed after reconciliation with the "Clearing&Settlement" file's data are recorded. The functionality is provided according to a separate agreement with OpenWay. When NOSTRO contract functionality is used, additional account types are registered to record AIF and amounts of actual revenue/expense of the acquirer, confirmed after reconciliation (for more information, see the document "[WAY4 Actual Interchange Fee Posting](#)").
  - Payment system reconciliation files and "Way4 Fee Prediction" functionality that makes it possible to calculate Predicted Interchange Fee (PIF) and related merchant fees when processing a transaction. This functionality is provided according to a separate agreement with OpenWay. When "Way4 Fee Prediction" functionality is used for a NOSTRO contract, additional account types are registered to record the predicted and actual amounts of the interchange fee (for more information, see the document "[Way4 Acquiring Fee Prediction & Reconciliation](#)").

- **Misc Fees** – template of the account to record fees according to interbank documents (Fee Collection and Funds Disbursement) – detailed level of the file's settlement data.

After documents generated based on the file data (messages) have been processed, entries between NOSTRO contract accounts are generated in Way4.

- "Nostro" and "Nostro Suspense" – total amount of transactions (total level of settlement data).
- "Nostro" and "Settlement Fees" – total amount of fees (total level of settlement data).
- "Nostro Suspense" and "Incoming Suspense"/"Outgoing Suspense" – transaction amount grouped by transaction types (settlement data detailed level).
- "Incoming Suspense" and "Settlement Fees" – fee amount grouped by transaction types (settlement data detailed level).

Clearing information is shown in one of the following entries:

- Between the client's (individual's) account and "Incoming Suspense" account.
- Between the merchant account and "Outgoing Suspense" account.

## 5 Issuing interchange fee

In each clearing record of a presentment, the payment system sends an issuing interchange fee amount that was calculated with high precision of six decimal places. The interchange fee amount is shown for transactions made with "our" cards on "foreign" devices.

This information makes it possible for the issuer to determine how the payment system will calculate the fee (Issuing Reimbursement Fee Total). The fee amount is shown in the file's settlement data (total level) and is rounded to currency exponent.

Interchange fee functionality makes it possible:

- To record a high precision interchange fee when processing a presentment (financial document).
- On a daily basis, to record a high precision fee amount (rounded to two decimal places) in the revenue account.
- To record settlements with a payment system for the interchange fee amount.
- To balance accounts.

The section describes the following:

- [Import pipe parameters](#).
- [Setup for recording high precision interchange fees](#).
- [Recording settlements with a payment system on the basis of interchange fee](#).
- [Transferring an interchange fee to a revenue account](#).
- [Balancing "Total Iss Fees Passive/Active" accounts](#).
- [Issuing interchange fee accounting](#).

For more information about the general scheme for setting up accounts to record high precision fees, see the section "High Precision Accounting" of the document "Way4 Account Schemes".

### 5.1 Import pipe parameters

The interchange fee amount is stored in the document's *Source Fee Amount* field (see the example in the section "[Setup for recording high precision interchange fees](#)").

To import the issuing interchange fee amount for transactions that were made with Visa cards, set the parameter `APPLY_INTERCHANGE_FEE_<ProcessingBIN> = Y` for the "Clearing&Settlement" file import pipe (OpenWay → VISA → VISA. Daily Procedures → VISA. Inward Procedures → VISA BASE II Inward Processing). The transaction amount is stored with high precision in the document.

For transactions with Mastercard cards, by default, the interchange fee amount is filled in from data of the clearing message's PDS0146 element

(that is, the number of decimal places is determined according to the fractional currency portion of the amount). If the issuer is provided information about a high precision fee amount, when recording the amount, data from the clearing message's PDS0147 element will be used. Depending on the value of the `USE_EXT_PRECIS_FEE` parameter that is set for the "Clearing&Settlement" file import pipe (OpenWay → MasterCard → MC.Daily Procedures → MC.Inward Processing → IPM Inward Processing), the high

precision fee amount will be stored in the document's *Source Fee Amount* field (Y) or in IRF\_AMOUNT/IRF\_CURR tags (N, default).



If the USE\_EXT\_PRECIS\_FEE parameter's value is:

- "Y", and data of the clearing message's PDS0147 element is missing, the document's *Source Fee Amount* field will be filled in according to the PDS0146 element's data.
- "N", the fee amount will be imported to Way4 according to the PDS0146 element's data. If the PDS0147 element also contains information, it will be stored in IRF\_AMOUNT/IRF\_CURR tags.

## 5.2 Setup for recording high precision interchange fees

To set up recording of high precision issuing interchange fees, do as follows:

1. In the "Account Types" form (Full → Configuration Setup → Accounting Setup → Account Types), add the following account types:

- For recording the total amount of all issuing fees:

Account Types											1 of 2	X
Product	Name	Account Role	Category	Is Am Av	Due Type	Code	Prior	Charge For Open	Send Debit To	Send Credit To		
Bank Accounting	Total Iss Fees Active	Settlement	Other	No	None	T-ISS-FEE-ACT	0				Total Iss Fees Passive	
Bank Accounting	Total Iss Fees Passive	Settlement	Other	No	None	T-ISS-FEE-PAS	0				Total Iss Fees Active	
<a href="#">Ins</a>	<a href="#">Del</a>	<a href="#">Query</a>	<a href="#">Check</a>	<a href="#">Templates</a>	<a href="#">Msg Dict</a>	<a href="#">Messages</a>						

- For recording high precision fees:

Account Types											1 of 8	X
Product	Name	Account Role	Category	Is Am Av	Due Type	Code	Prior	Charge For Open	Send Debit To	Send Credit To	Account Status	
Bank Account	Total Iss Fees Passive HP	Settlement	Other	No	None	T-ISS-FEE-PAS	0				Other	
Bank Accounting	Total Iss Fees Active HP	Settlement	Other	No	None	T-ISS-FEE-ACT	0				Total Iss Fees Passive	Other
Bank Accounting	Retail Fees Passive HP	Settlement	Other	No	None	R-HP	0				Other	
Bank Accounting	Retail Fees Active HP	Settlement	Other	No	None	r-HP	0				Retail Fees Active HP	Other
Bank Accounting	Cash Fees Passive HP	Settlement	Other	No	None	C-HP	0				Retail Fees Passive HP	Other
Bank Accounting	Cash Fees Active HP	Settlement	Other	No	None	c-HP	0				Cash Fees Active HP	Other
Bank Accounting	ATM Fees Passive HP	Settlement	Other	No	None	G-HP	0				Cash Fees Passive HP	Other
Bank Accounting	ATM Fees Active HP	Settlement	Other	No	None	g-HP	0				ATM Fees Active HP	Other
<a href="#">Ins</a>	<a href="#">Del</a>	<a href="#">Query</a>	<a href="#">Check</a>	<a href="#">Templates</a>	<a href="#">Msg Dict</a>	<a href="#">Messages</a>						

2. In the "Definition for <name of Account Scheme>" form, for NOSTRO contract's required Account Schemes (Full → Configuration Setup → Accounting Setup → Bank Account Schemes → [Definitions]):

- Add account templates with the types specified in item 1, in currencies for settlement with payment systems, for example:

Definition for 001-VISA Nostro								
Currency	GL type	GL #	HeadOffice GL #	Account Type	Account Name	Is Ready	Fin Institution	
USD	High precision account	001B-VISA-N-A-FEE-P-HP-840	001B-VISA-N-A-FEE-P-HP-840	ATM Fees Passive HP	ATM Fees Passive	Ready	Principal	
USD	High precision account	001B-VISA-N-A-FEE-A-HP-840	001B-VISA-N-A-FEE-A-HP-840	ATM Fees Active HP	ATM Fees Active	HP Ready	Principal	
USD	High precision account	001B-VISA-N-C-FEE-P-HP-840	001B-VISA-N-C-FEE-P-HP-840	Cash Fees Passive HP	Cash Fees Passive	Ready	Principal	
USD	High precision account	001B-VISA-N-C-FEE-A-HP-840	001B-VISA-N-C-FEE-A-HP-840	Cash Fees Active HP	Cash Fees Active	HP Ready	Principal	
USD	High precision account	001B-VISA-N-R-FEE-P-HP-840	001B-VISA-N-R-FEE-P-HP-840	Retail Fees Passive HP	Retail Fees Passive	HP Ready	Principal	
USD	High precision account	001B-VISA-N-R-FEE-A-HP-840	001B-VISA-N-R-FEE-A-HP-840	Retail Fees Active HP	Retail Fees Active	A HP Ready	Principal	
USD	High precision account	001B-VISA-N-T-FEE-P-HP-840	001B-VISA-N-T-FEE-P-HP-840	Total Iss Fees Passive HP	Total Iss Fees Pass	Ready	Principal	
USD	High precision account	001B-VISA-N-T-FEE-A-HP-840	001B-VISA-N-T-FEE-A-HP-840	Total Iss Fees Active HP	Total Iss Fees Active	A Ready	Principal	

- For all added templates, select the "High precision account" value in the *GL Type* field, for example:

<b>GL Type</b>	High precision account
<b>GL #</b>	001B-VISA-N-T-FEE-A-HP-840
<b>Numeration Type</b>	First Transfer
<b>Aggregate GL For</b>	
<b>Off-balance XF Account</b>	
<b>FX Type</b>	
<b>GL Tariff</b>	

- For "Retail Fees Active HP/Passive HP", "Cash Fees Active HP/Passive HP", "ATM Fees Active HP/Passive HP" account templates, specify the OWN\_ALT\_XF\_ACCOUNT tag in the *Template Details* field:

<b>Template Details</b>	OWN_ALT_XF_ACCOUNT;
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The OWN\_ALT\_XF\_ACCOUNT tag makes it possible to search for an XF account for a counterparty contract (for example, 001-Client Fee) in the contract for which this tag is specified (for example, in the "001-VISA Nostro" contract).

XF account – "bucket account" for correspondence of accounts when transferring funds between accounting sections (for more information, see the section "Configuring the "GL Types" Form of the document "Way4 Account Schemes").

- Approve Account Scheme value settings by clicking the [Approve] button in the "Bank Account Schemes" form.

3. In the "Custom Fee" form (Full → Configuration Setup → Accounting Setup → Bank Service Packs → [Source/Target]) → [Custom Fee]:

- Add a custom fee for Services registered in Service Packages for the NOSTRO subcontracts with the "Device" category (for example, the "001-VISA Acq" and "001-VISA Intracountry Acq" Service Packages for Visa).
- Make the following settings:
  - In the *Service Details* field, specify the tags: SRCFD;PRECISION=6;
  - Specify "100" in the *Fee %* field.
  - Select the "Total Iss Fees Active HP" value in the *Account Type* field.
  - Select the "Retail Fees Active HP" value in the *Fee Account* field.

Fee Type	Rate Type	Fee Curr	Fee Base	Fee %	Fee Day	Direction	Fee Tariff	Fee Code	Service Details	Name	Is Ready
Middle			0,00	100,000		Debt		SRCFD;PRECISION=6;	Retail (Our VISA Cards) Custom Fee		Ready

Full Info for Retail (Our VISA Cards) Custom Fee:											
Contra Fl				Fee Dir	Debt				Fee Code		
Subtype				Fee Curr				Floor Limit	0,00		
Settl Curr				Fee Base	0,00			Value Days	0		
Trans Curr				Fee Min	0,00			Service Allowed	Always		
Condition				Fee Max	0,00			Service Details	SRCFD;PRECISION=6;		
Max Amount	0,00			Fee %	100,00			Account Type	Total Iss Fees Active HP		
Min Amount	0,00			FX Rate Type	Middle			Account Curr			
Max Amnt Curr				FX Type				Fee Contract	001-VISA_ACQ		
Preference				Increase %	0,00			Fee Account	Retail Fees Active HP		
SIC Group				Fee Tariff				Ready			
Expiry Period	0			Limit Tariff							
Spc Fee Code				VD Tariff							
Priority	0										

- Approve Service Package parameters by clicking the [Approve] button in the "Bank Service Packs" form.

For example, after these settings have been made, when a presentment is processed for a Retail transaction:

1. The issuing interchange fee amount will be shown with high precision (six decimal places) in the document's *Source Fee* field:

Amount:		Currency:	
<b>Transaction:</b>	10,00	<b>Currency:</b>	USD
<b>Settlement:</b>	10,00	<b>Currency:</b>	USD
<b>Reconcil:</b>	10,00	<b>Currency:</b>	USD
<b>Source Fee:</b>	2,123456	<b>Currency:</b>	USD
<b>Target Fee:</b>	0,00	<b>Currency:</b>	

2. The following entries will be generated:

- Entries between high precision accounts:

- Debit: CI Deposit – Credit: Incoming Suspense. For the transaction amount – 10 USD.
- Debit: Total Iss Fees Active HP – Credit: Retail Fees Passive HP. For the high precision fee amount – 2.123456 USD.
- Journal entries for contract accounts:

## 5.3 Recording settlements with a payment system on the basis of interchange fee

For interchange amount fee settlements between payment system members to be made through the payment system, additional settings are required for processing settlement data.

- In the "Transaction – ALL" form, configure transaction subtypes to pay or debit an interchange fee (Full → Configuration Setup → Transaction Types → Transaction – ALL):
  - Select the required transaction types. For example, for Visa, the following criteria can be used for a query (with the [Query] button):

- For the transaction types that are found, filter transaction subtypes for which the *Target Acc Type* field has one of the following values: "Retail Fees Passive", "Cash Fees Passive", or "ATM Fees Passive".
- For the filtered transaction subtypes, replace the "Retail Fees Passive", "Cash Fees Passive", or "ATM Fees Passive" value in the *Target Acc Type* field with the "Total Iss Fees Passive" value (the *Target Acc Type* field must have the "Total Iss Fees Passive" value), for example:

Transactions - All														<a href="#">&lt;&lt;</a>	<a href="#">&lt;</a>	<a href="#">&gt;</a>	<a href="#">&gt;&gt;</a>	1 of 1	X	
Service Class	Source	Target	Name	DR/CR	Previous	Chain Type	Is Authorized	Is Required	Category	RBS Code	RBS Rev Code	Dispute Class	Trans Type Idt							
Transaction	Account	Account	Iss Reimb Fee Detail All Retail	Credit	Original	Never	Yes	Settlement	S2-F009	s2-f009			S2-F009							
<a href="#">Ins</a>	<a href="#">Del</a>	<a href="#">Query</a>	<a href="#">Actions...</a>	<a href="#">SubTypes</a>	<a href="#">Msg Types</a>	<a href="#">Reasons</a>	<a href="#">Requirements</a>	<a href="#">Msg Dict</a>												
SubTypes for Iss Reimb Fee Detail All Retail														<a href="#">&lt;&lt;</a>	<a href="#">&lt;</a>	<a href="#">&gt;</a>	<a href="#">&gt;&gt;</a>	1 of 1	b	X
Source Cat	Target Cat	Source Type	Target Type	Source Acc Type	Target Acc Type	Triggered Event	Fee Algorithm Options	Name												
Account	Account	Nostro	Nostro	Nostro Suspense	Total Iss Fees Passive			Iss Reimb Fee Detail All Retail												
<a href="#">Ins</a>	<a href="#">Del</a>	<a href="#">Query</a>																		

Check the uniqueness of the fields *Trans Type Idt* and *RBS Code*. To do so, click the [Actions] button in the "Transactions – All" form and select "Check All" from the context menu. If duplicates are found:

- The *Trans Type Idt* field's value is automatically adjusted; if the *Trans Type Idt* field is not filled in, when the check is made, the *Trans Type Idt* field is filled in automatically.
- If a duplicate is found in the *RBS Code* field, a window with an error message will open and the error will be logged in the Process Log.

- In the "Definition for <name of Account Scheme>" form for the Account Scheme of the required NOSTRO contract, set rules to define the XF account that will be used when transferring reimbursement of the interchange fee amount from the "Nostro Suspense" account to the "Total Iss Fees Passive HP" account. To do so, in the "Nostro Suspense" account template's *Template Details* field, specify the tags OWN\_XF\_ACCOUNT and XF = <code of the "Total Iss Fees Passive" account>;:

Template Details	OWN_XF_ACCOUNT;XF=T-ISS-FEE-PAS;
------------------	----------------------------------



When the OWN\_XF\_ACCOUNT tag is specified for a contract, a search for the XF account is made in the same contract (in this case, in the NOSTRO contract).

Approve Account Scheme value settings by clicking the [Approve] button in the "Bank Account Schemes" form.

### Example of an interchange fee reimbursement document:

The screenshot shows a form titled "Doc for Settlement Fees 5 USD". The "Transaction Type" field is highlighted with a red border. Other fields include "Document Type", "Reference #", "Amounts", "Source/Target", "Dispute Info", and various date/time fields.

When the document is processed, the following entries are generated:

- Debit: Nostro Suspense – Credit: Total Iss Fees Passive.
- Debit: XF-HP – Credit: Total Iss Fees Passive HP.



Funds are transferred from the "Nostro Suspense" account to the "Total Iss Fees Passive" account according to accounts defined in the transaction subtype (see item 1).

## 5.4 Transferring an interchange fee to a revenue account

To transfer an interchange fee amount from a "High Precision" cumulative account to a revenue/expense account, set up a special standing payment order.

To do so:

- In the "SubTypes for ..." form, set up a transaction subtype to post the transaction by a payment order (Full → Configuration Setup → Transaction Types → Transaction – ALL → [Sub Types]):

The screenshot shows two overlapping windows. The top window is titled 'Transactions - All' and lists a single row of data: Transaction (Type), Account (Source), Account (Target), Name (Debit Account), DR/CR (Debit), Previous (Original), Chain Type (Never), Is Authorized (Yes), Required Category (Individual), RBS Code (DA), RBS Rev Code (da), and Dispute Class. The bottom window is titled 'SubTypes for Debit Account' and lists a single row: Source Cat (Device), Target Cat (Account), Source Type (VISA Acq), Target Type (Bank Account), Source Acc Type ( ), Target Acc Type ( ), Triggered Event ( ), Fee Algorithm Options ( ), and Name (Debit Account). Both windows have standard navigation buttons (Ins, Del, Query) at the bottom.

Check the uniqueness of the fields *Trans Type Idt* and *RBS Code*. To do so, click the [Actions] button in the "Transactions – All" form and select "Check All" from the context menu. If duplicates are found:

- The *Trans Type Idt* field's value is automatically adjusted; if the *Trans Type Idt* field is not filled in, when the check is made, the *Trans Type Idt* field is filled in automatically.
  - If a duplicate is found in the *RBS Code* field, a window with an error message will open and the error will be logged in the Process Log.
- In the "SO Full for <account name>" form of the NOSTRO contract's Account Scheme, set up a standing payment order with the "Interbranch" value in the *Date Event* field (Full → Configuration Setup → Accounting Setup → Bank Account Schemes → [Definitions] → [SO Full]):



The standing payment order is set up in the same account that is specified in the Service for recording this fee, that is in the "High Precision" cumulative account. In this example, this is the "Retail Fees Active HP" account (see settings of the Service Package for NOSTRO subcontracts in item 3 of the section "[Setup for recording high precision interchange fees](#)").

St. Orders for Retail Fees Active HP

Order Type	Credit Amount	Target Template
Order Code		Use Liability
Order Category	General	Target Spc
Payment Type		Counter Party
Trans Type	Debit Account	Target Member ID
Source Account		Target Number
Date Event	Interbranch	Target Acc Type
Event Day	0	
Amount Curr		Target Details 1
Amount Event	0,00	Target Details 2
Target Amount	0,00	Payment Details
Amount Percent	0,00	Order Comment
Min Amount	0,00	Is Active
Max Amount	0,00	Date From
Balance Type		Date To
Tgt Balance Type		If Beh Type / State
May Be Partial	Yes	Active If State
Check Target		Priority
Event Type		Posting Details
		SPLIT_DR_CR;PRECISION=6;
		Ready

**Buttons:** Ins Del Query Check Documents Tagged Data

Approve Account Scheme value settings by clicking the [Approve] button in the "Bank Account Schemes" form.

- In the "Definition for <name of Account Scheme>" form, add an XF account template (Account Type = XF HP) to the "001-Branch Deposit" Account Scheme for correspondence with the "High Precision" cumulative account registered for NOSTRO contract:

Bank Account Schemes

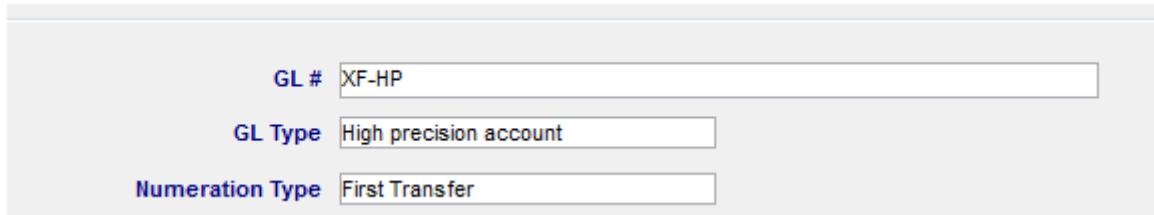
Institution	Scheme Name	Parent Scheme	Currency	Interval	Length	FX Type	Is Ready
Principal	001-Branch Deposit		RUR	Day	7		Ready

**Buttons:** Ins Del Query Approve Contracts Definition Ageing Messages Details

Definition for 001-Branch Deposit

Currency	GL type	GL #	HeadOffice GL #	Account Type	Account Name	Is Ready	Fin Institution
USD	High precision account	XF-HP-840	XF-HP-840	XF HP	XF HP USD	Ready	Principal

**Buttons:** Ins Del Query Full Info Acc Type St. Orders SO Due SO Evnt Base SO Interest



The screenshot shows the 'Bank Account Schemes' configuration screen. It includes three input fields: 'GL #' with value 'XF-HP', 'GL Type' with value 'High precision account', and 'Numeration Type' with value 'First Transfer'.

Approve Account Scheme value settings by clicking the [Approve] button in the "Bank Account Schemes" form.

- In the "GL Types" form, configure rules to define an XF account for the "High Precision" account (Full → Configuration Setup → Accounting Setup → GL Types):

- In the "High precision account" accounting section, specify the tags `XF_CONTRACT=FI_DEPOSIT;XF=XF-HP;` in the *XF Configuration* field. An XF account with this account type code will be selected from accounts of the financial institution's Deposit Contract, that is from the "001-Branch Deposit" contract.
- Specify the `PRECISION=6;` tag in the *Special Parameters* field.



The screenshot shows the 'GL Types' list view. A row for 'High precision account' is selected and highlighted with a red border. The 'XF configuration' column contains the value `XF_CONTRACT=FI_DEPOSIT;XF=XF-HP;`. The 'Special parameters' column contains the value `PRECISION=6;`.

GL Types			<<	<	>	>>	3 of 5	X
Code	Name	XF configuration	Show In Pipes	Special parameters				
t	Technical		No					
O	Off-Balance		Yes					
h	High precision account	<code>XF_CONTRACT=FI_DEPOSIT;XF=XF-HP;</code>	No	<code>PRECISION=6;</code>				
d	DCC account		No					
B	Balance		Yes					

Buttons at the bottom include 'Ins', 'Del', and 'Query'.

- In the "Full Info for <name of account template>", for revenue/expense account templates that are registered in the "001-Client Fee" Account Scheme, set up rules to define XF accounts as follows (Full → Configuration Setup → Accounting Setup → Bank Account Schemes → [Definitions] → [Full Info]):

- For "Retail" revenue/expense accounts, specify the "Retail Fees Active" account type code in the *Template Details* field: `XF=r;`



- Similarly, the "Cash Fees Active" account type code must be specified for "Cash" revenue/expense accounts, and the "ATM Fees Active" account type code for "ATM" revenue/expense accounts.

Approve Account Scheme value settings by clicking the [Approve] button in the "Bank Account Schemes" form.

Accordingly, when processing the standing payment order (Date Event = Interbranch), the following entries for assigning the interchange fee to revenue will be generated:

- Debit: Retail Fees Active HP – Credit: XF-HP. High precision fee amount.

- Debit: Retail Fees Active XF account – Credit: "Retail Fees Passive" revenue account. Amount rounded to two decimal places.

## 5.5 Balancing "Total Iss Fees Passive/Active" accounts

For daily balancing of all credited/debited fees (that are recorded in the "Total Iss Fees Passive/Total Iss Fees Active" accounts), it is necessary to set up standing payment orders in the "Retail Fees Active/Passive" accounts, and/or in the "Cash Fees Active/Passive" accounts, and/or in the "ATM Fees Active/Passive" accounts (Full → Configuration Setup → Accounting Setup → Bank Account Schemes → [Definitions] → [SO Full]).

Example of setting up a standing payment order in an asset (active) account:

SO Full for Retail Fees Active

		<< < > >>		1 of 1	b x
<b>Order Type</b>	Downgrade To	<b>Target Template</b>	Total Iss Fees Passive		
<b>Order Code</b>		<b>Use Liability</b>			
<b>Order Category</b>	General	<b>Target Spc</b>			
<b>Payment Type</b>		<b>Counter Party</b>			
<b>Trans Type</b>		<b>Target Member ID</b>			
<b>Source Account</b>		<b>Target Number</b>			
<b>Date Event</b>	Daily	<b>Target Acc Type</b>			
<b>Event Day</b>	0	<b>Target Details 1</b>			
<b>Amount Curr</b>		<b>Target Details 2</b>			
<b>Amount Event</b>	0,00	<b>Payment Details</b>			
<b>Target Amount</b>	0,00	<b>Order Comment</b>			
<b>Amount Percent</b>	0,00	<b>Is Active</b>	Yes		
<b>Min Amount</b>	0,00	<b>Date From</b>	00/00/0000		
<b>Max Amount</b>	0,00	<b>Date To</b>	00/00/0000		
<b>Balance Type</b>		<b>If Beh Type / State</b>			
<b>Tgt Balance Type</b>		<b>Active If State</b>			
<b>May Be Partial</b>	Yes	<b>Priority</b>	0		
<b>Check Target</b>		<b>Posting Details</b>			
<b>Event Type</b>		<b>Ready</b>			
<input type="button" value="Ins"/> <input type="button" value="Del"/> <input type="button" value="Query"/> <input type="button" value="Check"/> <input type="button" value="Documents"/> <input type="button" value="Tagged Data"/>					

Example of setting up a standing payment order in a liability (passive) account:

SO Full for Retail Fees Passive		<< < > >>		1 of 1	b x
<b>Order Type</b>	Upgrade To	<b>Target Template</b>	Total Iss Fees Active		
<b>Order Code</b>		<b>Use Liability</b>			
<b>Order Category</b>	General	<b>Target Spc</b>			
<b>Payment Type</b>		<b>Counter Party</b>			
<b>Trans Type</b>		<b>Target Member ID</b>			
<b>Source Account</b>		<b>Target Number</b>			
<b>Date Event</b>	Daily	<b>Target Acc Type</b>			
<b>Event Day</b>	0	<b>Target Details 1</b>			
<b>Amount Curr</b>		<b>Target Details 2</b>			
<b>Amount Event</b>	0,00	<b>Payment Details</b>			
<b>Target Amount</b>	0,00	<b>Order Comment</b>			
<b>Amount Percent</b>	0,00	<b>Is Active</b>	Yes		
<b>Min Amount</b>	0,00	<b>Date From</b>	00/00/0000		
<b>Max Amount</b>	0,00	<b>Date To</b>	00/00/0000		
<b>Balance Type</b>		<b>If Beh Type / State</b>			
<b>Tgt Balance Type</b>		<b>Active If State</b>			
<b>May Be Partial</b>	Yes	<b>Priority</b>	0		
<b>Check Target</b>		<b>Posting Details</b>			
<b>Event Type</b>		<b>Ready</b>			
<input type="button" value="Ins"/> <input type="button" value="Del"/> <input type="button" value="Query"/> <input type="button" value="Check"/> <input type="button" value="Documents"/> <input type="button" value="Tagged Data"/>					

## 5.6 Issuing interchange fee accounting

The following accounts are used for issuing interchange fee:

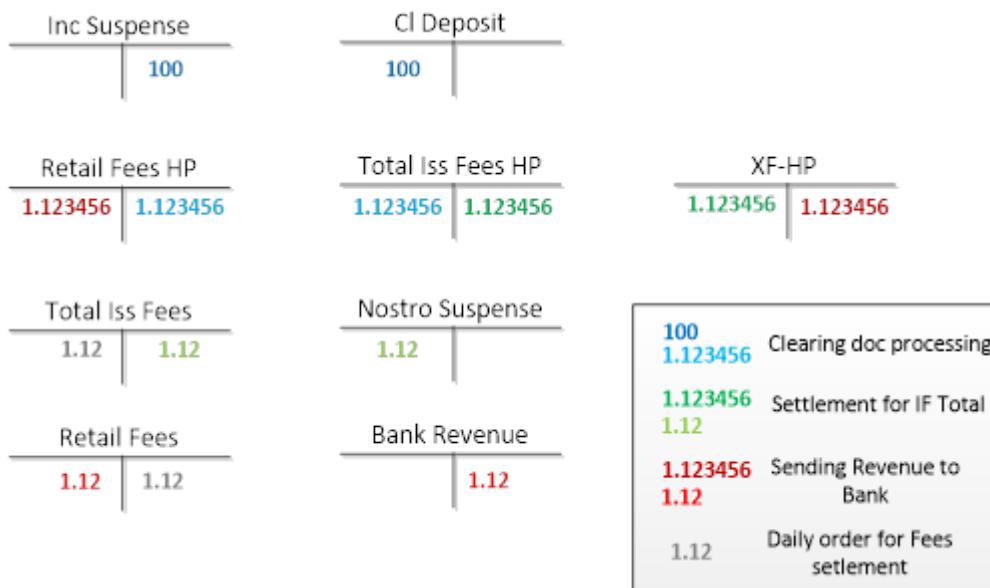
Account type name	Contract	Description
Incoming Suspense	NOSTRO	Account that shows incoming clearing documents.
Nostro Suspense	NOSTRO	Account that shows the file's settlement documents.
Total Iss Fees Passive/Active	NOSTRO	Asset/liability account pair for recording the total fee amount that was credited/debited for transactions.
Retail Fees Passive/Active	NOSTRO	Asset/liability account pair for recording the fee amount that was credited/debited for retail transactions.
ATM Fees Passive/Active	NOSTRO	Asset/liability account pair for recording the fee amount that was credited/debited for ATM operations.
Cash Fees Passive/Active	NOSTRO	Asset/liability account pair for recording the fee amount that was credited/debited for cash withdrawals.
Total Iss Fees Passive/Active HP	NOSTRO	Asset/liability account pair for recording the total high precision fee amount that was credited/debited for transactions.
Retail Fees Passive/Active HP	NOSTRO	Asset/liability account pair for recording the high precision fee amount that was credited/debited for retail transactions.
ATM Fees Passive/Active HP	NOSTRO	Asset/liability account pair for recording the high precision fee amount that was credited/debited for ATM transactions.

Cash Fees Passive/Active HP	NOSTRO	Asset/liability account pair for recording the high precision fee amount that was credited/debited for cash withdrawals.
XF-HP	DEPOSIT	"Bucket account" for posting high precision transactions (common account for correspondence with "High precision" accounts)
Retail Fees Passive/Active	CLIENT_FEE	Bank revenue/expense for retail transactions.
ATM Fees Passive/Active	CLIENT_FEE	Bank revenue/expenses for ATM transactions.
Cash Fees Passive/Active	CLIENT_FEE	Bank's revenue/expenses for cash withdrawals.

**Issuing interchange fee accounting:**

Process name	Date	Debit	Credit	Amount
Standing payment order processing (Retail).	On the document posting date	CH Current/ Credits	NOSTRO. Inc Suspense	Transaction amount.
		NOSTRO. Total Iss Fees Active HP	NOSTRO. Retail Fees Passive HP	High precision interchange fee amount.
Receiving an interchange fee reimbursement document from the payment system (Settlement Total).	On the document posting date	NOSTRO. Nostro Suspense	NOSTRO. Total Iss Fees Passive	Amount of reimbursement from the payment system.
		DEPOSIT. XF- HP	NOSTRO. Total Iss Fees Passive HP	
Transferring an interchange fee to a revenue/expense account (based on a standing payment order with "Date Event=Interbranch").	On the document posting date	NOSTRO. Retail Fees Active HP	DEPOSIT.XF-HP	High precision amount of all interchange fees for a "Retail" transaction.
		NOSTRO. Retail Fees Active	CLIENT_FEE. Retail Fees Passive	Rounded amount.
Consolidation of all credited/debited fees in the "Total Iss Fees Passive/Active" account.	At the end of the day	NOSTRO. Total Iss Fees Active	NOSTRO. Retail Fees Passive	Total amount of fees for "Retail" transactions.

## Illustration of account balancing:



# 6 Reconciliation with payment systems

Reconciliation for completed transactions (number, amount, payment system fees) in Way4 involves checking NOSTRO contract account balances.

After documents generated on the basis of a file's settlement data (messages) have been processed, the balances of the "Nostro Suspense" and "Incoming Suspense" accounts must be equal to zero.

The balance of the "Outgoing Suspense" account in Way4 is not reset. Usually this is because payment system clearing cycles and the period when the acquirer records transactions in "Outgoing Suspense" accounts do not match.

In reconciliation, the following should be considered:

The transaction amount at the net settlement level is equal to the transaction amount at the detailed level (Gross) which is equal to the transaction amount in clearing information (Total of Clearing).



In reconciliation for Visa transactions, note the following:

1. The total amount of settlements (Gross Interchange Total) does not include certain payment system fees – Visa Charges (Charges Acquirer Total, Charges Issuer Total, Charges Other Totals).
2. The detailed amount does not include the following payment system fees:
  - Conversion fee (Iss Conversion Fee Total Inc)
  - Optional issuer fee (Iss Optional Fee Total Inc).That is, "Gross Interchange Total" = amount of transactions at the detailed level minus "Issuer Currency Conversion Fees" minus "Optional issuer fee".

The section shows how documents are processed by the issuer (see the section "[Document processing by issuers](#)") and the acquirer ("[Document processing by acquirers](#)").

## 6.1 Document processing by issuers

This section contains examples of recording transactions in NOSTRO contract accounts after the issuer has processed documents generated based on file data (messages).



1. The examples are given with message codes that start with "S1%" and "S2%" (for more information, see the documents "Mastercard "Clearing&Settlement" File" and "Visa "Clearing&Settlement" File").
2. The examples does not show additional entries for recording:
  - Issuing interchange fee amounts in high precision accounts.
  - Revenue/expense related to interchange fees.

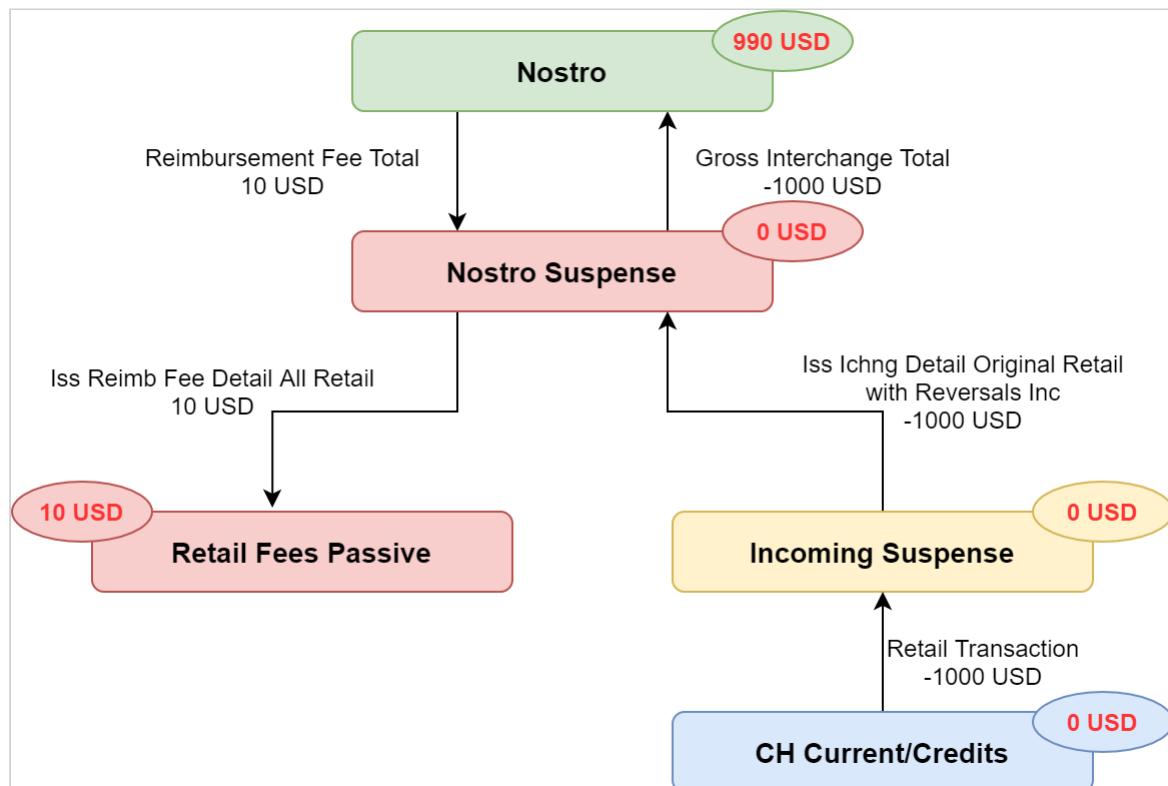
This information is provided in the section "[Issuing interchange fee](#)".

#### Example 1:

A retail transaction was made with a Visa card on a "foreign" device for the amount of 1,000 US dollars.  
Issuing interchange fee = 1% of the transaction amount.

Before the file is imported, accounts have the following balances (a presentment is not received):

- CH Current/Credits (client account) = 1,000 USD
- Incoming Suspense = 0



After documents have been processed, the following entries are generated in Way4:

Name	Entry	Transaction type	Amount	Account balances after document processing
Processing of a presentment for the retail transaction.	Dt: CH Current/ Credits – Cr: Incoming Suspense	Retail	Transaction amount: 1,000 USD	CH Current/ Credits = 0 USD  Incoming Suspense = 1,000 USD
The bank's net settlement (detailed level of the file's settlement data).	Dt: Incoming Suspense – Cr: Nostro Suspense  Dt: Nostro Suspense – Cr: NOSTRO. Retail Fees Passive	Iss Ichng Detail Original Retail with Reversals Inc  Iss Reimb Fee Detail All Retail	Amount of all retail transactions: 1,000 USD  Amount reimbursed by the payment system for all retail fees: 10 USD	Incoming Suspense = 0 USD  Nostro Suspense = 990 USD  NOSTRO. Retail Fees Passive = 10 USD
Amount of settlements with the payment system (detailed level of the file's settlement data – Net Settlement).	Dt:Nostro Suspense – Cr:Nostro  Dt: Nostro – Cr: Nostro Suspense	Gross Interchange Total  Reimbursement Fee Total	Amount of all transactions: 1,000 USD  Amount reimbursed by the payment system for all fees: 10 USD	Nostro Suspense = 0 USD  Nostro = 990 USD

### Example 2:

The following transactions were made with a Visa card on a "foreign" device:

- Retail transaction for the amount of 2,000 US dollars
- Retail transaction for the amount of 500 US dollars
- Retail transaction for the amount of 300 US dollars
- Cash withdrawal at an ATM for the amount of 150 US dollars
- Cash withdrawal at an ATM for the amount of 250 US dollars

Issuing interchange fee:

- for retail transactions = 1% of the transaction amount
- for cash withdrawal at a "foreign" device = 3 US dollars.

Before the file is imported, accounts have the following balances (a presentment is not received):

- CH Current/Credits\_1 = 2,000 USD
- CH Current/Credits\_2 = 500 USD
- CH Current/Credits\_3 = 300 USD
- CH Current/Credits\_4 = 150 USD
- CH Current/Credits\_5 = 250 USD
- Incoming Suspense = 0

After documents have been processed, the following entries are generated in Way4:

Name	Entry	Transaction type	Amount	Account balances after document processing
Processing of a presentment for the retail transaction.	Dt: CH Current/Credits – Cr: Incoming Suspense	Retail	Transaction amounts: 2,000 USD/ 500 USD/300 USD.	CH Current/Credits = 0 USD Incoming Suspense = 2800 USD
Processing of a presentment for cash withdrawal at an ATM.	Dt: CH Current/Credits – Cr: Incoming Suspense	ATM	Transaction amounts: 150 USD/ 250 USD.	CH Current/Credits = 0 USD Incoming Suspense = 3,200 (2,800+400) USD
The bank's net settlement for retail transactions (detailed level of the file's settlement data).	Dt: Incoming Suspense – Cr: Nostro Suspense  Dt: Nostro Suspense – Cr: NOSTRO. Retail Fees Passive	Iss Ichng Detail Original Retail with Reversals Inc  Iss Reimb Fee Detail All Retail	Amount of all retail transactions: 2800 USD  Amount reimbursed by the payment system for all retail fees: 28 USD	Incoming Suspense = 400 USD  Nostro Suspense = 2,772 (2,800-28) USD  NOSTRO. Retail Fees Passive = 28 USD

The bank's net settlement for cash withdrawals at ATMs (detailed level of the file's settlement data).	Dt: Incoming Suspense – Cr: Nostro Suspense  Dt: NOSTRO. ATM Fees Active – Cr: Nostro Suspense	Iss Ichng Detail Original ATM with Reversals Inc  Iss Reimb Fee Detail All ATM	Amount of all ATM operations: 400 USD  Amount debited by the payment system for all ATM fees: 6 USD	Incoming Suspense = 0 USD  Nostro Suspense = 3,178 (2,772+400+6) USD  NOSTRO. ATM Fees Active = - 6
Amount of settlements with the payment system (detailed level of the file's settlement data – Net Settlement).	Dt: Nostro Suspense – Dt: Nostro  Dt: Nostro – Cr: Nostro Suspense	Gross Interchange Total  Reimbursement Fee Total	Amount of all transactions: 3200 USD  Amount reimbursed by the payment system for all fees: 22 (28-6) USD.	Nostro Suspense = 0 USD  Nostro = 3178 USD



"Nostro" account balance (in the given examples: 990 USD and 3,178 USD) is the expected amount to be debited from the issuer's correspondent account.

Note that the "Nostro" account is not reset since transactions in the correspondent account are recorded in the banking system. For more information, see the document "Core Banking Interface. Functional Specification".

## 6.2 Document processing by acquirers

This section contains examples of recording transactions in NOSTRO contract accounts after the acquirer has processed documents generated based on the file data (messages).



The examples do not show entries for the acquiring interchange fee that is calculated for each transaction separately (see information block in the section "[NOSTRO contract Account Scheme](#)").

### Example 1:

A retail transaction was made with a "foreign" card on "our" device for the amount of 1,000 US dollars.  
Acquiring interchange fee = 1% of the transaction amount.

The acquirer's fee that the merchant is charged = 2% of the transaction amount.

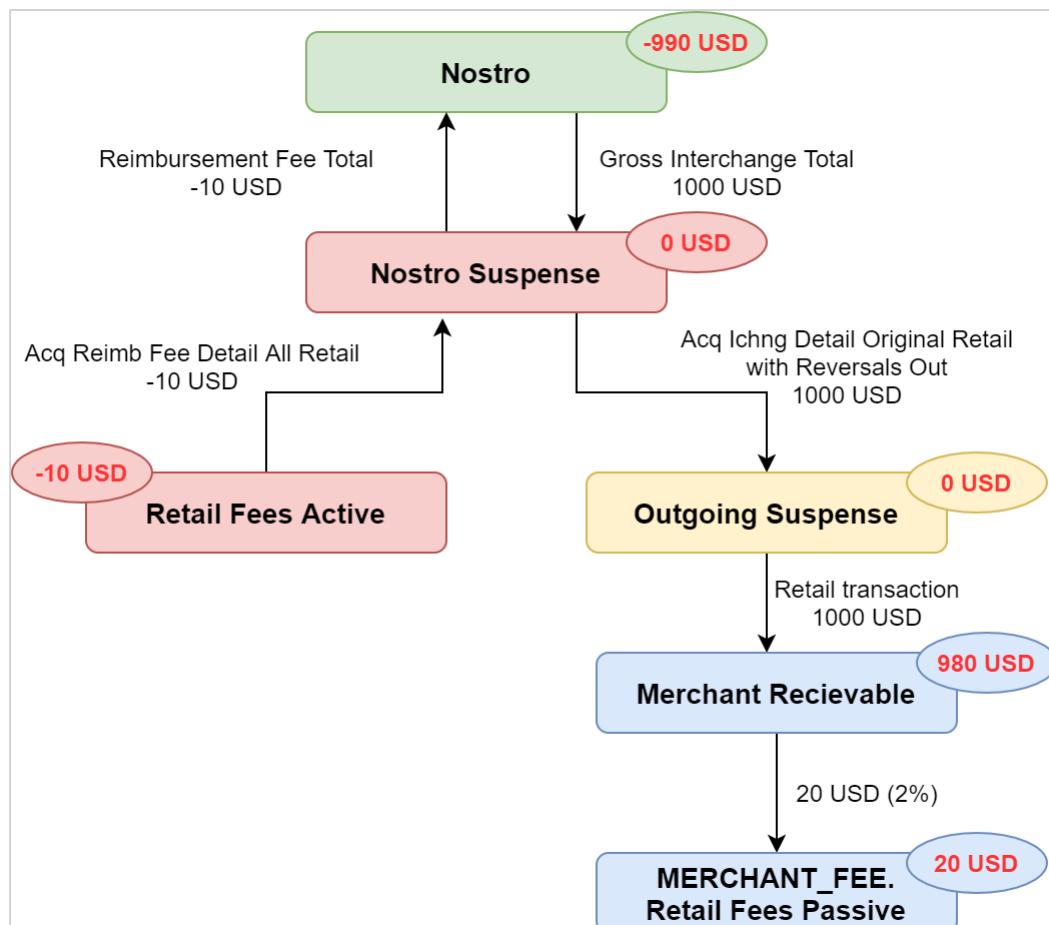
When a transaction is made on the acquirer's device (after the online phase), a financial document with the "Retail" transaction type is registered in Way4: the document's posting status is "Waiting" and its outward status is "Waiting". After export of the document to the payment system (a file with transactions is generated and sent to the payment system), the outward status becomes "Sent".

As a result of the Document Processing procedure, the following entries are generated in Way4:

- Dt: Outgoing Suspense – Cr: Merchant Receivable. For the expected amount of reimbursement from the payment system – 1,000 USD.
- Dt: Merchant Receivable – Cr: Merchant. Retail Fee Passive. For the acquirer's fee amount – 20 USD.

Balances in accounts after the document has been processed: Outgoing Suspense = – 1,000 USD; Merchant Receivable = 980 USD.

The document's posting status is "Posted".



**i** If transactions that are made on "our" devices should be processed (recorded) continuously according to bank procedures, the balance of the "Outgoing Suspense" account will not be equal to zero.

After documents have been processed, the following entries are generated in Way4:

Name	Entry	Transaction type	Amount	Account balances after document processing
The bank's net settlement (detailed level of the file's settlement data).	Dt: Nostro Suspense – Cr: Outgoing Suspense  Dt: NOSTRO. Retail Fees Active – Cr: Nostro Suspense	Acq Ichng Detail Original Retail with Reversals Out  Acq Reimb Fee Detail All Retail	Amount of all retail transactions: 1,000 USD  Amount debited by the payment system for all retail fees: 10 USD	Outgoing Suspense = 0 USD  Nostro Suspense = – 990 USD  NOSTRO. Retail Fees Active = – 10 USD
Amount of settlements with the payment system (detailed level of the file's settlement data – Net Settlement).	Dt: Nostro – Cr: Nostro Suspense  Dt: Nostro Suspense – Cr: Nostro	Gross Interchange Total  Reimbursement Fee Total	Amount of all transactions: 1,000 USD  Amount of all payment system fees: 10 USD	Nostro Suspense = 0 USD  Nostro = – 990 USD

### Example 2:

The following transactions were made on "our" device:

- Retail transaction for the amount of 2,000 US dollars
- Retail transaction for the amount of 500 US dollars
- Retail transaction for the amount of 300 US dollars
- Cash withdrawal at an ATM for the amount of 150 US dollars
- Cash withdrawal at an ATM for the amount of 250 US dollars

Acquiring interchange fee:

- for retail transactions = 1% of the transaction amount
- for cash withdrawal at a "foreign" device = 3 US dollars.

The acquirer's fee that the merchant is charged = 2% of the transaction amount.

After documents have been processed, the following entries are generated in Way4:

Name	Entry	Transaction type	Amount	Account balances after document processing
Document processing for retail transactions (after the transaction was made on the "foreign" device).	Dt: Outgoing Suspense – Cr: Merchant Receivable Dt: Merchant Receivable – Cr: MERCHANT_FEE. Retail Fee Passive	Retail	Transaction amount: 2,000 USD/ 500 USD/300 USD. Acquirer's fee amount: 40 USD/10 USD/6 USD.	Merchant Receivable = 2,744 USD Outgoing Suspense = – 2,800 USD MERCHANT_FEE. Retail Fee Passive = 56 USD
The bank's net settlement for retail transactions (detailed level of the file's settlement data).	Dt: Outgoing Suspense – Cr: Merchant Receivable	ATM	Transaction amount: 150 USD/ 250 USD.	Merchant Receivable = 3144 USD Outgoing Suspense = – 3200 USD
The bank's net settlement for cash withdrawals at ATMs (detailed level of the file's settlement data).	Dt: Nostro Suspense – Cr: Outgoing Suspense Dt: NOSTRO. Retail Fees Active – Cr: Nostro Suspense	Acq Ichng Detail Original Retail with Reversals Out Acq Reimb Fee Detail All Retail	Amount of all retail transactions: 2800 USD Amount debited by the payment system for all retail fees: 28 USD	Outgoing Suspense = – 400 USD Nostro Suspense = – 2,772 (-2,800+28) USD NOSTRO. Retail Fees Active = – 28 USD

The bank's net settlement for cash withdrawals at ATMs (detailed level of the file's settlement data).	Dt: Nostro Suspense – Cr: Outgoing Suspense	Acq Ichng Detail Original ATM with Reversals Out	Amount of all ATM operations: 400 USD	Outgoing Suspense = 0 USD
	Dt: Nostro Suspense – Cr: NOSTRO. ATM Fees Passive	Acq Reimb Fee Detail All ATM	Amount reimbursed by the payment system for all ATM fees: 6 USD	Nostro Suspense = – 3,178 (-2,772-400-6) USD NOSTRO. ATM Fees Passive = 6 USD
Amount of settlements with the payment system (detailed level of the file's settlement data – Net Settlement).	Dt: Nostro – Cr: Nostro Suspense	Gross Interchange Total	Amount of all transactions: 3200 USD	Nostro Suspense = 0 USD
	Dt: Nostro Suspense – Cr: Nostro	Reimbursement Fee Total	Amount of all payment system fees: 22 USD	Nostro = – 3178 USD



"Nostro" account balance (in the given examples: – 990 USD and – 3178 USD) is expected amount of reimbursement from the payment system that must be credited to the acquirer's correspondent account.

Note that the "Nostro" account is not reset since transactions in the correspondent account are recorded in the banking system. For more information, see the document "Core Banking Interface. Functional Specification".

## 7 Configuring rules for selecting the settlement currency

In Way4 it is possible to select the settlement currency (bank NOSTRO contract's "Outgoing Suspense" account currency) for transactions made on "our" devices with "foreign" cards.

This section describes settings that make it possible to define the settlement currency depending on the transaction currency.

Settlements can be set up:

- For domestic transactions – in the local currency (default settlement currency).
- For all other transactions – depending on the transaction currency.

For example, for transactions in USD, EUR or DKK, the settlement currency may be USD, EUR, and DKK accordingly, and for transactions in all other currencies, a different settlement currency can be set, for example EUR. This is the default settlement currency, which is used when the transaction currency does not correspond to any settlement currency.

The functionality uses special contract custom parameters that are registered in "Card" category bank routing contracts. These bank routing contracts are NOSTRO subcontracts.

The section describes the following:

- [Registering contract custom parameters](#).
- [Configuring Services Packages for a NOSTRO subcontract](#).
- [Setting contract parameter values](#).



Starting from version 03.51.30, on initial installation of WAY4, the system's standard configuration already includes the following functionality:

- Contract custom parameters: IPS\_DEFAULT\_CURR and IPS\_SETTL\_CURR\_LIST have already been registered (for more information, see the section "["Registering contract custom parameters"](#)).
- Bank contract Service Packages have two Services for each transaction with the following parameters in the *Service Details* field:
  - FX\_CURRENCY=IPS\_DEFAULT\_CURR;
  - IF\_CURRENCY=TRANS\_CURR;IF\_CURRENCY\_VALUE=IPS\_SETTL\_CURR\_LIST;  
FX\_CURRENCY=TRANS\_CURR;

For more information, see the section "[Configuring Services Packages for a NOSTRO subcontract](#)".

Values of contract parameters to define the "Outgoing Suspense" account currency are set as described in the section "[Setting contract parameter values](#)".



If rules for defining the settlement currency are more complex than as described in this section, it is possible to use "Conversion" tariff type functionality in which FX rules are set using individual tariffs for the NOSTRO contract. The "Conversion" tariff must be registered with the FX\_TARIFF=<tariff type code>; tag in the *Service Details* field in the corresponding NOSTRO contract's Service.

## 7.1 Registering contract custom parameters

Two contract custom parameters are designated for managing settlement currency:

- IPS\_SETTL\_CURR\_LIST – a list of transaction currencies in which settlement accounts are opened (NOSTRO subcontract "Outgoing Suspense" account). The parameter is required, for example, when for transactions in EUR, USD, and DKK, settlement with the payment system is made in the transaction currency, that is in EUR, USD, DKK accordingly.
- IPS\_DEFAULT\_CURR – the default settlement currency. The parameter is required, for example, when for transactions in EUR, USD, and DKK, settlement with the payment system is made in the transaction currency (EUR, USD, and DKK accordingly), and for transactions in other currencies, settlement is made in the default currency – EUR.

Parameter values can be different for different payment systems.

If these parameters do not exist in Way4, do as follows:

1. In the "Contract Parameters Setup" form, register contract parameters according to the example (Full → Configuration Setup → Common Handbooks → Contract Parameters Setup → [Ins]):

Contract Parameters Setup														
Name	Code	Value Type	Role	Value Location	Location Field	Hierarchy Level	Mirror To	Check Product	Check FI	Sub Main Inheritance Rule	Tariff Code Ext	Correction Action	Add Info	Is Ready
IPS Settlement Currency List	IPS_SETTL_CURR_LIST	String	Contract			Current Level Only					Reapply	Ready	Ready	
IPS Default Currency	IPS_DEFAULT_CURR	String	Contract			Current Level Only					Reapply	Ready	Ready	

- Name = IPS Default Currency / IPS Settlement Currency List
- Code = IPS\_DEFAULT\_CURR / IPS\_SETTL\_CURR\_LIST
- Value Type = String
- Value location = Contract
- Hierarchy Level = Current Level Only
- Correction Action = Reapply (the field determines the procedure for working with this parameter when correcting operations with Reversal Management module tools and is configured according to the bank's business requirements – for more information, see the document "Reversal Management". Reversal Management module functionality is supplied according to a separate agreement with OpenWay).

2. Check settings by clicking the [Check] button in the "Contract Parameters Setup" form. If the check is successful, the "Ready" value will be specified in the *Is Ready* field. If errors occur, the

"Not Ready" value will be specified. Error messages can be viewed in the Process Log or in the "Contract Parameters Setup" form by clicking the [Messages] button for this parameter.

The procedure for registering contract custom parameters and a description of all fields and values in the "Contract Parameters Setup" form are provided in the section "Contract and Client Custom Parameters" of the document "Way4 Client and Contract Classifiers".

## 7.2 Configuring Services Packages for a NOSTRO subcontract

Check that Services with the following parameters in the Service Details field (Full → Configuration Setup → Accounting Setup → Bank Card Service Packs) are registered in Way4 for bank routing contracts (NOSTRO subcontracts):

- FX\_CURRENCY=IPS\_DEFAULT\_CURR;
- IF\_CURRENCY=TRANS\_CURR;IF\_CURRENCY\_VALUE=IPS\_SETTL\_CURR\_LIST;FX\_CURRENCY=TRANS\_CURR;

If Services with the specified parameters are not registered:

1. In the "Bank Service Packs" form, select Service Packages for the required contracts with the "Card" category (target contract for transactions on "our" devices with "foreign" cards) that are NOSTRO subcontracts (Full → Configuration Setup → Accounting Setup → Bank Card Service Packs). For example:

- for Visa:

Bank Service Packs									<<	<	>	>>	1 of 9	X
Institution	Category	Name	Contract Type	Use Default	Use For Contracts	Parent Pack	Is Ready	Fee Contract						
→ Principal MC	Card	005-Add VISA ATM CPS Iss	VISA Cards	For Dispute	Additional		Ready							
Principal MC	Card	005-Add VISA ATM Iss	VISA Cards	For Dispute	Additional		Ready							
Principal MC	Card	005-Add VISA Cash Iss	VISA Cards	For Dispute	Additional		Ready							
Principal MC	Card	005-Add VISA Retail Airline Iss	VISA Cards	For Dispute	Additional		Ready							
Principal MC	Card	005-Add VISA Retail Iss	VISA Cards	For Dispute	Additional		Ready							
Principal MC	Card	005-Add VISA EP ATM CPS Iss	Electron/Plus	For Dispute	Additional		Ready							
Principal MC	Card	005-Add VISA EP ATM Iss	Electron/Plus	For Dispute	Additional		Ready							
Principal MC	Card	005-Add VISA EP Cash Iss	Electron/Plus	For Dispute	Additional		Ready							
Principal MC	Card	005-Add VISA EP Retail Iss	Electron/Plus	For Dispute	Additional		Ready							

- for Mastercard:

Bank Service Packs									<<	<	>	>>	1 of 16	X
Institution	Category	Name	Contract Type	Use Default	Use For Contracts	Parent Pack	Is Ready	Fee Contract						
→ Principal MC	Card	005-STD MC SPC - MasterCard MoneySend for Small Business Card Allowed	Mastercard	For Dispute	Additional		Ready							
Principal MC	Card	005-STD MC SPC - MasterCard Electronic Card Commercial Ecommerce Restriction (for IRD 47)	Mastercard	For Dispute	Additional		Ready							
Principal MC	Card	005-STD MC SPC - MasterCard Gambling Allowed	Mastercard	For Dispute	Additional		Ready							
Principal MC	Card	005-STD MC SPC - MasterCard Product MAP Restriction	Mastercard		Additional		Ready							
Principal MC	Card	005-STD MC SPC - MasterCard Retail with CashBack Restriction	Mastercard		Additional		Ready							
Principal MC	Card	005-STD MC SPC - MasterCard Europe Electronic Card Commercial Ecommerce Restriction (for IRD 47)	Mastercard	For Dispute	Additional		Ready							
Principal MC	Card	005-STD MC IRD ** * * * Interregional, Intraregional, Intracountry All MasterCard	Mastercard	For Dispute	Additional		Ready							
Principal MC	Card	005-STD MC IRD MS - xx xx Intercountry MasterCard MoneySend Payment	Mastercard	For Dispute	Additional		Ready							
Principal MC	Card	005-STD MC IRD MS - xx yy Intercountry MasterCard MoneySend Payment	Mastercard	For Dispute	Additional		Ready							
Principal MC	Card	005-STD MC SPC - Maestro MOTO Restriction	Cirrus/Maestro	For Dispute	Additional		Ready							
Principal MC	Card	005-STD MC SPC - Maestro Not Electronic Capture in Card-present Environment Restriction	Cirrus/Maestro	For Dispute	Additional		Ready							
Principal MC	Card	005-STD MC IRD MS - xx xx Intracountry Maestro MoneySend Payment	Cirrus/Maestro	For Dispute	Additional		Ready							
Principal MC	Card	005-STD MC SPC - Maestro Gambling Allowed	Cirrus/Maestro	For Dispute	Additional		Ready							
Principal MC	Card	005-STD MC IRD MS - xx yy Intercountry Maestro MoneySend Payment	Cirrus/Maestro	For Dispute	Additional		Ready							
Principal MC	Card	005-STD MC IRD ** * * * Interregional, Intraregional, Intracountry All Maestro	Cirrus/Maestro	For Dispute	Additional		Ready							
Principal MC	Card	005-STD MC SPC - Maestro Cash Restriction	Cirrus/Maestro	For Dispute	Additional		Ready							

2. In the Service Details field of the "Target for <name of Service Package>" form (Full → Configuration Setup → Accounting Setup → Bank Card Service Packs → [Target]), set the following:

- The default settlement currency using the FX\_CURRENCY=IPS\_DEFAULT\_CURR; tag:

Institution	Category	Name	Contract Type	Use Default	Use For Dispute	Use For Contracts	Parent Pack	Is Ready	Fee Contract
Principal M...	Card	005-Add VISA Retail Iss	VISA Cards	For Dispute	Additional			Ready	

Source Type	Transaction Type	Condition	Currency	Rate Type	Fee Dir	Fee Curr	Base	%	Min	Is Ready	Name	Fee Code	Account Type	Fee Account
Our POS	Credit	<<All Electronic Capture (Group)>>	Middle	Credit	0.00	0.00	0.00	Ready	0	Credit (Our POS)	0	Outg Suspense		
Our POS	Credit	<<All Electronic Capture (Group)>>	Middle	Credit	0.00	0.00	0.00	Ready	B	Credit (Our POS) G_ELCAP Earlier than 3	B	Outg Suspense		
Our POS	Retail		Middle	Debit	0.00	0.00	0.00	Ready	0	Retail (Our POS)	0	Outg Suspense		
Our POS	Retail		Middle	Debit	0.00	0.00	0.00	Ready	0	Retail (Our POS)	0	Outg Suspense		
Our POS	Retail	<<All Electronic Capture (Group)>>	Middle	Debit	0.00	0.00	0.00	Ready	0	Retail (Our POS)	0	Outg Suspense		
Our POS	Retail	<<All Electronic Capture (Group)>>	Middle	Debit	0.00	0.00	0.00	Ready	B	Retail (Our POS) G_ELCAP Earlier than 3	B	Outg Suspense		
Our Imprinter	Retail		Middle	Debit	0.00	0.00	0.00	Ready	0	Retail (Our Imprinter)	0	Outg Suspense		
Our Imprinter	Credit		Middle	Credit	0.00	0.00	0.00	Ready	0	Credit (Our Imprinter)	0	Outg Suspense		
Our POS	Unique		Middle	Debit	0.00	0.00	0.00	Ready	0	Unique (Our POS)	0	Outg Suspense		
Our POS	Unique	<<All Electronic Capture (Group)>>	Middle	Debit	0.00	0.00	0.00	Ready	B	Unique (Our POS) G_ELCAP Earlier than 3	B	Outg Suspense		
Our Imprinter	Unique		Middle	Debit	0.00	0.00	0.00	Ready	0	Unique (Our Imprinter)	0	Outg Suspense		
Our POS	Retail with CashBack		Middle	Debit	0.00	0.00	0.00	Ready	0	Retail with CashBack (Our POS)	0	Outg Suspense		
Our POS	Retail with CashBack	<<All Electronic Capture (Group)>>	Middle	Debit	0.00	0.00	0.00	Ready	B	Retail with CashBack (Our POS) G_ELCAP Earlier than 3	B	Outg Suspense		

Full Info for 0: Retail (Our POS)													
Transaction Parameters				Tariff				Posting					
Contra FI	Fee Dir	Debit	Fee Code	0	Fee Curr		Floor Limit	0.00	Fee Base	0.00	Value Days	0	
Subtype	Fee Curr		Service Allowed	Always	Fee Min	0.00	Service Details	FX_CURRENCY=IPS_DEFAULT_CURR;	Fee Max	0.00	Account Type	Outg Suspense	
Settl Curr	Fee Min	0.00	Fee %	0.00	Fee %	0.00	Account Curr		Fee %	0.00	Contract Type	VISA Cards	
Trans Curr	Fee Max	0.00	FX Rate Type	Middle	FX Type		Fee Contract		Limit Tariff		Fee Account		
Condition	Fee %	0.00	Increase %	0.00	VD Tariff		Ready						
Max Amount	Max Amnt Curr	0.00	Fee Tariff										
Min Amount	Preference	0.00											
Max Amnt Curr	SIC Group												
Expiry Period	Priority	0											
Transaction Type Extension													
Actions... History Custom Fee Tagged Data													

- Rules for selecting the "Outgoing Suspense" account depending on the transaction currency (if necessary) using tags:  
IF\_CURRENCY=TRANS\_CURR;IF\_CURRENCY\_VALUE=IPS\_SETTL\_CURR\_LIST;FX\_CURRENCY=TRANS\_CURR;. When this setup is used, register an additional Service, whose priority (Priority field) is higher than the priority of the Service in which the default settlement currency is set.

Bank Service Packs												<< < > >>			1 of 1	
Institution	Category	Name	Contract Type	Use Default	Use For Contracts	Parent Pack	Is Ready	Fee Contract								
+ Principal MC	Card	005-Add VISA Retail Iss	VISA Cards	For Dispute	Additional		Ready									
<b>Ins</b>	<b>Del</b>	<b>Query</b>	<b>Approve</b>	<b>Details</b>	<b>Source</b>	<b>Target</b>	<b>Usage</b>	<b>Messages</b>	<b>Preferred</b>	<b>Add Packs</b>	<b>Used in</b>					
Target for 005-Add VISA Retail Iss:												<< < > >>			3 of 12	
Source Type	Transaction Type	Condition	Currency	Rate Type	Fee Dir	Fee Curr	Base	%	Min	Is Ready	Name	Fee Code	Account Type	Fee Account		
Our POS	Credit	<<All Electronic Capture (Group)>>	Middle	Credit	0.00	0.00	0.00	Ready	0: Credit (Our POS)	0	Outg Suspense					
Our POS	Credit	<<All Electronic Capture (Group)>>	Middle	Credit	0.00	0.00	0.00	Ready	B: Credit (Our POS) G_ELCAP Earlier than 3	B	Outg Suspense					
+ Our POS	Retail	<<All Electronic Capture (Group)>>	Middle	Debit	0.00	0.00	0.00	Ready	0: Retail (Our POS)	0	Outg Suspense					
Our POS	Retail	<<All Electronic Capture (Group)>>	Middle	Debit	0.00	0.00	0.00	Ready	0: Retail (Our POS)	0	Outg Suspense					
Our POS	Retail	<<All Electronic Capture (Group)>>	Middle	Debit	0.00	0.00	0.00	Ready	B: Retail (Our POS) G_ELCAP Earlier than 3	B	Outg Suspense					
Our Imprinter	Retail		Middle	Debit	0.00	0.00	0.00	Ready	0: Retail (Our Imprinter)	0	Outg Suspense					
Our Imprinter	Credit		Middle	Credit	0.00	0.00	0.00	Ready	0: Credit (Our Imprinter)	0	Outg Suspense					
Our POS	Unique	<<All Electronic Capture (Group)>>	Middle	Debit	0.00	0.00	0.00	Ready	0: Unique (Our POS)	0	Outg Suspense					
Our POS	Unique	<<All Electronic Capture (Group)>>	Middle	Debit	0.00	0.00	0.00	Ready	B: Unique (Our POS) G_ELCAP Earlier than 3	B	Outg Suspense					
Our Imprinter	Unique		Middle	Debit	0.00	0.00	0.00	Ready	0: Unique (Our Imprinter)	0	Outg Suspense					
Our POS	Retail with CashBack	<<All Electronic Capture (Group)>>	Middle	Debit	0.00	0.00	0.00	Ready	0: Retail with CashBack (Our POS)	0	Outg Suspense					
Our POS	Retail with CashBack	<<All Electronic Capture (Group)>>	Middle	Debit	0.00	0.00	0.00	Ready	B: Retail with CashBack (Our POS) G_ELCAP Earlier than 3	B	Outg Suspense					

**Ins** **Del** **Query** **Duplicate** **Full Info** **Custom Fee** **History**

**Full Info for 0: Retail (Our POS)**

Transaction Parameters		Tariff		Posting	
Contra FI		Fee Dir	Debit	Fee Code	0
Subtype		Fee Curr		Floor Limit	0.00
Settl Curr		Fee Base	0.00	Value Days	0
Trans Curr		Fee Min	0.00	Service Allowed	Always
Condition		Fee Max	0.00	Service Details	IF_CURRENCY=TRANS_CURR;IF_CURRENCY_VALUE=IPS_SE
Max Amount	0.00	Fee %	0.00		
Min Amount	0.00	FX Rate Type	Middle		
Max Amnt Curr		FX Type		Account Type	Outg Suspense
Preference		Increase %	0.00	Account Curr	
SIC Group		Fee Tariff		Contract Type	VISA Cards
Expiry Period	0	Limit Tariff		Fee Contract	
Transaction Type Extension		VD Tariff		Fee Account	
Priority	150				Ready

**Actions...** **History** **Custom Fee** **Tagged Data**



Rules for selecting the required currency of a settlement account must be configured for each Service Package's target Service of the bank routing contract.

Accordingly, during document processing the Service will be selected depending on the transaction currency, and the required currency for the "Outgoing Suspense" account will be determined. If the parameter value is not set, during document processing the routing contract's currency will be selected as the "Outgoing Suspense" account's currency.

- Approve Service Package parameters by clicking the [Approve] button.



The FX\_CURRENCY tag is used to define the required currency of a settlement account.

When the FX\_CURRENCY tag is used, the currency in transactions is checked with the following tags: IF\_CURRENCY, IF\_CURRENCY\_VALUE, and IF\_CURRENCY\_RULE. These tags can be registered in Events, payment orders, transaction types, etc. (for more information, see the document "Setup Tags").

IF\_CURRENCY group tags make it possible to configure actions in Way4 (activate a usage limiter, open an Event, select a Service/tariff, etc.) if the specified document currency meets certain conditions.

The IF\_CURRENCY tag sets the document currency that must be checked, for example:

- TRANS\_CURR – transaction currency from the document.
- SETTL\_CURR – settlement currency from the document.
- RECONS\_CURR – reconciliation currency from the document (the currency in which the source bank provides transaction information to the payment system).

Used together with the IF\_CURRENCY\_VALUE and IF\_CURRENCY\_RULE tags.

An action is performed (a usage limiter activates, an Event opens, a Service/tariff meeting all other conditions is selected, a Service Package is attached, etc. depending on where these tags are set) if the document currency specified using the IF\_CURRENCY tag corresponds to parameters set in the IF\_CURRENCY\_VALUE tag.

Possible values for the tag:

- <EMPTY> – this currency is not specified.
- <NOT\_EMPTY> – this currency is specified.
- <USE\_IN\_BANK> – the specified currency has the "Yes" value in the *Use in Bank* field of the "Currency Table" form (Full → Configuration Setup → Main Tables → Currency Table). That is, for this currency, conversion can be performed in Way4 and the rate of the currency to the financial institution's local currency can be entered during the daily opening procedure.
- <Currency code or list of comma-separated currency codes in numeric or alphabetic format>.
- <Tag or contract custom parameter containing a currency code or list of currency codes separated by commas>. A contract custom parameter can be registered as a classifier with the "Primary" role.

The IF\_CURRENCY\_RULE tag is used to configure additional conditions to check the currency together with the IF\_CURRENCY\_VALUE tag.

## 7.3 Setting contract parameter values

To define the settlement currency ("Outgoing Suspense" account currency), set contract parameter values for the required NOSTRO subcontracts (Full → Configuration Setup → Accounting Setup → Contract Parameters).

For example:

- For domestic transactions – in the local currency (EUR):

Contract Parameters											<<	<	>	>>	1 of 1	X
Contract #	Contract Name	Liab Category	Contract Type	Open	Status	Curr	Credit Limit	Available	Product	Product Category						
→ 005-VISA_DOM_ISS	005-VISA Intra-Country		VISA Cards	01/08/2018	Card OK	USD	0,00	0,00		Bank Accounting						
Ins	Del	Query	Full Info	For Contract	For Client											
For Contract for 005-VISA Intra-Country											<<	<	>	>>	1 of 1	b X
Code	Name	Value	Value Type	Role	Effective contract		Eff Level		Eff Location							
→ IPS_DEFAULT_CURR	IPS Default Currency	EUR	String		005-VISA_DOM_ISS	Current Level	Contract									
Ins	Del	Query	Edit	History												

- For international transactions – depending on the transaction currency (USD, EUR, DKK):

Contract Parameters											<<	<	>	>>	1 of 1	X
Contract #	Contract Name	Liab Category	Contract Type	Open	Status	Curr	Credit Limit	Available	Product	Product Category						
→ 005-VISA_ISS	005-VISA Iss		VISA Cards	01/08/2018	Card OK	USD	0,00	0,00		Bank Accounting						
Ins	Del	Query	Full Info	For Contract	For Client											
For Contract for 005-VISA Iss											<<	<	>	>>	1 of 2	b X
Code	Name	Value	Value Type	Role	Effective contract		Eff Level		Eff Location							
→ IPS_SETTL_CURR_LIST	IPS Settlement Currency List	USD, EUR, DKK	String		005-VISA_ISS	Current Level	Contract									
IPS_DEFAULT_CURR	IPS Default Currency	EUR	String		005-VISA_ISS	Current Level	Contract									
Ins	Del	Query	Edit	History												



When only one settlement currency is configured for a specific NOSTRO subcontract, it is not necessary to set the IPS\_SETTL\_CURR\_LIST parameter's value for this contract. For example, when settlements for domestic operations are made only in the local currency.

A value for a custom parameter is set according to the section "Way4 Client and Contract Classifiers".

## 8 Specifics of recording Fast Funds/Money Send transactions in NOSTRO contract accounts

Visa Fast Funds/Mastercard MoneySend are services for fast transfers of funds to a recipient's account. For more information about configuring the services in Way4, see the documents "Visa Interchange Interface" and "Mastercard Interchange Interface", respectively.

For "Fast Funds/Money Send" transactions, it is possible to do the following in Way4:

- Configure rules for defining the settlement currency depending on the transaction currency. For example, for transactions in EUR, USD, and DKK, settlement with the payment system can be made in the transaction currency, that is, in EUR, USD, and DKK accordingly, and for transactions in other currencies, a different currency can be configured – EUR. This is the default settlement currency, which is used when the transaction currency does not correspond to any settlement currency.
- i** During document processing, the document's settlement amount can be converted to the specified currency of settlements with the payment system (currency of the NOSTRO contract that was selected for recording the transaction) – for more information, see the section "[Setting contract parameter values](#)".
- To credit funds to the client's card/account in the amount specified in the document's *Settlement amount* field. Funds are credited in the client's account currency. If the client's account currency differs from the currency specified in the document's *Settlement currency* field, funds are converted according to the configured FX Type and FX Rate Type.

The main principle of "Fast Funds/Money Send" operations is the following:

- On the basis of an authorization message that was received from the payment system, Way4 generates a document with the "CH Payment" transaction type. The authorization document is converted to a financial document for subsequent processing. Moreover:
  - A sender specifies the transaction amount in the document.
  - The payment system calculates the amount in the *Settlement amount* field in the currency of settlements with the client (Cardholder Billing Currency).
- When a "Clearing&Settlement" file with "Fast Funds/MoneySend" operations is received, Way4 generates a document with the "Notif Prs Credit Item" transaction type.



The settlement amount in this document is calculated by the payment system without consideration of the original document data and is shown in the currency of settlements with the payment system.

3. When a clearing document is processed (Transaction Type=Notif Prs Credit Item), a search is made for the original financial document (Transaction Type=CH Payment):

- If this document is not found, settlement amounts in these documents can be different (see item 1 and 2). This difference is reflected in the bank's revenue/expense accounts.
- If the document is not found, processing of the document with the "Notif Prs Credit Item" transaction type will be terminated. A "Presentation not found for fast funds notification, converting to presentation" message will be generated. The clearing document's transaction type will be changed to "CH Payment". The next time the document processing procedure is started, the clearing document will be processed considering updated parameters, and the amount that is specified in the document's *Settlement amount* field will be credited to the client's card/account.

The section describes the following:

- [Registering contract custom parameters](#).
- [Setting contract parameter values](#).
- [Registering a new account type](#).
- [Configuring the NOSTRO contract's Account Scheme](#).
- [Configuring the NOSTRO contract's Service Package](#).
- [Configuring the AMOUNT\\_FORMAT\\_FOR\\_DOC\\_TAG global parameter](#).
- [Transaction accounting](#).

## 8.1 Registering contract custom parameters

Two contract custom parameters are designated for managing settlement currency:

- IPS\_SETTL\_CURR\_LIST – a list of transaction currencies in which settlement accounts are opened ("Incoming Suspense" account of the NOSTRO contract's subcontract). The parameter is required, for example, when for transactions in EUR, USD, and DKK, settlement with the payment system is made in the transaction currency, that is in EUR, USD, DKK accordingly.
- IPS\_DEFAULT\_CURR – the default settlement currency. The parameter is required, for example, when for transactions in EUR, USD, and DKK, settlement with the payment system is made in the transaction currency (EUR, USD, and DKK accordingly), and for transactions in other currencies, settlement is made in the default currency – EUR.

**i** Starting from version 03.51.30 on initial installation of WAY4, the standard configuration already contains the contract custom parameters IPS\_DEFAULT\_CURR and IPS\_SETTL\_CURR\_LIST.

If these parameters are missing, register them according to the subsection "[Registering contract custom parameters](#)" of the section "[Configuring rules for selecting the settlement currency](#)".

## 8.2 Setting contract parameter values

To define the settlement currency ("Incoming Suspense" account currency), set contract parameter values for required interchange routing subcontracts (see recommendations for setup in the subsection "[Setting contract parameter values](#)" of the section "[Configuring rules for selecting the settlement currency](#)").

## 8.3 Registering a new account type

To record amounts to be credited to a client's account when processing a "CH Payment" transaction, register the following account type (Full → Configuration Setup → Accounting Setup → Account Types):

Account Types											<<	<	>	>>	1 of 1	X
Product	Name	Account Role	Category	Is Am Av	Due Type	Code	Prior	Charge For Open	Send Debit To	Send Credit To						
Bank Accounting	Inc Suspense Expected	Settlement	Other	No	None	EIS	0									
Ins	Del	Query	Check	Templates	Msg Dict	Messages										

## 8.4 Configuring the NOSTRO contract's Account Scheme

For bank routing contracts (NOSTRO contracts), make the following settings:

1. Add accounts with the types "Inc Suspense Expected" (Code = EIS; see the section "[Registering a new account type](#)") and "Inc Suspense" (Code = I; present in Way4 standard configurations) in required currencies to the NOSTRO contract's Account Scheme (Full → Configuration Setup →

Accounting Setup → Bank Account Schemes → [Definition]):

Bank Account Schemes									<<	<	>	>>	1 of 1	X
Institution	Scheme Name		Parent Scheme	Currency	Interval	Length	FX Type	Is Ready						
Principal MC	005-VISA Nostro			EUR	Day	7		Ready						
<b>Ins</b>	<b>Del</b>	<b>Query</b>	<b>Approve</b>	<b>Contracts</b>	<b>Definition</b>	<b>Ageing</b>	<b>Messages</b>	<b>Details</b>						

Definition for 005-VISA Nostro									<<	<	>	>>	1 of 6	b	X
Currency	GL type	GL #	HeadOffice GL #	Account Type	Account Name		Is Ready	Fin Institution							
DKK		-SETTLEMENT-208	-SETTLEMENT-208	Inc Suspense	Inc Suspense DKK		Ready	Principal MC							
USD		001B-VISA-N-I-SUSP-840	001B-VISA-N-I-SUSP-840	Inc Suspense	Inc Suspense USD		Ready	Principal MC							
EUR		-SETTLEMENT-978	-SETTLEMENT-978	Inc Suspense	Inc Suspense Local		Ready	Principal MC							
DKK		-SETTLEMENT-208	-SETTLEMENT-208	Inc Suspense Expected	Inc Suspense Expected DKK		Ready	Principal MC							
USD		-SETTLEMENT-840	-SETTLEMENT-840	Inc Suspense Expected	Inc Suspense Expected USD		Ready	Principal MC							
EUR		-SETTLEMENT-978	-SETTLEMENT-978	Inc Suspense Expected	Inc Suspense Expected Local		Ready	Principal MC							
<b>Ins</b>	<b>Del</b>	<b>Query</b>	<b>Full Info</b>	<b>Acc Type</b>	<b>St. Orders</b>	<b>SO Due</b>	<b>SO Event Base</b>	<b>SO Interest</b>	<b>SO Norm</b>						

- Approve Account Scheme value settings using the [Approve] button in the "Bank Account Schemes" grid form.

For a detailed description of the Account Scheme registration procedure, including a description of all fields and values, see the section "Account Schemes" of the document "Way4 Account Schemes".

## 8.5 Configuring the NOSTRO contract's Service Package

To process transactions with the "CH Payment" and "Notif Prs Credit Item" types, configure Service Packages for the required NOSTRO contracts.

To do so:

- In the "Bank Service Packs" form, create an additional Service Package (Full → Configuration Setup → Accounting Setup → Bank Service Packs → [Ins]), for example, for the "005-VISA Acq" bank contract:

Bank Service Packs									<<	<	>	>>	1 of 1	X
Institution	Category	Name	Contract Type	Use Default	Use For Contracts	Parent Pack	Is Ready	Fee Contract						
Principal MC	Device	005-VISA Acq IPS Curr	VISA Acq	For All	Additional		Ready							
<b>Ins</b>	<b>Del</b>	<b>Query</b>	<b>Approve</b>	<b>Details</b>	<b>Source</b>	<b>Target</b>	<b>Usage</b>	<b>Messages</b>	<b>Preferred</b>	<b>Add Packs</b>	<b>Used in</b>			

- Name = 005-VISA Acq IPS Curr
  - Use for Contracts = Additional
- In the "Source for <name of Service Package>", configure the following Services (Full → Configuration Setup → Accounting Setup → Bank Service Packs → [Source]):
    - For the "CH Payment" transaction type:
      - A Service for processing a clearing document when the original financial document (generated online from an authorization document) was not found:

Source for 005-VISA Acq IPS Curr

Target Type	Transaction Type	Currency	Rate Type	Fee Dir	Fee Curr	Base	%	Min	Increase %	Value Days	Is Ready	Name	Fee Code	Account Type	Fee Account
Our VISA Cards	CH Payment	Middle	None	0,00	0,00	0,00				0,000	Ready	CH Payment (Our VISA Cards)		Inc Suspense	
Our VISA Cards	CH Payment	Middle	None	0,00	0,00	0,00				0,000	Ready	NSETTL: CH Payment (Our VISA Cards)	NSETTL	Inc Suspense Expected	
Our VISA Cards	CH Payment	Middle	None	0,00	0,00	0,00				0,000	Ready	NSETTL: CH Payment (Our VISA Cards)	NSETTL	Inc Suspense Expected	

Ins | Del | Query | Duplicate | **Full Info** | Custom Fee | History | b | x | 1 of 3

Full Info for CH Payment (Our VISA Cards)

Transaction Parameters		Tariff	Posting
Contra FI		Fee Dir	None
Subtype		Fee Curr	
Settl Curr		Fee Base	0,00
Trans Curr		Fee Min	0,00
Condition		Fee Max	0,00
Max Amount	0,00	Fee %	0,00
Min Amount	0,00	FX Rate Type	Middle
Max Amnt Curr		FX Type	
Preference		Increase %	0,00
SIC Group		Fee Tariff	
Expiry Period	0	Limit Tariff	
Transaction Type Extension		VD Tariff	
Priority	0		

b | x | Actions... | History | Custom Fee | Tagged Data | 2 of 3

- Account Type = Inc Suspense (document is recorded in the "Inc Suspense" account)
- Service Details = DOC\_TAG=FF\_SRC\_CODE;DOC\_TAG\_VALUE=PRESENT;
- A Service for processing the original financial document and recording it in NOSTRO contract accounts depending on the transaction currency. The document amount is calculated as the amount of the transaction in the currency of settlement with the client (Cardholder Billing Currency), converted to the currency of settlement with the payment system according to the configured FX Type and FX Rate Type:

Source for 005-VISA Acq IPS Curr

Target Type	Transaction Type	Currency	Rate Type	Fee Dir	Fee Curr	Base	%	Min	Increase %	Value Days	Is Ready	Name	Fee Code	Account Type	Fee Account
Our VISA Cards	CH Payment	Middle	None	0,00	0,00	0,00				0,000	Ready	CH Payment (Our VISA Cards)		Inc Suspense	
Our VISA Cards	CH Payment	Middle	None	0,00	0,00	0,00				0,000	Ready	NSETTL: CH Payment (Our VISA Cards)	NSETTL	Inc Suspense Expected	
Our VISA Cards	CH Payment	Middle	None	0,00	0,00	0,00				0,000	Ready	NSETTL: CH Payment (Our VISA Cards)	NSETTL	Inc Suspense Expected	

Ins | Del | Query | Duplicate | **Full Info** | Custom Fee | History | b | x | 2 of 3

Full Info for NSETTL: CH Payment (Our VISA Cards)

Transaction Parameters		Tariff	Posting
Contra FI		Fee Dir	None
Subtype		Fee Curr	
Settl Curr		Fee Base	0,00
Trans Curr		Fee Min	0,00
Condition		Fee Max	0,00
Max Amount	0,00	Fee %	0,00
Min Amount	0,00	FX Rate Type	Middle
Max Amnt Curr		FX Type	
Preference		Increase %	0,00
SIC Group		Fee Tariff	
Expiry Period	0	Limit Tariff	
Transaction Type Extension		VD Tariff	
Priority	20		

b | x | Actions... | History | Custom Fee | Tagged Data | 3 of 3

- Account Type = Inc Suspense Expected (document is recorded in the "Inc Suspense Expected" account)
- Priority = 20
- Fee Code = NSETTL
- Service Details =
   
DOC\_TAG=FF\_SRC\_CODE;DOC\_TAG\_VALUE=ABSENT;IF\_CURRENCY=TRANS\_C
   
URR;IF\_CURRENCY\_VALUE=IPS\_SETTL\_CURR\_LIST;FX\_CURRENCY=TRANS\_CU
   
RR;



The priority (value in the *Priority* field) for this Service must be higher than for the Service in which the default currency of settlements with the payment system is defined (see the settings below).

The *Fee Code* field's value (for example, NSETTL) must be set for this Service. This field's value is used to configure custom fees and the *AMOUNT\_FORMAT\_FOR\_DOC\_TAG* global parameter (for more information, see item 3 and section

["Configuring the AMOUNT\\_FORMAT\\_FOR\\_DOC\\_TAG global parameter"\)](#).

- A Service for processing the original financial document and recording it in the NOSTRO contract account in the default currency of settlements with the payment system. The document amount is calculated as the transaction amount in the currency of settlement with the client (Cardholder Billing Currency), converted to the currency of settlement with the payment system according to the configured FX Type and FX Rate Type:

Source for 005-VISA Acq IPS Curr												<< < > >>			3 of 3		b   x
Target Type	Transaction Type	Currency	Rate Type	Fee Dir	Fee Curr	Base	%	Min	Increase %	Value Days	Is Ready	Name	Fee Code	Account Type	Fee Account		
Our VISA Cards	CH Payment		Middle	None		0,00	0,00	0,00	0,000	Ready	CH Payment (Our VISA Cards)	NSETTL	Inc Suspense				
Our VISA Cards	CH Payment		Middle	None		0,00	0,00	0,00	0,000	Ready	NSETTL: CH Payment (Our VISA Cards)	NSETTL	Inc Suspense Expected				
Our VISA Cards	CH Payment		Middle	None		0,00	0,00	0,00	0,000	Ready	NSETTL: CH Payment (Our VISA Cards)	NSETTL	Inc Suspense Expected				

Ins | Del | Query | Duplicate | **Full Info** | Custom Fee | History |

Full Info for NSETTL: CH Payment (Our VISA Cards)												b   x
<b>Transaction Parameters</b> <div style="display: flex; justify-content: space-between;"> <div> Contra FI  Subtype  Settl Curr  Trans Curr  Condition  Max Amount  Min Amount  Max Amnt Curr  Preference  SIC Group  Expiry Period </div> <div> Tariff  Fee Dir  Fee Curr  Fee Base  Fee Min  Fee Max  Fee %  FX Rate Type  FX Type  Increase % </div> <div> Posting  Fee Code  Floor Limit  Value Days  Service Allowed  Service Details  Account Type  Account Curr  Contract Type  Fee Contract  Fee Account </div> </div>												
<input type="text" value="NSETTL"/> Fee Code <input type="text" value="0,00"/> Floor Limit <input type="text" value="0"/> Value Days <input checked="" type="checkbox"/> Service Allowed <input type="text" value="DOC_TAG=FF_SRC_CODE;DOC_TAG_VALUE=ABSENT;FX_CURRENCY=IPS_DEF_AULT_CURR;"/> Service Details <input checked="" type="checkbox"/> Account Type <input type="text" value="Inc Suspense Expected"/> Account Curr <input type="text" value="VISA Acq"/> Contract Type <input type="text" value=""/> Fee Contract <input type="text" value=""/> Fee Account <input type="checkbox"/> Ready												
Actions...   History   Custom Fee   Tagged Data												

- Account Type = Inc Suspense Expected (document is recorded in the "Inc Suspense Expected" account)
- Priority = 5
- Fee Code = NSETTL
- Service Details =
   
DOC\_TAG=FF\_SRC\_CODE;DOC\_TAG\_VALUE=ABSENT;FX\_CURRENCY=IPS\_DEF\_AULT\_CURR;



The Fee Code field's value (for example, NSETTL) must be set for this Service. This field's value is used to configure custom fees and the AMOUNT\_FORMAT\_FOR\_DOC\_TAG global parameter (for more information, see item 3 and section "[Configuring the AMOUNT\\_FORMAT\\_FOR\\_DOC\\_TAG global parameter](#)").



The DOC\_TAG, DOC\_TAG\_VALUE tags make it possible to set conditions for performing actions (in this setup, to determine the selection of Services) depending on document parameters specified as tags in the *Add Data* and *Reason Details* fields.

The tags FX\_CURRENCY, IF\_CURRENCY, and IF\_CURRENCY\_VALUE are described in the section "[Configuring Services Packages for a NOSTRO subcontract](#)".

For a detailed description of tags, their possible values and the way they are used, see the document "Setup Tags".

- For the "Notif Prs Credit Item" transaction type:

Target Type	Transaction Type	Currency	Rate Type	Fee Dir	Fee Curr	Base	%	Min	Increase %	Value	Days	Is Ready	Name	Fee Code	Account Type	Fee Account
Our VISA Cards	CH Payment		Middle	None		0,00	0,00	0,00	0,00	0,00		Ready	CH Payment (Our VISA Cards)		Inc Suspense	
Our VISA Cards	CH Payment		Middle	None		0,00	0,00	0,00	0,00	0,00		Ready	NSETTL: CH Payment (Our VISA Cards)	NSETTL	Inc Suspense Expected	
Our VISA Cards	CH Payment		Middle	None		0,00	0,00	0,00	0,00	0,00		Ready	NSETTL: CH Payment (Our VISA Cards)	NSETTL	Inc Suspense Expected	
Our VISA Cards	Notif Prs Payment Item		Middle	None		0,00	0,00	0,00	0,00	0,00		Ready	Notif Prs Payment Item (Our VISA Cards)		Inc Suspense	

**Full Info for Notif Prs Payment Item (Our VISA Cards)**

<b>Transaction Parameters</b>	<b>Tariff</b>	<b>Posting</b>
Contra Fl	Fee Dir: None	Fee Code
Subtype	Fee Curr	Floor Limit
Settl Curr	Fee Base	Value Days
Trans Curr	Fee Min	Service Allowed
Condition	Fee Max	Service Details
Max Amount	Fee %	Account Type
Min Amount	FX Rate Type: Middle	Inc Suspense
Max Amnt Curr	FX Type	Account Curr
Preference	Increase %	Contract Type
SIC Group	Fee Tariff	VISA Acq
Expiry Period	Limit Tariff	Fee Contract
Transaction Type Extension	VD Tariff	Fee Account
Priority		Ready

3. In the "Custom Fee" form, register two custom fees for a Service with the "Notif Prs Credit Item" transaction type (Full → Configuration Setup → Accounting Setup → Bank Service Packs → [Source] → [Custom Fee]):

- To reflect the amount of settlement with the payment system in the "Inc Suspense" and "Inc Suspense Expected" accounts when processing the clearing document:

Custom Fee for Notif Prs Payment Item (Our VISA Cards)										<< < > >>		1 of 2		
Priority	Fee Type	Rate Type	FX Type	Fee Curr	Fee Base	Fee %	Fee Day	Direction	Fee Tariff	Fee Code	Service Details	Fee Account	Name	Is Ready
*	0	Mode			0.00	100.000	Credit		SETTL	FEE_BASE=SETTLEMENT;FEE_CONTRACT=DOC_SOURCE;REDEF_FEE_ACC_CODE=I;	Cash Fees Active, Notif Prs Payment Item (Our VISA Cards), Custom Fee: SETTL, Ready			
	0	Middle			0.00	100.000	Debit		DIFF	FEE_BASE=SETTLEMENT;PREV_FEE=NSETTL;	Misc Fee Passive, Notif Prs Payment Item (Our VISA Cards), Custom Fee: DIFF, Ready			

**Ins | Del | Query | Full Info**

**Full Info for Notif Prs Payment Item (Our VISA Cards) Custom Fee: SETTL:**

Transaction Parameters		Tariff	Posting
Contra Fl	Fee Dir: Credit	Fee Code	SETTL
Subtype	Fee Curr	Floor Limit	0.00
Settl Curr	Fee Base	Value Days	0
Trans Curr	Fee Min	Service Allowed	Always
Condition	Fee Max	Service Details FEE_BASE=SETTLEMENT;FEE_CONTRACT=DOC_SOURCE;REDEF_FEE_A	
Max Amount	Fee %		
Min Amount	100.00		
Max Amnt Curr	FX Rate Type		
Preference	Middle		
SIC Group	Increase %		
Expiry Period	0.00		
Transaction Type Extension	Fee Tariff		
Priority	Limit Tariff		
	VD Tariff		

**Actions... | History | Tagged Data**

- Fee Direction = Credit
- Fee % = 100%
- Fee Code = SETTL
- Account Type = Inc Suspense Expected
- Service Details = FEE\_BASE=SETTLEMENT;FEE\_CONTRACT=DOC\_SOURCE;REDEF\_FEE\_ACC\_CODE=I;
- To record the difference between the amount of settlement with the payment system (Transaction Type=Notif Prs Credit Item) and the expected settlement amount that was calculated when processing the original financial document (Transaction Type=CH Payment):

Custom Fee for Notif Prs Payment Item (Our VISA Cards)										<< < > >>		2 of 2		
Priority	Fee Type	Rate Type	FX Type	Fee Curr	Fee Base	Fee %	Fee Day	Direction	Fee Tariff	Fee Code	Service Details	Fee Account	Name	Is Ready
*	0	Mode			0.00	100.000	Credit		SETTL	FEE_BASE=SETTLEMENT;FEE_CONTRACT=DOC_SOURCE;REDEF_FEE_ACC_CODE=I;	Cash Fees Active, Notif Prs Payment Item (Our VISA Cards), Custom Fee: SETTL, Ready			
	0	Middle			0.00	100.000	Debit		DIFF	FEE_BASE=SETTLEMENT;PREV_FEE=NSETTL;	Misc Fee Passive, Notif Prs Payment Item (Our VISA Cards), Custom Fee: DIFF, Ready			

**Ins | Del | Query | Full Info**

**Full Info for Notif Prs Payment Item (Our VISA Cards) Custom Fee: DIFF:**

Transaction Parameters		Tariff	Posting
Contra Fl	Fee Dir: Debit	Fee Code	OFF
Subtype	Fee Curr	Floor Limit	0.00
Settl Curr	Fee Base	Value Days	0
Trans Curr	Fee Min	Service Allowed	Always
Condition	Fee Max	Service Details FEE_BASE=SETTLEMENT;PREV_FEE=NSETTL;	
Max Amount	Fee %		
Min Amount	100.00		
Max Amnt Curr	FX Rate Type		
Preference	Middle		
SIC Group	Increase %		
Expiry Period	0.00		
Transaction Type Extension	Fee Tariff		
Priority	Limit Tariff		
	VD Tariff		

**Actions... | History | Tagged Data**

- Fee Direction = Debit
- Fee % = 100%
- Fee Code = DIFF
- Account Type = Inc Suspense Expected
- Service Details = FEE\_BASE=SETTLEMENT;PREV\_FEE=NSETTL;



For the difference between settlement amounts to be correctly shown in accounting records, specify the bank's revenue/expense account as the value of the *Fee Account* field, and the contract in which this account was opened as the value of the *Fee Contract* field.



The PREV\_FEE = <Fee Code>; tag's value indicates the Fee Code of the original fee (see settings in item 2) for which it is necessary to calculate the difference. The fee amount with the specified code that was actually considered when processing the original document will be subtracted from the fee amount calculated according to rules for this custom fee.

The FEE\_BASE = <value>; tag determines the base amount for calculating a fee. In the aforementioned settings, the SETTLEMENT tag is used to specify that an amount in the settlement currency (Settlement Amount) will be used as the base amount.

The FEE\_CONTRACT tag redefines the contract to which the fee is transferred (Fee Contract set in the Service). In the aforementioned settings, this is the contract that is specified in the document's Source Contract field (FEE\_CONTRACT=DOC\_SOURCE;).

The REDEF\_FEE\_ACC\_CODE tag is used to redefine the code of the type of account to which a custom fee is transferred.

For a detailed description of tags, their possible values and the way they are used, see the document "Setup Tags".

- In the "Bank Service Packs" form, add an additional Service Package to the bank contract's Service Package (Full → Configuration Setup → Accounting Setup → Bank Service Packs → [Additional]):

Bank Service Packs									<< < > >>		1 of 1	X
Institution	Category	Name	Contract Type	Use Default	Use For Contracts	Parent Pack	Is Ready	Fee Contract				
Principal MC	Device	005-VISA Acq	VISA Acq	For All	Product		Ready	005-VISA_ACQ				
Ins	Del	Query	Approve	Details	Source	Target	Usage	Messages	Preferred	Add Packs	Used in	

Add Packs for 005-VISA Acq				<< < > >>		1 of 1	b	X
Priority	Add Pack	Is Ready	Active by Default					
	005-VISA Acq IPS Curr	Ready	Yes					
Ins	Del	Query	Source	Target				

- Approve settings by clicking the [Approve] button in the "Bank Service Packs" form.

## 8.6 Configuring the AMOUNT\_FORMAT\_FOR\_DOC\_TAG global parameter

It is necessary to check that the global parameter AMOUNT\_FORMAT\_FOR\_DOC\_TAG is registered in Way4. If the parameter is missing, register it (Full → Configuration Setup → Main Tables → Additional Global Parameters).

In order for information about a settlement amount from an original financial document (Transaction Type = CH Payment) to be stored in a document's Add Info field correctly, specify the

"NSETTL\_AMOUNT" value for the global parameter (see item 2 of the section "Configuring the NOSTRO contract's Service Package").

Additional Global Parameters			1 of 1
Name	Value	System Instance	
AMOUNT_FORMAT_FOR_DOC_TAG	SURCHARGE_AMOUNT,TACCESS_FEE_AMOUNT,SACCESS_FEE_AMOUNT,NSETTL_AMOUNT		
<b>Ins</b>	<b>Del</b>	<b>Query</b>	

For more information, see the document "Way4 Global Parameters".

## 8.7 Transaction accounting

During processing of "Fast Funds/Money Send" operations, the following entries are generated (after the specified settings have been made):

Transaction type	Debit	Credit	Amount
Processing an original financial document (Transaction Type=CH Payment)	Inc Suspense Expected	CH Current/ Credits	For the amount of settlement with the client (document's <i>Settlement Amount</i> and <i>Settlement currency</i> fields).  If necessary, in the NOSTRO contract conversion is made to the specified currency of settlement with the payment system.
Processing a clearing document (Transaction Type = Notif Prs Credit Item)	Inc Suspense	Inc Suspense Expected	For the amount of settlement with the payment system (Settlement Amount).
Processing a clearing document (Transaction Type = Notif Prs Credit Item) when the settlement amount is greater than the expected amount calculated when processing the original financial document (Transaction Type=CH Payment).	Inc Suspense Expected	Revenue/expenses	For the difference between settlement amounts in the currency of settlement with the payment system.

Transaction type	Debit	Credit	Amount
Processing a clearing document (Transaction Type = Notif Prs Credit Item) when the settlement amount is less than the expected amount calculated when processing the original financial document (Transaction Type=CH Payment).	Revenue/expenses	Inc Suspense Expected	For the difference between settlement amounts in the currency of settlement with the payment system.
The bank's net settlement (detailed level of the file's settlement data).	Nostro Suspense	Inc Suspense	For the amount of all "Fast Funds/Money Send" transactions with the "Notif Prs Credit Item" transaction type.

### Example 1:

Currency of settlement with the payment system = USD, transaction in DKK, card in EUR

Name	Entry	Transaction type	Amount
Processing the original financial document:  • Transaction amount and Currency = 500 DKK • Settlement Amount and Currency = 65 EUR	• Dt: Inc Suspense Expected (USD) – Cr: FX account • Dt: FX account – Cr: CH Current/Credits	CH Payment	• For the amount of 76.50 USD (65 EUR/ 0.85) • For the amount of 65 EUR
Processing a clearing document:  • Transaction amount and Currency = 500 DKK • Settlement Amount and Currency = 78 USD	• Dt: Inc Suspense – Cr: Inc Suspense Expected • Dt: Inc Suspense Expected – Cr: Profit/Loss	Notif Prs Credit Item	• For the amount of 78 USD. • For the amount of 1.50 USD (78 USD-76.50 USD).

**Example 2:**

Currency of settlement with the payment system = USD, transaction in DKK, card in EUR

Name	Entry	Transaction type	Amount
Processing the original financial document: <ul style="list-style-type: none"> <li>• Transaction amount and Currency = 500 DKK</li> <li>• Settlement Amount and Currency = 80 EUR</li> </ul>	<ul style="list-style-type: none"> <li>• Dt: Inc Suspense Expected (USD) – Cr: FX account</li> <li>• Dt: FX account – Cr: CH Current/Credits</li> </ul>	CH Payment	<ul style="list-style-type: none"> <li>• For the amount of 94 USD (80 EUR/ 0.85)</li> <li>• For the amount of 80 EUR</li> </ul>
Processing a clearing document: <ul style="list-style-type: none"> <li>• Transaction amount and Currency = 500 DKK</li> <li>• Settlement Amount and Currency = 92 USD</li> </ul>	<ul style="list-style-type: none"> <li>• Dt: Inc Suspense – Cr: Inc Suspense Expected</li> <li>• Dt: Profit/Loss – Cr: Inc Suspense Expected</li> </ul>	Notif Prs Credit Item	<ul style="list-style-type: none"> <li>• For the amount of 92 USD.</li> <li>• For the amount of 2 USD (92 USD-94 USD)</li> </ul>