Preferred Counterparties

Contents

Introduction

This document is intended for employees of banks or processing centres who are responsible for the configuration of the WAY4 system and contains information about how to configure Preferred Counterparties. Preferred counterparties are used in WAY4 to expand the functionality of services and reports.

When working with this document, it is recommended to use the following resources from the set of WAY4 documentation:

- "WAY4™ Service Packages"

- "Issuing modules"

- "Acquiring modules"

- "Products and contract sub-types"

- "Usage Limiters"

- "Tariff management"

- "WAY4™ Dictionaries"

- "WAY4™ Client and Contract Classifiers"

The following conventions are used throughout this document:

- Field names in screen forms are displayed in *italics*.

- Names of screen form buttons are shown in square brackets, such as [Approve].

- The sequence for selecting a user menu item is given with arrows, as in "Configuration Setup" → Contract Types".

- Warnings that there is a risk of making an incorrect action are marked with the ⚠ sign.

- Messages marked with the 🛈 sign contain information about important features, additional facilities or the optimal use of certain functions of the system.

Chapter 1. Main principles of working with preferred counterparties

A preferred counterparty (hereinafter referred to as a counterparty) is a counterparty or group of counterparties distinguished by values specified for such parameters as merchant type, area, contract subtype, etc.

A counterparty may be a merchant, cardholder, or routing contract (if a transaction is not on-us, or if the appropriate interbranch routing settings were not found for an interbranch transaction).

Selecting counterparties makes it possible to set additional parameters for operations, depending on the counterparty.

A list of counterparties can be generated on the level of a contract, service package, contract subtype, tariff domain, etc.

Preferred counterparties set up on the contract level are inherited down the hierarchy when contracts are approved. Note that inheritance of preferred counterparties in large hierarchies affects the duration of the contract approval process (i.e. the duration of the daily procedure for approving contracts).

To optimise the contract approval process in these cases, the global parameter POSTPONE_ACNT_HIERARCHY_AFTER can be used to postpone the process (see the section "POSTPONE_ACNT_HIERARCHY_AFTER" of the document "WAY4™ Global Parameters).

Counterparties can be set on the level of tariff domains only when the tariff management module is included in the supplied package. The tariff management module is not included in the base configuration of WAY4 and is delivered by separate agreement with the WAY4™ system supplier.

The main principles for using this configuration are as follows:

- Counterparty categories are registered in the system (see the section "Configuring Preferred Counterparty Categories (Preference Type)".

- The list of counterparties and corresponding actions are configured.

  - The list of counterparties can be configured:

    - When configuring the Service Package (see the section "Service Package").

    - When configuring the contract subtype (see the section "Contract Subtypes").

    - When configuring contract parameters (see the section "Contract").

    - When configuring tariffs (see the section "Tariff Domain").

  - Counterparties can be defined by the following parameters:

    - Counterparty contract type, contract subtype

    - Counterparty financial institution

> - ♦ Merchant category code
>
> - ♦ Category of counterparty contract
>
> - ♦ Transaction, bankcard issue area
>
> - ♦ Name of merchant
>
> - ♦ Merchant contract

- A Service or a usage limiter connection with the counterparty category is established (see the sections "Service", "Contract Usage Limiters").

The system uses the given settings as follows. During authorisation, a search is made of the Service for processing the transaction, a set of limiters is determined whose conditions meet those of the transaction parameters. If a connection with a counterparty category is determined for the selected Service or usage limiter, a search is made for counterparties of the given category. The search is carried out as follows: first, contract settings are analysed, then those of the Service Package; next those of the contract subtype, and finally, tariff domain settings. As soon as a counterparty (list of counterparties) of the given category is found, the system stops searching and uses the parameters of the counterparty (list of counterparties) found.

Chapter 2. Configuring Preferred Counterparties

Counterparties are configured in the following stages:

- Configuring Preferred Counterparty Categories (Preference Type)

- Configuring the List of Preferred Counterparties

- Using "Custom Handbooks" to Configure Preferred Counterparty Parameters

- Configuring Service Connections/Limiters with the Preferred Counterparty Category

Configuring Preferred Counterparty Categories (Preference Type)

A new counterparty category is added in the "Preference Types" dictionary. Select the user menu item "Full → Configuration Setup → Products Definition → Preference Types".

The "Preference Types" form (see Fig. 1) will open, which is used for entering and editing records on counterparty categories.

Fig. 1. Form for entering a new counterparty category

Click the [Ins] button to add an empty row to this form, and fill in the following fields:

- *Name* – name of the counterparty category

- *Code* – special code used when importing external files to associate the imported data with the counterparty category (Preference Type).

  Counterparty category is not analysed when importing (for example, using applications) or processing preferred counterparties. Counterparty category is specified for information purposes. The counterparty category code (Preference Type) that is used for import (for example, using applications) must be unique. During import, a counterparty is created with the first preference type found with this code.

  Example:

  A counterparty category (Preference Type) "Happy Hour" is configured. In the category's *Contract Cat* field the "Device" value is set. It is necessary to import the preferred counterparty for all the merchant's devices. To do so, a counterparty record must be imported for the merchant's account contract (a counterparty will be imported even though the contract category is

"Account"). A counterparty with the specified parameters will be created for all device contracts.

⚠️ When counterparty parameters change for a merchant's account contract, these changes will be also applied for devices.

I.e. in order to set/change a counterparty value for a specific device, it is necessary to import an application with the same category (Preference type) for this device.

- *Contract Cat* –counterparty contract category

Configuring the List of Preferred Counterparties

The list of counterparties can be configured as follows:

- When configuring the Service Package (see the section "Service Package").

- When configuring the contract subtype (see the section "Contract Subtypes").

- When configuring contract parameters (see the section "Contract").

- When configuring tariffs (see the section "Tariff Domain").

ℹ️ In addition to the main parameters of preferred counterparties (see above) additional conditions can be set for checking counterparties using Custom Handbooks. For more information, see the section "Using "Custom Handbooks" to Configure Preferred Counterparty Parameters".

The MERCHANT_PREFERENCE_CASE_SENSITIVE global parameter affects the procedure for searching for a counterparty. The parameter determines case sensitivity when checking preferred counterparty parameters. For more information, see the section "MERCHANT_PREFERENCE_CASE_SENSITIVE" of the document "WAY4 Global Parameters". By default, searches are not case-sensitive.

Service Package

In the Service Package, the list of counterparties can be configured in the "Service Packs" form (Full → Configuration Setup → Products → Service Packs) or in special forms with the list of Service Packages (Full → Configuration Setup → Products → <Name of product group> → <Name of client category> Service Packs) (see Fig. 2).

Name	Contract Type	Parent Pack	For Contracts	Use Default	Code	Fee Contract	Special Parms	Is Ready
001-Our Priv JCB	Our JCB Cards		Product	For Dispute	PIJ	001-CLIENT_FEE		Ready
001-Our Local Card	Our Local Card		Product	For Dispute	PIL	001-CLIENT_FEE		Ready
001-Our Priv Electron/Plus	Our Electron/Plus		Product	For Dispute	PIEP	001-CLIENT_FEE		Ready
001-Our Priv Cirrus/Maestro	Our Cirrus/Maestro		Product	For Dispute	PICM	001-CLIENT_FEE		Ready
001-Our Priv EC/MC	Our EuroCard/MasterCard		Product	For Dispute	PIEM	001-CLIENT_FEE		Not Ready

Fig. 2. Form for entering and editing Service Package information for card contracts of private clients

Clicking the [Preferred] button in the aforementioned forms opens the "Preferred for <name of Service Package>" form (see Fig. 3).

Fig. 3. Form for configuring the list of counterparties

To add a record on a new counterparty (or group of counterparties) to the list, click the [Ins] button to add an empty row and fill in the following record fields:

- The counterparty category is entered in the *Preference Type* field (see the section "Configuring Preferred Counterparty Categories (Preference Type)")

- The *Is Active* field determines if the given configuration can be applied

- The *Date From* and *Date To* fields specify the calendar dates of the start and end of the given configuration's validity

- The *Area* field is the name of the area where the transaction is made, where the bankcard is issued (see the section "Country Area Support" in the document "WAY4™ Dictionaries")

- The *SIC* field is the code determining the merchant category code (SIC/MCC) in accordance with business type (see the section ""SIC Group" Dictionary" of the document "WAY4™ Dictionaries")

- *Contra FI* – the counterparty's financial institution

- *Contra Type* – the counterparty's contract type; this value is selected from the list of contract types in accordance with the contract category selected in the *Contract Cat* field (see the section Configuring Preferred Counterparty Categories (Preference Type))

- *Contra Subtype* –the counterparty contract subtype

The "Preferred Details" form (see Fig. 4) opened by clicking the [Full Info] button in the table grid with the list of counterparties provides access to additional information about a counterparty.

Fig. 4. Additional information about a counterparty

This form contains the following fields, which are not present in the higher-ranked form:

- *Interval (FR-TO in hours)* – shows the time interval in which the given configuration is active

- *Week Days List (eg. 1,3,5,7)* – days of the week, delimited by commas, on which the given configuration is active. Monday corresponds to the number "1"

- *Working Day Only* – when the value of this field is "Yes", the configuration will only be active on working days

- *Merchant Name* – the name of the merchant registered in the system.

  ⓘ Values in the *Merchant Name* field can be set in the following format:

  - Part of the merchant name can be specified. For example, when the value "TOY" is entered, all operations at merchants with the names "TOYS", "TOYSHOP", "TOY-2000", etc., will meet this condition.

  - The tag MI=Merchant_Id; can be used. All transactions with the specified *Merchant_Id* field value of the document will meet this condition. For more information, see the section "Tags used when working with preferred counterparties" of the "Setup Tags" document.

- *Main Contractor* – indicates the number of the merchant account contract registered in the system

- The "Restrictions" field group establishes additional restrictions:

  - The *Active Event* field – Event type code. The corresponding Service of this Service Package will be used only if in an Event (in the "Posted" status) with the specified code is open for the counterparty contract. The code is selected from a list of Event type codes registered in WAY4.

  - The *Currency* field – drop-down list of currencies for calculating limit amounts in the *Max Amount, Min Amount* fields.

  - The *Max Amount, Min Amount* fields – restrictions on the maximum and minimum transaction amount.

  - The fields *Doc Tag Name, Doc Tag Value* – on the parameters of the authorisation document specified as tags in the document fields *Add Data,* and *Reason Details*. Several comma-delimited values can be specified in the *Doc Tag Value* field.

- *Custom Parms* – field for the entry of special parameters as tags. For more information, see the section "Tags used when working with preferred counterparties" of the "Setup Tags" document.

Changes are activated by clicking the [Approve] button in the "Service Packs" form.

Contract

The following ways are used to configure the list of counterparties on the contract level:

- Click the [Preferred] button in the corporate card contract or account contract form and then fill in the "Preferred for <name of contract>" form that opens on the screen. This form is similar to the form "Preferred for <name of Service Package>" (see Fig. 3 in the section "Service Package").

- For issuing and acquiring module contract, the list of counterparties can be configured using applications (see the document "Advanced Applications R2").

Contract Subtypes

On the contract subtype level, the list of counterparties is set in the "Preferred for <name of Sub-type>" form which is opened by clicking the [Preferred] button in the "Sub-types for <name of contract>" form (Full → Configuration Setup → Contract Types → <Client Category> Contract Types).

This form is similar to the form "Preferred for < name of Service Package>" (see Fig. 3 in the section "Service Package").

Tariff Domain

 Counterparties can be set on the tariff domain level if the supply package includes the tariff management module. The tariff management module is not included in the base configuration of WAY and is delivered by separate agreement with the WAY4™ system supplier.

The list of counterparties is configured on the tariff domain level in the "Preferred for <name of tariff domain>" form, which is opened by clicking the [Preferred] button in the "Tariff Domains" form (Tariffs → Tariff Types & Tariff Domains → Tariff Domains).

This form is similar to the form "Preferred for < name of Service Package>" (see Fig. 3 in the section "Service Package").

Using "Custom Handbooks" to Configure Preferred Counterparty Parameters

General Information

In addition to the main parameters of preferred counterparties, additional conditions for checking counterparties can be set using the following Custom Handbooks:

- List of financial institutions – a preferred counterparty will meet the selection conditions (will be active) if the counterparty contract belongs to one of the financial institutions in the list. Records in the list are checked according to the F_I field of the counterparty contract.

- List of merchant identifiers – a preferred counterparty will meet the selection conditions if the merchant (counterparty) identifier corresponds to one of the identifiers in the list. Records in the list are checked according to the MERCHANT_ID field of the document.

- List of source identifiers for the corresponding channel for sending transaction information – a preferred counterparty will meet the selection conditions if the source channel corresponds to one of the records in the list. Records in the list are checked according to the SOURCE_MEMBER_ID field of the document.

- List of target identifiers for the corresponding channel for sending transaction information – a preferred counterparty will meet the selection conditions if the target channel corresponds to one of the records in the list. Records in the list are checked according to the TARGET_MEMBER_ID field of the document.

- List of counterparty contract sub-types – a preferred counterparty will meet the selection conditions if the counterparty contract sub-type corresponds to one of the records in the list. Records in the list are checked according to the CONTR_SUBTYPE_ID field of the counterparty contract.

- List of counterparty contract numbers – a preferred counterparty will meet the selection conditions if the counterparty contract number corresponds to one of the records in the list. Records in the list are checked according to the CONTRACT_NUMBER field of the counterparty contract.

For more information about configuring preferred counterparty parameters using Custom Handbooks, see the section "Configuration Procedure".

Configuration Procedure

To configure a custom list used for additional checking of counterparties, do as follows:

- In the "Custom Handbooks" form (Full → Configuration Setup → Client Classifiers → Custom Handbooks), create a record of the list. For example, a list of financial institutions for which the counterparty will be active:

  - *Handbook Type* – the code of the list (in our example, FIN_INST_SPECIAL), see Fig. 5.

  - *Filter Value* – the value according to which records can be filtered in the general "Custom Handbooks" list.

  - *Data Value* – the value of the record in the list. In our example, this is the financial institution identifier (Branch Code), see Fig. 5.

    In general, the value that is compared with that of the corresponding document parameter is specified in the handbook's *Data Value* field. Checks for a document's SRC_MERCHANT_ID and TGT_MERCHANT_ID are an exception, in this case, for a record the value of the document's SOURCE_MEMBER_ID/TARGET_MEMBER_ID field is specified in the handbook's *Filter Value* field, and the document's MERCHANT_ID value is specified in the handbook's *Data Value* field.

    A check if a document field value is included in the handbook can be made according to "LIKE" operator rules. To do so, set a mask (template) in the *Data Value* field with the following special characters:

    - "_" (underline) – any character.

    - "%" – 0 or more characters.

Fig. 5. Configuring a list in "Custom Handbooks"

- In the form of the preferred counterparty for which the additional selection conditions are being configured, specify the HB_CODE=<handbook code>; and HB_PARM=<field name>; tags in the *Custom Parms* field:

  ▪ The HB_CODE=<handbook code>; tag sets the code of the handbook (*Handbook Type*) according to which the additional check will be made (in our example, HB_CODE=FIN_INST_SPECIAL;).

  ▪ The HB_PARM=<field name>; tag is used to specify the tag that determines the counterparty contract parameter according to which records in the list will be checked (searched), (in our example, HB_PARM=F_I;):

    ♦ F_I – search by the F_I field of the counterparty contract.

    ♦ MERCHANT_ID – search by the MERCHANT_ID field of the document.

    ♦ SRC_MEMBER_ID – search by the SOURCE_MEMBER_ID field of the document.

    ♦ TGT_MEMBER_ID – search by the TARGET_MEMBER_ID field of the document.

    ♦ SUBTYPE – search by the *RBS Number* (CODE) field of the counterparty contract sub-type.

    ♦ CONTRACTOR – search for a counterparty contract number. Made according to document SOURCE_NUMBER/TARGET_NUMBER field. The corresponding counterparty contract number is searched for in the CONTRACT_NUMBER field of the ACNT_CONTRACT table (i.e. the counterparty contract must be registered in WAY4).

    ♦ TR_CITY – search by the TRANS_CITY field of a document.

    ♦ TR_CURR – search by the TRANS_CURR field of a document.

    ♦ TGT_NUMBER – search by the TARGET_NUMBER field of a document.

    ♦ SRC_MERCHANT_ID – search by two fields: document SOURCE_MEMBER_ID and MERCHANT_ID fields. Correspondence of a handbook record to document parameters is determined according to two of a document's fields: SOURCE_MEMBER_ID and MERCHANT_ID. A search for a value of the document's SOURCE_MEMBER_ID value is searched for in the

handbook's *Filter Value* field and the document's MERCHANT_ID value – in the handbook's *Data Value* field.

♦ TGT_MERCHANT_ID – search by two fields: document TARGET_MEMBER_ID and MERCHANT_ID fields. Correspondence of a handbook record to document parameters is determined according to two of a document's fields: TARGET_MEMBER_ID and MERCHANT_ID. A search for a value of the document's TARGET_MEMBER_ID value is searched for in the handbook's *Filter Value* field and the document's MERCHANT_ID value – in the handbook's *Data Value* field

♦ <name of custom tag> – makes it possible to check whether the value of a custom tag in a document's ADD_INFO is included in the handbook.

In this configuration, a preferred counterparty will meet filtering conditions (will be active) if the counterparty contract belongs to one of the financial institutions in the handbook. Records in the handbook are checked by the F_I field of the counterparty's contract.

For a preferred counterparty, at any one time, an additional check can be added only according to one list (by one code of the HB_CODE list) and by one HB_PARM parameter.

The HB_CODE and HB_PARM tags can be used together with the EMPTY_HB_VAL tag. When this tag is specified, the condition is considered to have been met if the field being analysed in the document is empty or the tag is missing.

Configuring Service Connections/Limiters with the Preferred Counterparty Category

To configure a Service/limiter connection for a preferred counterparty category, it is necessary to select the corresponding category in the Service/limiter parameters. The given configuration determines the list of counterparties for the Service/limiter.

Service

The connection between a Service and a preferred counterparty category is configured in the *Preference* field of the form with detailed information on the Service (see the section "Full Information about a Service" in the document "WAY4™ Service Packages").

Contract Usage Limiters

The connection between a usage limiter and a preferred counterparty category is configured in the *Preference Type* field in the form with additional parameters of a limiter template (see the section "Additional Parameters of Limiters (Details)" in the document "Usage Limiters").

Chapter 3. Using Preferred Counterparties in WAY4

Example 1:

There are two corporations; employees of one can make payments at the Hilton hotel, employees of the other, at the Radisson hotel.

- Both corporations use the same Service Package

- Configure the Preference Type named "Only enabled"

- Configure the Service for the *SIC Group* "Hotels". For this service, specify the counterparty category "Only enabled" in the *Preference* field

- In the corporation contracts, indicate the *SIC (MCC)* and/or *Merchant Name* of the permitted hotel in the "Preferred for ..." form

Example 2:

A bank limits the authorisation amount for Visa cards from "suspicious" countries.

- Configure the "suspicious" countries using the Area dictionary (see the section "Country Area Support" of the document "WAY4™ Dictionaries")

- Configure a Preference Type named "Restricted".

- In the list of preferred counterparties of the Service Package for the device contract (in the "Preferred for ..." form), specify the "suspicious" area to which the "Restricted" category applies

- Configure the limiter that regulates the maximum transaction amount (*Max Amount*) for the *Preference Type* "Restricted".