

Acceptance	This term has two meanings: 1) in the field of transfer systems, it refers to the inclusion of a funds or securities transfer order in the system's operations for further processing, possibly after various checks regarding – for example – technical standards or the availability of funds, as specified in the rules of the system. 2) in the field of cards, it refers to the process whereby a particular brand of card is accepted by a terminal, a merchant or any other entity.			definition ok
Acceptor	Any merchant or other entity that accepts a payment instrument presented by a client in order to transfer funds in the merchant's favour.			definition ok
ACH	See Automated clearing house (ACH).			definition ok
Acquirer	In POS transactions: The entity (usually a credit institution) to which the (usually a merchant) transmits the information necessary to process the card In ATM transactions: The entity (usually a credit institution) which makes banknotes available to the cardholder (directly or via the use of third party providers).			definition ok
Ancillary system	A system in which payments or securities are exchanged and/or cleared, while the ensuing monetary obligations are settled in another system, typically an RTGS system			definition ok
ATM	See Automated teller machine (ATM).			definition ok
Authentication	The methods used to verify the origin of a message or the identity of a system participant and to confirm that a message has not been modified in transit.			definition ok
Automated clearing house (ACH)	An electronic clearing system in which payment orders are exchanged among participants, primarily via electronic media, and handled by a data processing centre. See also Clearing, Clearing house.			definition ok
Automated teller machine (ATM)	An electromechanical device that allows authorised users, typically using machine-readable plastic cards, to withdraw cash from their accounts and/or access to other services, such as balance enquiries, transfer of funds or acceptance of deposits. See also Cash dispenser.			definition ok
Authorisation	The consent given by a participant (or a third party on his behalf) in order to transfer funds or securities.	User identification or any user key that allows to check if the financing requestor is allowed to ask for invoice financing. Usage: the content is not of a technical nature, but reflects the organisational structure at the requesting side. The authorisation element can typically be used in case the financing requestor acts on behalf of one or more suppliers		definition ok, ISO definition more technical description of authorisation within a payment message
Backup system	A system designed to replace the primary system in case the latter cannot function for whatever reason. See also Business continuity.			definition ok

Bank identifier code (BIC)	See BIC.	Bank Identifier Code. Code allocated to financial institutions by the Registration Authority, under an international identification scheme, as described in the latest version of the standard ISO 9362 Banking (Banking telecommunication messages, Bank Identifier Codes).		We suggest to align to the ISO definition
Batch	A group of orders (payment orders and/or securities transfer orders) to be processed together.			definition ok
BIC	Bank Identifier Code. An International Standardisation Organisation technical code that uniquely identifies a financial institution. SWIFT is the registration authority for BICs The BIC consists of eight or eleven characters, comprising a financial institution code (four characters), a country code (two characters), a location code (two characters) and, optionally, a branch code (three characters).	Bank Identifier Code. Code allocated to financial institutions by the Registration Authority, under an international identification scheme, as described in the latest version of the standard ISO 9362 Banking (Banking telecommunication messages, Bank Identifier Codes).		We suggest to align to the ISO definition
Bilateral net settlement system	A settlement system in which participants' bilateral net settlement positions are settled between every bilateral combination of participants.			definition ok
Bilateral netting	An arrangement between two parties to net their bilateral obligations. See also Multilateral netting, Netting, Net settlement system.		Bilateral netting agreement An agreement between two netting entities that enables netting. A bilateral netting agreement specifies one or more deal types, and one or more currencies to be netted. The agreement applies to specified value dates at specified cut-off times. SWIFT sometimes abbreviates this term as BNA.	In our view the SWIFT definition is a stronger definition, because it talks about agreement instead of arrangement and explains what is meant with that agreement.
Bill of exchange	A written order from one party (the drawer) to another (the drawee) to pay a specified sum on demand or on a specified date to the drawer or to a third party specified by the drawer. Widely used to finance trade and, when discounted with a financial institution, to obtain credit.			definition ok
Book-entry transaction	In the field of payments, the term refers to a credit or debit entry made by a credit institution on the account of a customer in accordance with general instruction by the customer (e.g. dividend payment, bank fees).			definition ok
Brand	The identity of a particular payment product (especially card) that has been licensed by the owner of the brand for use in a given territory.			definition ok for the card world
Bulk payments	See Batch.			definition ok
Business continuity	Arrangements aimed at ensuring that a system meets agreed service levels even if one or more components of the system fail or if it is affected by an abnormal event.			definition ok
Cap	Quantitative limit on the funds or securities transfer activity of participants in a system; limits may be set by each participant or imposed by the body managing the system. Limits can be placed on the net debit position and/or net credit position of system participants. Also called a "limit".			definition ok
Card (payment card)	A device that can be used by its holder to pay for goods and services or to withdraw money.			definition ok
Card acquirer	See Acquirer.			definition ok
Cardholder	A person to whom a payment card is issued and who is authorised to use the card.			definition ok

Card issuer	The financial institution that makes payment cards available to cardholders, authorises transactions at POS terminals or ATMs and guarantees payment to the acquirer for transactions that are in conformity with the rules of the relevant scheme.			definition ok
Card scheme	A technical and commercial arrangement set up to serve one or more card brands and which provides the organisational, legal and operational framework rules necessary for the services marketed by the brand to function. See also Three-party scheme, Four-party scheme.			definition ok
Card with a cash function	A card enabling the cardholder to withdraw cash from a cash dispenser and/or to deposit cash. The cash function is usually combined with a payment function. See also Cash card.			definition ok
Card with a credit function	See Credit card.	Card where the holder has been granted a line of credit. The card enables the holder to make purchases and withdraw cash up to a pre-arranged ceiling.		It should also be clear from the definition that a prearranged ceiling is a line of credit.
Card with a debit function	See Debit card.			definition ok
Cash card	A card which provides only a cash function. See also Card with a cash function.			definition ok
Cash dispenser	Electromechanical device that permits authorised users, typically using machine-readable plastic cards, to withdraw banknotes. See also Automated teller machine (ATM).			definition ok
Central bank money	Liabilities of a central bank that take the form of banknotes or of bank deposits at a central bank and which can be used for settlement purposes.			No specific description in SWIFT, but we suggest to keep the definition as generic as possible, such as: liabilities issued by the central bank for the use of money
Charge card	See Delayed debit card.			definition ok
Cheque	A written order from one party (the drawer) to another (the drawee; normally a credit institution) requiring the drawee to pay a specified sum on demand to the drawer or to a third party specified by the drawer.			definition ok
Chip card	A card with an embedded microprocessor (chip) loaded with the necessary information to enable payment transactions.			definition ok
Clearing	The process of transmitting, reconciling and, in some cases, confirming payment or securities transfer orders prior to settlement, possibly including the netting of orders and the establishment of final positions for settlement. Sometimes the term is used (imprecisely) to include settlement.			definition ok
Clearing house	A common entity (or common processing mechanism) through which financial institutions agree to exchange transfer instructions for funds or securities. In some cases, the clearing house may act as central counterparty for the participants and therefore assume significant financial risks. See also Clearing, Clearing system, Automated clearing house (ACH).			Rather than to refer to a clearing house as a common entity we would suggest to refer to it as a financial services company that provides clearing and settlement services for financial transactions
Clearing member	A member of a clearing house. In a CCP context, a general clearing member clears on its own behalf, for its customers and on behalf of other market participants. Direct/individual clearing members clear on their own behalf and on behalf of their customers. Non-clearing members use general clearing members to access the system's services. All trades must be settled through a clearing member.			definition ok in CCP context, but a more generic description would be a member of a clearing house

Clearing system	A set of rules and procedures whereby financial institutions present and exchange data and/or documents relating to funds or securities transfers to other financial institutions at a single location (e.g. clearing house). The procedures often also include a mechanism for calculating participants' mutual positions, possibly on a net basis, with a view to facilitating the settlement of their obligations in the settlement system. See also Clearing, Netting, Clearing house.	Specification of a pre-agreed offering between clearing agents or the channel through which the payment instruction is processed.		The definition is too specific to security transfers, ISO definition is more generic
Close-out netting	A special form of netting, which follows certain contractually agreed events (such as the opening of insolvency proceedings etc), whereby all existing obligations are accelerated so to become immediately due. See also Netting, Default.			Suggestion: Close-out netting is a process by which, following an event of default or termination event: <ul style="list-style-type: none"> • open transactions between two parties are terminated • each terminating transaction is valued; and • all the termination values, together with any unpaid amounts, are reduced to a single net amount owed by one party to the other.
Collateral	An asset or third-party commitment that is used by the collateral provider to secure an obligation vis-à-vis the collateral taker.			definition ok
Collateral pool	A collateralisation technique that enables institutions to deposit their available collateral in one account in order to obtain credit from a counterparty. By contrast with an earmarking system, this technique enables an institution to make collateral available to a counterparty without allocating it to a specific transaction.			definition ok
Commercial bank money	Commercial bank liability that takes the form of deposits at a commercial bank which can be used for settlement purposes. See Loro, Nostro account			No specific description in SWIFT, but we suggest to keep the definition as generic as possible, such as: liabilities issued by commercial banks for the use of money, representing most of the stock of money
Committed facilities	Facilities (e.g. credit lines or repo facilities) whereby the provider is contractually committed to advance funds in specified circumstances. See also Collateral pool, Loss-sharing agreement.			definition ok
Confirmation	The process whereby the terms of a trade are verified either by directly involved market participants or by a central entity.			definition ok
Core Principles for Systemically Important Payment Systems (CPSIPS)	International standards for systemically important payment systems developed by the G10 central banks as guidance for the oversight activities of central banks with regard to payment. For details, see the report entitled "Core Principles for Systemically Important Payment Systems", BIS, January 2001.systems of systemic importance.			definition ok
Corporate action	Action or event decided by the issuer of a security which has an impact on the holders. Such an event can be optional if there is a choice for the holders (example: exercise the right to purchase more shares with conditions specified by the issuer) or mandatory if there is no choice for the holders (example: dividend payment, stock split).	An event determined by a corporation's board of directors, that changes the existing corporate capital structure or financial condition.	A Solution that provides ISO 15022 message standards for corporate action and income notifications, instructions, and confirmations.	definition ok, but specific for securities. ISO definition more generic

Correspondent banking	An arrangement whereby one bank (the settlement or service-providing bank) makes or receives payments (and possibly performs other banking services) on behalf of another bank (customer or user bank). See also Loro account, Nostro account, Tiering arrangement.			definition ok
Correspondent central banking model (CCBM)	A mechanism established by the European System of Central Banks with the aim of enabling counterparties to use eligible collateral in a cross-border context. In the CCBM, national central banks act as custodians for one another. This means that each national central bank has a securities account in its securities administration for each of the other national central banks and the ECB.			definition ok
CCBM 2	The Collateral Central Bank Management (CCBM2) is a common platform for Eurosystem collateral management, establishing efficient collateral mobilisation and management procedures for both domestic and cross-border collateral.			definition ok
Counterparty risk	The risk that between the time of the agreement on a transaction and the time of actual settlement the counterparty to the transaction fails to fulfil its obligations.			definition ok
Credit card	A credit card enables cardholders to make purchases and/or withdraw cash up to a prearranged ceiling. The credit granted may be settled in full by the end of a specified period or may be settled in part, with the balance taken as extended credit on which interest is usually charged.			It should also be clear from the definition that a prearranged ceiling is a line of credit.
Credit institution	(i) An undertaking whose business is to receive deposits or other repayable funds from the public and to grant credits for its own account, or (ii) an electronic money institution within the meaning of EU law.			A credit institution is a company of which the principal and permanent economic activity is to receive cash deposits and other repayable funds from the public and to grant loans for its own account and provide other financing.
Credit limit	The limit on the credit exposure which a payment system participant incurs vis-à-vis another participant (bilateral credit limit) or vis-à-vis all other participants (multilateral credit limit) as a result of receiving payments which have not yet been settled. Also referred to as credit cap.			definition ok
Credit line	A commitment to grant credit on demand that one entity has given to another entity in advance on agreed terms.			definition ok
Credit risk	The risk that a counterparty will not settle an obligation for full value, either when due or at any time thereafter. Credit risk includes replacement cost risk and principal risk. It also includes the risk of the failure of the settlement bank. See also Replacement cost risk, Principal risk.			definition ok
Credit transfer	A payment instrument allowing the payer to instruct its account-holding institution to transfer funds to the beneficiary.	Payment instrument between a debtor and a creditor, which flows through one or more financial institutions or systems.		ISO definition is more precise
Cross-border settlement	Settlement that takes place in a country other than the country in which one or both parties to the transaction are located. Antonym: Domestic settlement.			definition ok
Cross-border transaction	Transaction where the payer's and the payee's financial institutions are located in different countries.			definition ok
Cross-currency settlement risk	See Foreign exchange settlement risk.			definition ok
Cross-system settlement	Settlement of a trade through a link between two separate payment systems or securities settlement systems.			definition ok
Cut-off time	The deadline defined by a system (or an agent bank) to accept transfer orders for a defined settlement cycle.			definition ok

Daily processing	The complete cycle of processing tasks which needs to be completed in a typical business day, from start-of-day procedures to end-of-day procedures; sometimes includes the backing-up of data.			definition ok
Daylight (credit, overdraft, exposure...)	Synonym for intraday.			
Daylight credit	See Intraday credit.			definition ok
Debit card	A card enabling cardholders to have their purchases directly and immediately charged to their accounts, whether held with the card issuer or not. See also Card (payment card) and Delayed debit card.			definition ok
Default	An event stipulated in an agreement as constituting a default. Generally, the failure to complete a funds or securities transfer in accordance with the terms and rules of the system. A failure to pay or deliver on the due date, breach of agreement and the opening of insolvency proceedings all constitute events of default. See also Fail, failed transaction.	Settlement takes place according to the standard market rules.		More generic description would be: default is a standard market rule
"Defaulter pays"	A loss-sharing arrangement whereby each participant is required to collateralise any exposures it creates for other participants. As a result, losses resulting from a party's default are borne by the defaulting party. Antonym: "Survivors pay".			definition ok
Deferred net settlement system	A system which settles on a net basis at the end of a predefined settlement cycle (typically at the end of, but sometimes during, the business day).			definition ok
Delayed debit card	A card enabling cardholders to have their purchases charged to an account with the card issuer, up to an authorised limit. The balance in this account is then settled in full at the end of a predefined period. Also called a "charge card". See also Card (payment card).			definition ok
Delivery	Transfer of financial instruments or commodities by book entry or by physical exchange.	Specifies how the settlement of the underlying instruments will be done.		We don't use this word in this context, we use it in a settlement context (as shown in the ISO definition) or in the sense of instructions
Deposit facility	A standing facility of the Eurosystem which counterparties may use to make overnight deposits at a national central bank and which are remunerated at a pre-specified interest rate.			definition ok
Designated system	A system governed by the law of an EEA member state and designated to the European Commission by the competent national authorities in accordance with Directive 98/26/EC of the European Parliament and of the Council of 19 May 1998 on settlement finality in payment and securities settlement systems.			definition ok
Direct debit	Payment instrument for debiting a payer's payment account where a payment transaction is initiated by the payee on the basis of an authorisation given by the payer	Instruction, initiated by the creditor, to debit a debtor's account in favour of the creditor. A direct debit can be pre-authorised or not. In most countries, authorisation is in the form of a mandate between the debtor and creditor.	A payment method by which a pre-authorised agreement enables one organisation to automatically debit money from the bank account of another individual or organisation. Direct debits are made automatically and on a regular basis. This is the mandatory method of payment for SWIFT customers.	We suggest to use the following definition: A payment method by which a pre-authorised agreement enables one organisation to automatically debit money from the bank account of another individual or organisation.

Direct participant	A participant in a system that can perform all activities allowed in the system without using an intermediary, including in particular the direct input of orders in the system and the performance of settlement operations.			definition ok
Domestic settlement	A settlement which takes place in the country (or in the currency area) in which both parties to the transaction are located.			definition ok
Double-entry bookkeeping	An accounting principle whereby, for each credit/debit made on one account, there exists a corresponding entry on another account.			definition ok
Earmarking	A technique for identifying collateral whereby assets provided as collateral are attributed to individual transactions. Antonym: Collateral pool.			definition ok. You can also check T2S Glossary for this.
EBPP	See Electronic Bill Presentment and Payment (EBPP), e-invoicing.			definition ok
EDI	See Electronic data interchange (EDI).			definition ok
EFTPOS terminal	Terminal which captures payment information by electronic means and transmits such information either online or offline.			definition ok
Electronic Bill Presentment and Payment (EBPP), e-invoicing	Services which enable the electronic transmission, browsing and payment of invoices.			definition ok
Electronic data interchange (EDI)	The electronic exchange between commercial entities (in some cases also public administrations), in a standard format, of data relating to a number of message categories, such as orders, invoices, customs documents, remittance advices and payments. EDI messages are sent through public data transmission networks or banking system channels. Any movement of funds initiated by EDI is reflected in payment instructions flowing through the banking system. UN/CEFACT, a United Nations body, has established a set of standards for electronic data interchange for administration, commerce and transport (EDIFACT).			definition ok
Electronic money	A monetary value, as represented by a claim on the issuer, which is: (i) stored on an electronic device (e.g. a card, a computer) (ii) issued upon receipt of funds in an amount not less in value than the monetary value issued (iii) accepted as a means of payment by undertakings other than the issuer.			definition ok
Electronic money institution (ELMI)	A term used in EU legislation to designate credit institutions which are governed by a simplified regulatory regime because their activity is limited to the issue of electronic money and the provision of financial and non-financial services closely related to the issue of electronic money.			definition ok
Electronic purse	See Multi-purpose prepaid card.			definition ok

Electronic signature	A string of data, generated by a cryptographic method, which is attached to a message in order to ensure its authenticity and protect the recipient against repudiation by the sender.	Additional security provisions, eg, digital signature as provided by the debtor.		<p>We do not find a common definition. The EU directive also only refers to the three forms of electronic signature without giving one single definition (see below).</p> <p>The Directive addresses three forms of electronic signatures.</p> <p>The first one is the simplest form of the “electronic signature” and is given a wide meaning. It serves to identify and authenticate data. It can be as simple as signing an e-mail message with a person’s name or using a PIN-code. To be a signature the authentication must relate to data and not be used as a method or technology only for entity authentication.</p> <p>The second form of electronic signature defined in the Directive is the “advanced electronic signature”. This form of signature has to meet the requirements defined in Article 2.2 of the Directive. The Directive is technology neutral but in practice, this definition refers mainly to electronic signatures based on a public key infrastructure (PKI). This technology uses encryption technology to sign data, which requires a public and a private key.</p> <p>Lastly there is a third form of electronic signature mentioned in Article 5.1, which the Directive did not give a term of its own, but which for the purposes of this Report will be called “qualified electronic signature”. This consists of an advanced electronic signature based on a qualified certificate and created by a secure-signature-creation device and needs to comply with the requirements in Annex I, II and III.</p>
Eligible assets, eligible collateral	Assets which can be used as collateral in order to obtain credit from the Eurosystem			definition ok
EMV	Acronym for the (set of) specifications developed by the consortium EMVCo which promote the new global standardisation of electronic financial transactions and in particular the global interoperability of chip cards.			definition ok
Exchange-for-value settlement system	A general term to refer to systems which simultaneously exchange the two assets involved in a foreign exchange transaction or in a securities transaction. See also Delivery versus delivery (DvD), Delivery versus payment (DvP), Payment versus payment (PvP).			definition ok
Exit criteria	Criteria for an existing participant in a system to cease participation. Exit may be voluntary or compulsory (e.g. following the opening of insolvency proceedings).			definition ok
Exposure	The loss that would be incurred if a certain risk materialised.			definition ok
Face-to-face payment	A payment carried out between the payer and the payee in the same physical location. Antonym: Remote payment.			definition ok
Fail, failed transaction	A transaction that does not settle on the contractual settlement date, but may be retained and may settle thereafter.			definition ok

Final settlement, final transfer	A settlement or a transfer is final when it is unconditional, enforceable and irrevocable, even in the framework of insolvency proceedings against a participant (except in case of criminal offences or fraudulent acts, as decided by a competent court). In the European context, it can be distinguished between - the enforceability of a transfer order which is binding on third parties and protected from insolvency risks, provided that the transfer order was entered into the system, as defined by the rules of that system, before the opening of insolvency proceedings (transfer orders entered into a system after the moment of opening of insolvency proceedings are legally enforceable only in exceptional circumstances); and - the irrevocability of a transfer order which cannot be revoked by the participant from the moment defined by the rules of that system. A reference may also be made to the finality of transfer, whereby entitlement to the asset (be it cash or securities) is legally transferred to the receiving entity			definition ok
Foreign exchange settlement risk	The risk that one party to a foreign exchange transaction will pay the currency it sold but not receive the currency it bought. This is a form of principal risk, which is also called cross-currency settlement risk. See also Principal risk, Payment versus payment (PvP).			definition ok
Four-party scheme	Card scheme where the stakeholders involved are 1) the issuer, 2) the acquirer, 3) the cardholder and 4) the card acceptor (in the case of ATM transactions, it is usually the acquirer that offers his services via the ATM). This compares to a three-party scheme where the issuer and the acquirer are always the same entity.			The definition is ok, but very particular to the card scheme. In fact the European direct debit scheme and the European Electronic Payment scheme are also four party schemes.
Governance	Procedures through which the objectives of a legal entity are set the means of achieving them are identified and the performance of the entity is measured. This refers, in particular, to the set of relationships between the entity's owners, board of directors, management, users, regulators and other stakeholders that influence these outcomes.			definition ok
Gross settlement	The settlement of transfer orders one by one.			definition ok
Gross settlement system	A transfer system in which transfer orders are settled one by one. See also Real-time gross settlement (RTGS) system.			definition ok
Guarantee fund	A fund which compensates non-defaulting participants for losses which they suffer in the event that one or more participants default on their obligations. See also Clearing fund, Collateral pool.			definition ok
Hybrid system	A system that combines characteristics of RTGS systems (e.g. the continuous processing and clearing of transfer orders) and net settlement systems (e.g. several settlement cycles per day, some form of netting procedure for transfer orders).			definition ok
Home banking	Banking services which retail customers of credit institutions can access using various kinds of telecommunication device, such as telephones, mobile phones, television sets, terminals or personal computers.			definition ok

IBAN	An expanded version of the basic bank account number (BBAN), intended for use internationally, which uniquely identifies an individual account at a specific financial institution in a particular country. The IBAN also includes the bank identifier of the financial institution servicing that account.	Identifier used internationally by financial institutions to uniquely identify the account of a customer. Further specifications of the format and content of the IBAN can be found in the standard ISO 13616 "Banking and related financial services"		We suggest to follow the ISO definition
Integrity	In the context of data, the quality of being protected against accidental or fraudulent alteration in transmission or in storage. Alternatively, the quality of indicating whether or not alteration has occurred.		The mechanism that enables the originator of a message to provide the recipient with the means of verifying that the message has not been modified during transmission.	Definition is ok in the context of data
Interbank funds transfer system (IFTS)	A funds transfer system in which all (or almost all) participants are credit institutions.			An funds transfer system that provides for the (electronic) clearing of transactions among participants. Most (or all) participants are financial institutions, particularly banks and other credit institutions.
Interchange fee	Transaction fee payable between the payment services providers involved in a transaction.			definition ok
Interoperability	The set of arrangements/procedures that allows participants in different systems to exchange and settle payments or securities transactions.			Definition ok assuming that the given definition is in line with the EU Code of Conduct on Interoperability.
Intraday credit	Credit extended and reimbursed within a single business day. Also called "daylight credit".			definition ok
Intraday finality	Final settlement achieved continuously or at several times during the settlement day. Intraday finality can be provided through real-time settlement procedures and/or the settlement of the results of batch processing during the settlement day.			definition ok
Intraday liquidity	Funds which are available or can be borrowed during the business day in order to enable financial institutions to effect payments/settlements. Repayment of the borrowed funds should take place before the end of the business day. See also Intraday credit, Same-day funds.			definition ok
L/C	See Letter of credit (L/C).	Instrument issued by a bank substituting its name and credit standing for that of its customer. A letter of credit is a written undertaking of the bank, issued for the account of a customer (the applicant), to honour a demand for payment, upon the beneficiary's compliance with the terms and conditions set forth in the undertaking.		definition ok, but we suggest to use the ISO definition
Lamfalussy standards (minimum standards of the Lamfalussy report)	The six minimum standards for the design and operation of cross-border and multi-currency netting schemes or systems. For details, see the "Report of the Committee on Interbank Netting Schemes of the central banks of the Group of Ten countries (Lamfalussy Report)", BIS, November 1990. See also Core Principles for Systemically Important Payment Systems			definition ok
Large-value funds transfer system	A funds transfer system through which large-value and/or high priority funds transfers are made between participants in the system for their own account or on behalf of their customers. Although, as a rule, no minimum value is set for payments made in such systems, the average size of such payments is usually relatively large. Large-value funds transfer systems are sometimes known as "wholesale funds transfer systems".			definition ok

Large-value payments	Payments which are generally for very large amounts, are exchanged mainly between banks or between participants in the financial markets, and usually require urgent and timely settlement.			definition ok
Legal risk	The risk of loss on account of the unexpected application of a law or regulation, or because a contract cannot be enforced.			definition ok
Letter of credit (L/C)	A promise by a bank or other issuer to a third party to make payment on behalf of a customer in accordance with specified conditions. Frequently used in international trade to secure the payment obligation of an importing entity.	Instrument issued by a bank substituting its name and credit standing for that of its customer. A letter of credit is a written undertaking of the bank, issued for the account of a customer (the applicant), to honour a demand for payment, upon the beneficiary's compliance with the terms and conditions set forth in the undertaking.		definition ok, but we suggest to use the ISO definition
Limit	See Cap.			definition ok
Liquidity risk	The risk that a counterparty will not settle an obligation in full when due. Liquidity risk does not imply that a counterparty or participant is insolvent, since it may be able to effect the required settlement at some unspecified time thereafter.			definition ok
Loro account	A "loro account" is the term used in correspondent banking to describe an account held by one bank on behalf of another bank (the "customer bank"); the customer bank regards this account as its "nostro account". Sometimes also called a "vostro account". Antonym: Nostro account.			definition ok
Loss-sharing agreement	An agreement among participants in a clearing or settlement system regarding the allocation of any losses arising from the default of a participant in the system or of the system itself.			definition ok
Mandate (for direct debits)	The authorisation given by the payer to the payee and/or to its own account holding institution to debit his/her account.			definition ok
Margin	An amount for which highly liquid collateral is required in order to cover adverse market price movements.			In our view the definition of 'margin' depends on the business it refers to.
Marginal lending facility	A standing facility of the Eurosystem which counterparties may use to receive overnight credit from a national central bank at a pre-specified interest rate against eligible assets. See also Standing facility.			definition ok
Market infrastructure	Generic term used to designate systems used for the trading, clearing and settling of payments or securities.			definition ok
Market risk	The risk of losses (in both on and off-balance sheet positions) arising from movements in market prices. See also Replacement cost risk.			definition ok
Marking to market	The practice of revaluing securities and financial instruments using current market prices. See also Haircut, variation margin.			definition ok
Means of payment	Assets or claims on assets that are accepted by a payee as discharging a payment obligation on the part of a payer vis-à-vis the payee. See also Payment instrument.			definition ok
Member	A participant in a system which also owns a stake in the system.			definition ok
Money order	An instrument used to transfer money remotely, often used in case the payer and/or the payee do(es) not have a current bank account.			definition ok
Money remitter	A payment service provider that accepts funds from a payer for the purpose of making them available to a payee, without necessarily maintaining an account relationship with the payer or payee.			definition ok

M-payment	A payment where a mobile device (e.g. phone, PDA) is used at least for initiating the payment order and also possibly for the transfer of funds.			definition ok
Multilateral net settlement system	A settlement system in which each settling participant settles its multilateral net settlement position (typically by means of a single payment or receipt). See also Multilateral netting, Net settlement system.			definition ok
Multilateral netting	An arrangement among three or more parties for the netting of obligations and the settling of multilateral net settlement positions.			definition ok
Multiple batch processing	See Batch .			definition ok
Multi-purpose prepaid card	A prepaid card which can be used at the outlets of several service providers for a wide range of purposes. See also Prepaid card.			definition ok
Net credit cap	A limit placed on the credit exposure which a participant is allowed, or willing, to run vis-à-vis the other participants or a participant in the system as a result of sending/receiving payments which have not been settled. See also Cap.			definition ok
Net settlement	The settlement of transfer orders on a net basis.			definition ok
Net settlement system	A funds or securities transfer system which settles net settlement positions during one or more discrete periods, usually at pre-specified times during the business day.			definition ok
Netting	In the context of clearing or settlement systems, an agreed offsetting of mutual obligations by participants in a system. The process involves the calculation of net settlement positions and their legal reduction to a (bilateral or multilateral) net amount.Netting may take several legal forms. See also Bilateral netting, Multilateral netting, Position netting, Netting by novation, Unwind.		The calculation of a net balance for the settlement of outstanding financial contracts. Receivables are offset against payable to reduce the credit exposure to one or more counterparties, and to minimise settlement risk.	Definition is ok, but from our point of view the SWIFT definition is to be preferred.
Netting by novation	An agreement where obligations from individual transfer orders are netted and replaced by new obligations. The parties to the new obligations may be the same as those to the existing obligations or, in the context of some clearing house arrangements, there may also be some substitution of parties.			We suggest to add that 'the exchange adjusting or altering existing mutual obligations is by mutual agreement, with either buyer or seller paying the difference in market value to equalize the exchange.'
Non-repudiation	Mechanisms providing evidence both of the identity of the sender of a payment message and of the integrity of that message. These are sufficient to prevent the sender of the message from successfully denying the submission of the payment message or the integrity of its contents.			definition ok
Nostro account	The term used in correspondent banking to describe an account held by a customer bank on the books of another bank acting as service provider. The other bank regards this account as a "loro account".			definition ok
Novation	See Netting by novation.			definition ok
Off-line card transaction	A card transaction which is authorised without contacting the issuer at the time of the transaction.			definition ok
Online card transaction	A card transaction which is authorised after explicit approval of the issuer at the time of the transaction.			definition ok
Operational risk	The risk that deficiencies in information systems or internal controls, human error or management failures will result in unexpected losses (internal and external events).			definition ok

Optimisation routine	A procedure to determine the order in which transfer orders are to be processed and settled in a transfer system in order to increase settlement efficiency.			definition ok
Oversight	Oversight of payment systems is a typical central bank function whereby the objectives of safety and efficiency are promoted by monitoring existing and planned systems, assessing them against the applicable standards and principles, whenever possible, and, where necessary, inducing change. The concept is increasingly used also for securities clearing and settlement systems.			definition ok
Participant	An entity which is identified/recognised by the transfer system and which is allowed to send, and is capable of receiving, transfer orders to/from the system, either directly or indirectly. See also Direct participant, Indirect participant, Remote participant.			definition ok
Payer	The party to a payment transaction which issues the payment order or agrees to the transfer of funds to a payee.			definition ok
Payment	In a strict sense, a payment is a transfer of funds which discharges an obligation on the part of a payer vis-à-vis a payee. However, in a technical or statistical sense, it is often used as a synonym for "transfer order".			definition ok
Payment card	See Card (payment card).			definition ok
Payment instrument	A tool or a set of procedures enabling the transfer of funds from the payer to the payee. The payer and the payee can be one and the same person.			definition ok
Payment lag	See Settlement lag.			definition ok
Payment order	Any instruction by a payer or payee to a payment service provider requesting the execution of a payment transaction.			definition ok
Payment system	This expression has two meanings. In some cases, it refers to the set of instruments, banking procedures and interbank funds transfer systems which facilitate the circulation of money in a country or in a currency area. In most cases the expression is used as a synonym of funds transfer system.			definition ok
Payment versus payment (PvP)	A mechanism which ensures that the final transfer of a payment in one currency occurs if and only if the final transfer of a payment in another currency or currencies takes place. See also Exchange-for-value settlement system.			definition ok
PE-ACH	Pan-European automated clearing house. A business platform for the processing of euro payment instruments which is made up of governance rules and payment practices and supported by the necessary technical platform(s)			definition ok
Personal identification number (PIN)	A personal and confidential numerical code which the user of a payment instrument may need to use to verify its identity. In electronic transactions, it is seen as the equivalent of a signature.			definition ok
Point of sale (POS) terminal	Device allowing the use of payment cards at a physical (not virtual) point of sale. The payment information is captured either manually on paper vouchers or by electronic means. See also EFTPOS terminal.			definition ok
Position netting	Netting of orders in respect of obligations between two or more parties which neither satisfies nor discharges those original individual obligations. Also referred to as "payment netting" in the case of payment orders, or "advisory netting". Antonym: Netting by novation.			definition ok
Postal order	Money order in which the drawee is a postal institution.			definition ok

Prenotification	The advance notification provided by the creditor to the debtor in the field of direct debits as regards: (1) the amount of the next direct debit; and (2) the date of collection.			This is true in the case of SEPA direct debit, but prenotification also exist in the Trade business,
Prepaid card	A card on which a monetary value is stored or that enables its holder to use funds loaded in advance on a dedicated account. See also Multi- purpose prepaid card			definition ok
Primary site	The place where systems operators locate the infrastructure and/or staff necessary to run their normal daily business operations.			definition ok
Principal	An entity that acts on its own behalf, with its own funds and at its own risk. Antonym: Agent.			definition ok
Principal risk	The risk that the seller of a financial asset (e.g. securities, currency) will deliver but not receive payment, or that the buyer will pay but not receive delivery. In such a situation, the full value of the securities or funds transferred is at risk. See also Delivery versus payment (DvP), Payment versus payment (PvP).			definition ok
Processing	The performance of all the actions required in accordance with the rules of a system for handling a transfer order from the point of acceptance by the system to the point of discharge from the system. Processing may include clearing, sorting, netting and/or settlement.			definition ok
Provisional settlement	The discharging of an obligation by means of a transfer of funds and/or a transfer of securities which is dependent on the fulfilment of certain conditions and can therefore be rescinded by one or more parties. See also Settlement. Antonym: Final settlement, final transfer.			definition ok
Provisional transfer	A transfer order is provisional as long as it can be revoked by the originator or as long as it can be reversed subject to certain conditions. Antonym: Final settlement, final transfer.			definition ok
Queue management	Rules and procedures that determine the order in which transfer orders are released from the queue and processed, e.g. first in first out (FIFO). Optimisation routines may or may not be used. See also Queuing, Optimisation routine			definition ok
Queuing	An arrangement whereby transfer orders are held in a queue by the sending participant or by the system until they can be processed according to the rules of the system. In an RTGS system, payments are typically "queued" because of a lack of funds or insufficient access to intraday credit. In netting systems payments are "queued" in order to prevent caps from being exceeded. See also Cap.			definition ok
Reachability	A credit institution is "reachable" if it can execute a credit transfer order and/or a direct debit instruction sent by any other bank in a particular currency area.			definition ok
Real-time gross settlement (RTGS) system	A settlement system in which processing and settlement takes place on a transaction-by-transaction basis in real time.			definition ok
Reconciliation	A procedure to verify that two sets of records issued by two different entities match.			definition ok
Refunds	In the field of direct debits, refunds are claims by the debtor for reimbursement of debits on its account (with or without specific reason raised by the debtor).			definition ok

Refusals	In the field of direct debits, refusals are instructions issued by the debtor prior to settlement, for whatever reason, to the effect that the debtor bank should not to make a direct debit payment.			If meant here is that a refusal is followed by a reject or return, then the definition is ok.
Rejects	In the field of direct debits, rejects are direct debit requests which are diverted from normal execution by the debtor's bank prior to settlement.			Rejects are not only possible for direct debits, but also for credit transfers or any other payment instrument.
Remote access	Direct access by an institution established in one country to a system (e.g. payment system, securities settlement system or CCP) established in another country.			definition ok
Remote participant	A participant in a system which operates from a country other than the country in which the system is located.			definition ok
Remote payment	A payment made from a distance, without the payer and payee being present at the same physical location.			definition ok
Reserve requirement	The minimum amount of reserves a credit institution is required to hold with the Eurosystem. Compliance is determined on the basis of the average of the daily balances over an maintenance period.			definition ok
Retail funds transfer system	A funds transfer system which typically handles a large volume of payments of relatively low value in such forms as cheques, credit transfers, direct debits			definition ok
Retail payment	A non-time-critical payment of relatively low value. Typically, these payments are made outside of the financial markets and are both initiated by and made to individuals and non-financial institutions. Antonym: Large-value payments.			The only remark we have is that we do not see the relation necessarily between retail payment and non-time-critical factor.
Retailer card	A card issued by a merchant for use at specified merchant outlets.			definition ok
Returns	Direct debit collections that are diverted from normal execution after inter-bank settlement claims initiated by the debtor bank.			Definition is not ok. Return can be used both for direct debit and credit transfers and refers to a request by an agent to the previous agent in the payment chain to undo a payment previously settled.
RTGS system	See Real-time gross settlement (RTGS) system.			definition ok
Same-day funds	Funds which the recipient is entitled to transfer or withdraw from an account on the day of receipt. See also Intraday liquidity.			definition ok
Scheduling	Technique for managing payment queues by determining the order in which payments are accepted for settlement. See also Queuing.			definition ok
Secondary site	A location other than the primary site, which systems can use to resume their business operations and other functions in the event of a disaster.			definition ok
SEPA	Single Euro Payments Area. A process initiated by European banks supported by the Eurosystem and the European Commission, in order to integrate retail payment systems, in view of transforming the euro area in a true domestic market for the payment industry.			definition ok
Settlement	The completion of a transaction or of processing in a transfer system, such that participants meet their obligations through the transfer of securities and/or funds. A settlement may be final or provisional. With the exception of a zero net balance, settlement requires the opening of accounts by competent institutions (see settlement account). See also Final settlement, final transfer; Provisional settlement; Gross settlement; Net settlement.			definition ok

Settlement account	An account held at a central bank or a central securities depository, or with a central counterparty or any other institution acting as a settlement agent, which is used to settle transactions between participants in a system.			definition ok
Settlement agent (settlement institution)	The institution across whose books transfers between participants take place in order to achieve settlement within a settlement system. See also Bilateral net settlement system, Multilateral net settlement system, Settling participant (settling member, settlement bank).			definition ok
Settlement asset	Assets or claims on assets that are accepted by the beneficiary to discharge a payment obligation.			definition ok
Settlement day (or date)	The day on which settlement actually takes place.			definition ok
Settlement failure	The inability of a participant to meet its settlement obligations in a system. This inability may be temporary or permanent. See also Fail, failed transaction; Default.			definition ok
Settlement lag	In a transfer system, the time lag between the acceptance of the transfer order by the system and its final settlement. In an exchange-for-value system, the time lag between entering into a trade/bargain and the final exchange of a financial asset for payment.			definition ok
Settlement obligation	The requirement, as a result of the settlement process, that a settlement system participant effect payment or deliver assets.			definition ok
Settlement risk	The risk that settlement in a transfer system will not take place as expected, usually owing to a party defaulting on one or more settlement obligations. This risk comprises, in particular, operational risks, credit risks and liquidity risks.			definition ok
Settlement system	A system used to facilitate the settlement of transfers of funds, assets or financial instruments. See also Funds transfer system, Securities settlement system			definition ok
Settling participant (settling member, settlement bank)	A participant which maintains one or more accounts with a settlement agent in order to settle funds or securities transfers on its own behalf or, potentially, for other market participants. See also Tiering arrangement, Settlement agent (settlement institution).			definition ok
Smart card	A payment card containing a chip.			definition ok
Standing facility	A central bank credit facility available to counterparties at their own initiative. The Eurosystem offers two overnight standing facilities: the marginal lending facility and the deposit facility.			definition ok
Standing order	An instruction from a customer to its bank to make a regular payment of a fixed amount to a named beneficiary.	Instruction given by a party that has explicit authority to instruct a debit on the account, ie, either the debit account owner or originating party, to a first agent, to process cash transfers at specified intervals during an implicit or explicit period of time. A standing order is given once and is valid for an open or closed period of time.		Definition is ok, but we think that the ISO definition in legal terms is more correct
Stored value card	See Multi-purpose prepaid card, Prepaid card.			definition ok
Straight-through processing (STP)	The automated end-to-end processing of trades/payment transfers, including, where relevant, the automated completion of confirmation, matching, generation, clearing and settlement of orders.			definition ok

"Survivors pay"	A loss-sharing arrangement which, in the event of a participant's inability to settle, requires losses to be borne by the other (non-defaulting) participants in accordance with a predetermined formula.			definition ok
Systemic risk	The risk that the inability of one participant to meet its obligations in a system will cause other participants to be unable to meet their obligations when due, with possible spillover effects such as significant liquidity or credit problems that may threaten the stability of or confidence in the financial system. The inability can be caused by operational or financial problems.			definition ok
Systemically important payment system	A payment system which has the potential to trigger systemic risks, in the event of it being insufficiently protected against the risks to which it is potentially exposed.			We suggest to use the following definition: A payment system is systemically important where, if the system were insufficiently protected against risk, disruption within it could trigger or transmit further disruptions amongst participants or systemic disruptions in the financial area more widely.
Three-party scheme	Card scheme involving the following stakeholders: (1) the card scheme itself, acting as issuer and acquirer; (2) the cardholder; and (3) the accepting party. This compares to a four-party scheme where the issuer and the acquirer are separate entities and are also separate from the card scheme itself. See also Card scheme, Four-party scheme.			As with the four-party scheme here also the definition is ok, but three-party scheme is not solely limited to card schemes.
Tiering arrangement	An arrangement whereby indirect participants in a system require the services of direct participants in order to carry out their transactions. See also Indirect participant, Settling participant (settling member, settlement bank).			definition ok
Transaction reference number (TRN)	A unique reference number used to identify each payment instruction.			definition ok
Transfer order	An order or message requesting the transfer of funds or securities from the debtor to the creditor.			definition ok
Transfer system	A set of legal, technical and procedural arrangements which concern the transfer of assets such as money or securities.			definition ok
Truncation	A procedure in which a paper-based transfer order or other financial instrument is replaced, in whole or in part, by an electronic record of the content of that instrument for further processing and transmission.			Definition is ok, but it seems here that the definition is specific to a certain practise where there is also a more generic use of the word truncation.
Unwind	The process of recalculating obligations in some net settlement systems where transfers between the accounts of participants are provisional until all of them have finally discharged their settlement obligations. If a participant fails to settle, some or all of the provisional transfers involving that participant are deleted from the system and the settlement obligations of the remaining participants are recalculated. See zero hour rule			definition ok
Value date	A reference date used for the calculation of interest on the funds held on an account.		The date on which the amount of the payment or transfer is at the disposal of the receiving user.	The definition of SWIFT is more correct.
Vostro account	See Loro account.			definition ok
Wholesale funds transfer system	See Large-value funds transfer system.			definition ok

Zero-hour rule	A provision in the insolvency law of some countries whereby the transactions of an insolvent institution that have taken place after midnight on the date the institution is declared insolvent are automatically ineffective by operation of law. See also Unwind.			definition ok
----------------	---	--	--	---------------