

CLEARING CODES RULES

VERSION 1.0 | January 2017

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1 DOCUMENT INFORMATION

1.1 VERSION HISTORY

VERSION	DATE	DESCRIPTION
0.1	25.10.2016	Draft
0.2	09.11.2016	Wording amended in Section 5
0.3	24.11.2016	Final draft produced for sign off by CCOG
1.0	11.01.201	Baseline following signoff from CCMG 8 December 2016

1.2 COPYRIGHT STATEMENT

All rights reserved.

The copyright in this document is owned by Bacs Payment Schemes Limited (short formed as Bacs). All material, concepts and ideas detailed in this document are confidential to Bacs. This document shall not be used, disclosed or copied in whole or in part for any purposes unless specifically approved by Bacs.

2 INTRODUCTION

Sorting Codes are used to identify offices of financial institutions for payment routing purposes. Sorting code data used by the UK payments industry is updated constantly to reflect bank and other financial institution changes. The pace of change is quicker now, driven in particular by the increased use of online banking, and the Faster Payments Service. Using data which is out of date can cause inconvenience to customers, their payment might be delayed or not processed and it places a cost burden on businesses, individuals and financial institutions as they rectify the problems which can arise.

Sorting Code Number ranges are allocated for use in the UK Payments Schemes by Bacs on behalf of the Payment Systems that use sorting codes for routing and settlement, (those with lead pairs 01 to 90). Lead pair ranges 90 to 99 are allocated to Irish institutions by IPSO (Irish Payment Services Organisation Limited). For practical purposes, the allocated ranges are controlled by the relevant Direct Participant. The allocation of Sorting Code Numbers within these ranges is therefore managed by the individual Direct Participant, subject to the undernoted rules.

Sorting Code Information for all financial institutions and their offices in the United Kingdom is held on the Bank Reference Data (BRD) system. Bank Reference Data holds Institution details, scheme participation, routing information, postal addresses and contact details for each sorting code. This data is updated weekly and made available via an extract file called the Industry Sorting Code Directory (EISCD / ISCD). (Only the EISCD includes Faster Payments data) Direct Participants, Sponsored Institutions and other organisations use this file for payment routing in Bacs, CHAPS, Faster Payments, Cheque & Credit Clearing Company and Belfast Bankers' Clearing Company, registering customer payment information and exceptions processing.

The rules are required for the efficient and fair operation of the UK Payments Schemes, Bacs, CHAPS, FPS, C&CCC & BBCC, and may have specific relevance to one or more of the Schemes. The rules apply to all Schemes except where specific reference to a particular Scheme is given. Where justifications are given for the rule, these should be taken as being indicative rather than being a complete explanation for the existence of the rule.

Direct Participants are responsible for ensuring all clearing code data held on Bank Reference Data relating to their offices and those of the institutions they sponsor is kept up-to-date. An annual Self-Certification Code of Conduct process is in place to maintain the quality and accuracy of the data held on Bank Reference Data.

These Rules will be regularly reviewed. Any proposed changes should be raised in the first instance to:-

Reference Data Manager
Bacs Payment Schemes Limited
2 Thomas More Square
London
E1W 1YN

All changes to this document will be presented to Clearing Codes Operational Group for agreement.

3 ELIGIBILITY CRITERIA

Only a an actual or intending Direct Participants or Indirect Participant can be allocated a Bank Code or a Sorting Code.¹

Each Payment Service Operator to specify their eligibility criteria for Direct Participation for that particular Scheme.

3.1 ELIGIBILITY CRITERIA FOR DIRECT PARTICIPANTS

Eligibility criteria for Direct Participants are agreed and maintained by each individual Scheme and are not detailed in this document. Any organisation wishing to join Bacs, CHAPS, Faster Payments, Cheque & Credit Clearing Company or Belfast Bankers Clearing Company should contact the relevant Scheme(s) directly.

3.2 ELIGIBILITY CRITERIA FOR INDIRECT PARTICIPANTS IN BACS, FPS, CHAPS, C&CCC & BBCC SCHEMES

An Indirect Participant participates indirectly in the payments schemes (Bacs, FPS, CHAPS, C&CCC & BBCC) via a Direct Participant. Indirect Participants can also be directly connected in FPS. Sponsoring Direct Participants must ensure that any institution they wish to sponsor meets the respective scheme eligibility criteria detailed below, where it is unclear if an organisation meets one of the scheme criteria then consideration should be given to gaining further guidance from the relevant Payment Service Operator for that scheme.

CHEQUE AND CREDIT CLEARING

To be eligible to be registered for the Cheque & Credit Clearing Company Scheme and remain an Indirect Participant (Indirect Clearer/ Agency Bank), the applicant shall be any of the following when it provides cheque and/or credit clearing services to third parties but clears and settles its cheques and/or credits through an agency arrangement with a Direct Participant and thus does not have direct access to the System or the processing infrastructure of the System:

- a) Authorised payment institutions;
- b) Small payment institutions;
- c) EEA authorised payment institutions;
- d) Credit institutions; (*See Reference to FCA Glossary below)
- e) Electronic money institutions;
- f) The Post Office Limited;
- g) The Bank of England, the European Central Bank and the national central banks of EEA States other than the United Kingdom;
- h) Government departments and local authorities.

BELFAST BANKERS CLEARING COMPANY

Institutions wishing to be registered and remain an Indirect Participant within BBCC must approach and gain agreement from a Belfast Bankers Clearing Company Direct Participant to sponsor them.

¹ Please see section 4.5 ISSUE OF NON STANDARD SORTING CODE NUMBERS (IBANS)

BACS

To be eligible to be registered and remain an Indirect Participant within Bacs, the applicant shall be a Payment Services Provider as laid down in the Payment Services Regulations 2009, i.e.

- a) Authorised payment institutions;
- b) Small payment institutions;
- c) EEA authorised payment institutions;
- d) Credit institutions;(See Reference to FCA Glossary below)
- e) Electronic money institutions;
- f) The Post Office Limited;
- g) The Bank of England, the European Central Bank and the national central banks of EEA States other than the United Kingdom;
- h) Government departments and local authorities.

For any of the above, the registration process (Sorting Code/ Bank Code allocation) will be allowed to take place for any PSP that has committed, by way of a Letter of Intent Bacs Payment Schemes Limited, to directly participate in the Bacs service at a future date. This is to enable pre-live testing to take place.

To become a Bacs Direct Participant the PSP must obtain or already have in place a Settlement Account at the Bank of England.

FASTER PAYMENTS

To be eligible to be registered and remain a Participant (settling or non-settling) within Faster Payments, the applicant shall be any of the following when they carry out payment services i.e. they must be a Payment Services Provider (PSP).

A Payment Services Provider as laid down in the Payment Services Regulations 2009. Payment Services Provider has the same meaning given to it in Regulation 2 (Interpretation) of the Payment Services Regulations 2009 (as amended from time to time) (“the PSR’s”) and for the purposes of these Rules may also include those institutions set out in paragraph (g) of such definitions of the PSR’s when acting in their capacity as monetary authority or carrying out other functions of a public nature and the entities set out in paragraph (h) of such definition of the PSR’s when carrying out functions of a public nature (if required):

- a) Authorised payment institutions;
- b) Small payment institutions;
- c) EEA authorised payment institutions;
- d) Credit institutions; (*See Reference to FCA Glossary below)
- e) Electronic money institutions;
- f) The Post Office Limited;
- g) The Bank of England, the European Central Bank and the national central banks of EEA States other than the United Kingdom;
- h) Government departments and local authorities.

For any of the above, the registration process (Sorting Code/ Bank Code allocation) will be allowed to take place for any PSP that has committed, by way of a Letter of Intent to Faster Payments Scheme Limited, to join the Faster Payments service at a future date. This is to enable pre-live testing to take place.

To become an FPS Settling Participant the PSP must obtain or already have in place a Settlement Account at the Bank of England.

CHAPS

To be eligible to be registered and remain an Indirect Participant within CHAPS, the applicant shall be any of the following when they carry out payment services.

A Payment Services Provider as laid down in the Payment Services Regulations 2009. Payment Services Provider has the same meaning given to it in Regulation 2 (Interpretation) of the Payment Services Regulations 2009 (as amended from time to time) (“the PSR’s”) and for the purposes of these Rules may also include those institutions set out in paragraph (g) of such definitions of the PSR’s when acting in their capacity as monetary authority or carrying out other functions of a public nature and the entities set out in paragraph (h) of such definition of the PSR’s when carrying out functions of a public nature (if required) :

- a) Authorised payment institutions;
- b) Small payment institutions;
- c) EEA authorised payment institutions;
- d) Credit institutions; (*See Reference to FCA Glossary below)
- e) Electronic money institutions;
- f) The Post Office Limited;
- g) The Bank of England, the European Central Bank and the national central banks of EEA States other than the United Kingdom;
- h) Government departments and local authorities.

A Credit Institution whose head office is outside the EU and whose functions correspond to those of Community credit institutions (as defined in Council Directive 2000/12/EC as amended by Council Directive 2000/28/EC).

An investment firm whose head office is outside the EU and whose functions correspond to those of Community investment firms as defined in Article 4.1(l) of Directive 2004/39/EC excluding the institutions set out in the list in Article 2.

MiFID 2004/39/EC

Investment firm means any legal person whose regular occupation or business is the provision of one or more investment services to third parties and/or the performance of one or more investment activities on a professional basis.

3.3 PAYMENT SERVICES REGULATION EXEMPTION FOR CERTAIN BODIES

Credit Unions, Municipal Banks and The National Savings Bank are exempt from the Payment Services Regulations 2009 (the “Regulations”). (See Part 1 regulation 3, paragraph (2) and regulation 4(1)(d) of the Regulations). The following are eligible to participate within the Schemes subject to:

- Credit Unions - means a credit union within the meaning of:
 - a) the Credit Unions Act (1979)
 - b) the Credit Unions (Northern Ireland) Order 1985

- Municipal Banks: Where municipal banks provide or propose to provide payment services they must give notice to the Financial Conduct Authority. “Municipal bank” means a company which, immediately before 1st December 2001, fell within the definition in section 103 of the Banking Act 1987.
- The National Savings Bank.

A copy of the Payment Services Regulations 2009 can be found at:

www.legislation.gov.uk/uksi/2009/209

In addition to the above any Indirect Participant introduced by a Direct Participant must be able to work within the rules and timetables of the relevant Scheme. (Please contact the relevant Scheme for further details).

***A copy of the FSA’s Handbook Glossary can be found at:**

www.handbook.fca.org.uk

3.4 OFFSHORE ELIGIBILITY (JERSEY, GUERNSEY, GIBRALTAR & ISLE OF MAN)

Please refer to the relevant Financial Services Commission for more details regarding regulated institutions.

Jersey	To be eligible to be registered and remain an Indirect Participant within the UK payment schemes, an institution shall be a Regulated Entity (Bank).
Guernsey	To be eligible to be registered and remain an Indirect Participant within the UK payment schemes, an institution shall be a Regulated Entity (Banking).
Gibraltar	To be eligible to be registered and remain an Indirect Participant within the UK payment schemes, an institution shall be a Regulated Entity (Banks).
Isle of Man	To be eligible to be registered and remain an Indirect Participant within the UK payment schemes, an institution shall be a Regulated Entity (Deposit Taking).

Please see Section 3.5 regarding offices that are based outside the UK and the ability to meet the normal clearing timetables.

3.5 OVERSEAS BRANCHES AND INSTITUTIONS

Offices of Settlement Members or eligible Indirect Participants based outside the UK may be introduced to the UK Schemes as long as they are able to meet the operational requirements.

Direct Participants looking to introduce offices in Cheque & Credit Clearing that are based outside the UK must contact Cheque & Credit Clearing Company at an early stage to discuss any such proposed arrangement.

4 SORTING CODE BANK REFERENCE DATA CHANGES

4.1 BANK REFERENCE DATA SORTING CODE REGISTRATION & AMENDMENTS

Sorting codes should only be registered for the Schemes they are going to participate in.

To ensure compliance with Payment Services Regulations all Bacs credit addressable sort codes must now also be registered for Faster Payments. Except where it can be demonstrated that the entity has no business requirement to make or receive payments via the Faster Payments Service and has actively stated the reasons why their sort codes should not be made FPS addressable or where the entity operates outside the jurisdiction of the PSD.

Sorting Codes allocated to Indirect Participants will appear under their own name in the Industry Sort Code Directory (EISCD/ ISCD), rather than being listed by Settlement Member.

4.2 ALLOCATION OF NEW SORT TO DIRECT PARTICIPANTS WHO ARE NOT DIRECT PARTICIPANTS OF BACS OR C&CCC SCHEMES

Whilst new lead pairs are only allocated to new C&CCC Direct Participants, business rules within the Bank Reference Data system allow the allocation of sorting code ranges (A range is considered a number of consecutive sorting codes which may or may not be a full lead pair) to Bacs or C&CCC (Including BBCC) Direct Participants.

Bacs Direct Participants who allocate sorting codes to CHAPS & FPS Direct Participants remain responsible for making all Branch detail changes (e.g. Name, Address & BIC etc.) on behalf of the CHAPS or FPS Direct Participants. All requested changes should normally* be completed without charge to the non Bacs Direct Participant.

* Bulk changes may incur a charge.

Direct Participants or intending Direct Participants who require new sorting codes for their participation in Bacs, CHAPS and Faster Payments can be allocated independently of any existing participant by Reference Data Manager.

4.3 ISSUE OF NEW SORTING CODE NUMBERS

It is important that the issue of a new sorting code is advised to all interested third parties, banks, building societies, direct debit originators etc. Failure to do this can result in valid cheques and direct debit instructions not being accepted.

The following timescales are designed to allow time for this notification process to take place. The guidelines are not mandatory, but Direct Participants and Indirect Participants not following them must be aware of the risk of payments being rejected and customers experiencing difficulties registering Direct Debit instructions.

- Sorting Codes must be registered on Bank Reference Data and in at least one Scheme (Bacs, CHAPS, FPS or C&CCC including BBCC) at least 6 weeks before any accounts are issued to customers.
- If a sorting code is registered for the Bacs Scheme the 6 week period should be considered to commence from the point at which transactions are allowed.

- Where accounts are issued to customers less than 6 weeks after the registration of a sorting code, the issuing bank must issue an advice, via VocaLink, to all recipients of the EISCD/ISCD. The cost of issuing such a notification to be borne by the Sponsoring Direct Participant.
- Customers who are allocated accounts in newly registered Sorting Codes should be advised that they may encounter some problems with setting up direct debits instructions etc. until all records have been updated.

4.4 ISSUE OF NEW NORTHERN IRISH SORTING CODE NUMBERS

Lead pair ranges 90 to 99 are allocated to Irish institutions by IPSO (Irish Payment Services Organisation Limited). Belfast Bankers Clearing Company Direct Participants use the following ranges in Northern Ireland.

- First Trust sorting codes in Northern Ireland start with 93-8.
- Ulster Bank sorting codes in Northern Ireland are within the range 980000-984999.
- Danske Bank is a trading name of Northern Bank Limited sorting codes in Northern Ireland are within the range 950000-950999.
- Bank of Ireland offices in Northern Ireland & the Republic of Ireland overlap on the first 3 digits of their sorting code range so it is not possible to apply a similar approach for their range.

Note: Due to the practice of many C&CCC Direct Participants to hard code the full 6 digits of each BBCC addressable sorting code in their internal systems and the potential lead times involved, BBCC Direct Participants should aim to register new BBCC addressable sorting codes at the earliest opportunity.

4.5 ISSUE OF NON STANDARD SORTING CODE NUMBERS (IBANS)

A lead pair range 00 has been allocated for use outside of the Bacs, CHAPS, Faster Payments and C&CCC. These sorting codes can be issued to Payment Service Providers who issue GB IBANS (International Bank Account Number) but do not wish to participate in UK clearings. These sorting codes will not appear in the EISCD/ISCD and are allocated by Bacs Reference Data. To be eligible to be allocated a non-standard sorting code the applicant must meet the criteria below AND complete a questionnaire to confirm the purpose and why they need the non-standard sorting code:

- a) Authorised payment institutions;
- b) Small payment institutions;
- c) EEA authorised payment institutions;
- d) Credit institutions; (*See Reference to FCA Glossary below)
- e) Electronic money institutions;
- f) The Post Office Limited;
- g) The Bank of England, the European Central Bank and the national central banks of EEA States other than the United Kingdom;
- h) Government departments and local authorities.

This questionnaire is then validated by Payments UK who will also hold a teleconference call with the applicant to confirm that they can proceed. Subject to confirmation that is required for legitimate use, Bacs Reference Data will then allocate the sorting code.

4.6 BRANCH TITLE AND ADDRESS

The full and short branch/office titles for each office must be unique to enable customers and other financial institutions to identify the correct sorting code and/or BIC to which the payment should be routed. The only permitted exception is for Head Office Collection Account sorting codes.

Each sorting code must refer to a unique address. It is not possible for a single sorting code to be applicable to two or more separate postal addresses. The same address and branch/office title must be applicable in all Schemes. It is acceptable to have more than one sorting code applicable to the same postal address, provided that each uses a unique branch/office title. Offices which use the same sorting code must use the same branch/office title and address. Addresses outside the UK for agency banks are acceptable.

Hyphens must not be used in the branch titles, address fields or Major Locations as they can have a detrimental effect when completing some types of payment messages.

4.7 INDIRECT PARTICIPANTS (INDIRECT CLEARERS / AGENCY BANKS)

Sorting Codes allocated to Indirect Participants will appear under their own name on the ISCD/EISCD rather than being listed by Settlement Member.

4.8 REISSUE / TRANSFER OF SORTING CODES (INCLUDING MERGERS & TAKEOVERS)

The reissue of a sorting code previously used by one institution to another institution is not allowed within a 10 year period after the initial closure. The only exception to this is where one institution is taken over by another and the sorting code is transferred to the acquirer.

The proposed transfer must be discussed with the Reference Data Manager.

Transfer of sort codes will only be permitted in exceptional circumstances and only on the basis that the take-over or merger is effective in all Schemes and all of the business is transferred. The request must be in writing accompanied by the supporting Legal documentation. The Settlement Member is required to provide written assurance that it accepts responsibility for any claims arising from misdirected payments.

In the event of a failed institution being split up, individual sorting codes can only appear against a single institution and cannot be shared across institutions under any circumstances.

4.9 CHANGE OF SETTLEMENT MEMBER / PORTABILITY OF SORTING CODES

A change of Settlement Member in Bacs, CHAPS or Faster Payments will not require a change of Sorting Code, subject to the new sponsoring direct participant's agreement.

Where an Indirect Participant changes its Settlement Member in the Cheque & Credit Clearings (Including BBCC) it will be required to change its Sorting Code Number(s). This is because the Cheque & Credit Clearing Direct Participants sort items on the first two digits (or "lead pair") of the Sorting Code Number. The only instances in which an exception may be made is where an Indirect Participant has been allocated its own 'lead pair' and the whole range is owned by the Indirect Participant or where sponsorship of a "70" range Sorting Code is to be transferred from one Direct Participant to another. Please refer to the Note in section 4.4.

With the exception of 70 range Sorting Codes, transfers in C&CCC are normally exceptional requests with potentially long lead times (not less than 6 months) Direct Participants must contact Reference Data Manager, Bacs and the C&CCC Scheme to discuss the matter at the earliest possible stage.

If an Indirect Participant changes its Bacs Settlement Member and is issued with a new sorting code by the new Settlement Member and wishes to redirect payments from the old Sorting Code the redirect can only be registered on the EISCD/ ISCD if both the old and new sorting codes are sponsored by the same Bacs Settlement Member.

If an Indirect Participant decides to become a Direct Participant of Bacs, CHAPS or Faster Payments it is not required to change its Sorting Codes.

Sorting codes may be registered for an Indirect Participant once they have been allocated an owning bank code in Bank Reference Data. From the point at which a sorting code has been registered to the owning bank code the institution can retain these sort codes and are portable if they change settlement member within a scheme (this is currently not applicable in C&CCC). If an Indirect Participant decides to become a Direct Participant of a scheme they can retain the sort codes. An Indirect/Direct Participants retaining its sorting codes prevents any adverse impact on customers who use these sorting codes.

4.10 MULTIPLE SETTLEMENT MEMBERS

It is acceptable for an Indirect Participant to have an individual sorting code that is sponsored by a different Direct Participant in each Scheme (Bacs, CHAPS, FPS, BBCC & C&CCC).

It is acceptable for an Indirect Participant to have more than one Settlement Member in a Scheme. If this situation occurs there must be a clear differentiation in branch title for each Sorting Code used, so as to avoid confusion.

A Direct Participant cannot be both a Direct Participant and an Indirect Participant in Bacs, or Cheque & Credit Clearing Company Schemes.

5 REFRESHING / UPDATING SORT CODE REFERENCE DATA

Using data which is out of date can cause inconvenience to customers, their payment might be delayed or not processed and it places a cost burden on businesses, individuals and financial institutions as they rectify the problems which can arise. This is particularly relevant when customers try to register new Direct Debit instructions.

The updated EISCD/ISCD is issued weekly, on the last working day of the week. Updates issued outside of this weekly cycle must be agreed by the Clearing Codes Management Group on the assumption that this will be an exceptional event

Direct Participants of Bacs, FPS & CHAPS Schemes must ensure sorting code reference data held on their payment related databases and applications is updated with fresh sorting code data weekly from the most recent EISCD/ISCD.

Recipients of the EISCD/ISCD who provide Sorting Code validation services, businesses and charities that are payment originators must update their sorting code data at least monthly with best practice being weekly.

6 CURRENT ACCOUNT SWITCH SERVICE (CASS)

The Account Switching flag on a sort code indicates whether the bank office can accept Account Switching. The flag is only included in the XML versions of the ISCD and EISCD and it is for Bacs Direct Participants to maintain.

7 MODULUS CHECKING

All participants are encouraged to register their sorting codes and modulus algorithms for account numbers that can be modulus checked. Modulus checking can reduce the risk of rejected or returned payments by confirming whether the sorting code and account number provided are a compatible match. It does not validate whether the account is open.

8 BUSINESS IDENTIFIER CODES (BICS) – RULES GUIDELINES & REGISTRATION

8.1 INTRODUCTION

The following Rules and Guidelines are applicable to the use of Bank Identifier Codes within the CHAPS Scheme. A Business Identifier Code (BIC) is a unique code which identifies individual banking and financial institution offices globally. These codes are recognised by computer systems processing international payments, such as SWIFT and CHAPS. For the purposes of these Rules and Procedures, two separate BIC Directories exist. One specifically containing all CHAPS Direct Participants and Participants addressable by unique BIC codes registered on the Industry Sorting Code Directory (ISCD/EISCD) and secondly, a directory prepared by SWIFT containing the BICs of all institutions on the SWIFT network and also those that are Direct Participants and Indirect Participants of CHAPS.

A CHAPS office can have only a Sorting Code or both a Sorting Code and BIC, a Direct (Primary) CHAPS office must always have a BIC.

A Sorting Code and a BIC can only have a 1-to-1 relationship, i.e. a bank office can only have one sorting code and one BIC, and Sorting Codes and BICs can only be allocated to one bank office.

Procedures exist to ensure both SWIFT & BRD databases are kept in step and are detailed below.

8.2 REISSUE OF BANK IDENTIFIER CODES

As BICs are institution specific, it is not possible under SWIFT rules to have them re-issued, however a BIC that is no longer used by a bank office can be reused by another bank office of the same institution, providing the BIC is still live on the SWIFT BICPlusIBAN directory.

8.3 MULTIPLE SETTLEMENT MEMBERS

It is acceptable for an Indirect Participant to be sponsored by more than one Direct Participant. If this situation occurs there must be a clear differentiation in the branch title (full & short) for each BIC code used, so as to avoid confusion.

9 BANK REFERENCE DATA CODE OF CONDUCT

Any organisation that is a Direct Participant of one of the Payment Schemes are required by to certify once annually that all Sorting Code related data held on Bank Reference Data relating to their own offices and those of the institutions they sponsor is up-to-date.

The self-certification is based on the Direct Participant completing an end to end review of the Sorting Code data during a fixed time period. The certificate must be signed by a Board Director from one of the Schemes (BACS, CHAPS, FPS or C&CCC (including BBCC)).

Each Direct Participant must update all out of date data identified prior to signing the self-certification certificate. If there are outstanding entries that require further investigation, legal or regulatory activity and these cannot be resolved within the time allocated details of each case should be included with the signed certificate.

The Code of Conduct requires Direct Participant to check and self-certify the following:

- All Indirect Participants' names are correct and registered in full.
- All Indirect Participants are appropriately supervised and their registered supervisory status is correct.
- All Direct Participants' Bank Office details including branch title, address and contact numbers are correct.
- All Indirect Participants Bank Office details including branch title, address and contact numbers are correct.
- All BRD authorised signatures held by VocaLink are up to date.

10 APPEALS PROCESS

The appeals process covers all aspects of the Clearing Code Rules. Any appeal in respect of these rules should be submitted in writing to the Chairman of Clearing Codes Management Group at Bacs registered office.

Any appeal must set out in sufficient detail the grounds for raising the appeal. The Appeal will be presented to the Clearing Codes Management Group for consideration. The Reference Data Manager will notify the Direct Participant of the Clearing Codes Management Group's decision in writing. Where the appeal is rejected a reason will be provided.

If a Direct Participant disagrees with the Clearing Codes Management Group's decision the Direct Participant shall be entitled to request the decision be escalated to Interbank System Operators Co-ordination Committee (ISOCC) for review.

11 SORTING CODE RANGE ALLOCATION

Range	Allocated to:
00	Reference Data allocate for the purpose of IBANS
01	National Westminster
04	Utility Bank (Sorting codes allocated centrally to new Direct Participants of Bacs, CHAPS and Faster Payments)
05	Clydesdale Bank PLC (for the use of Yorkshire Bank)
07-00 to 07-49	Nationwide Building Society
08	The Co-operative Bank PLC
08-30-00 to 08-39-99	For use of Citibank NA
09-00 to 09-19	Santander UK
10	Bank of England
11	Halifax (A trading name of Bank of Scotland PLC)
12-00 to 12-69	Bank of Scotland (12-60-00 to 12-69-99 reserved for use by Sainsbury's Bank Plc)
13	Barclays Bank PLC
14	Barclays Bank PLC
15,16 & 17	The Royal Bank of Scotland PLC
18	Coutts & Co
19	The Royal Bank of Scotland PLC
20 to 29	Barclays Bank PLC
30 to 39	Lloyds Bank PLC
40 to 49	HSBC Bank PLC
(49-99-79 to 49-99-99)	For the use of Deutsche Bank AG
50 to 66	National Westminster Bank PLC
70	No longer issued (Sorting Codes were allocated individually)
72	Santander UK
77-00 to 77-44	Lloyds Bank PLC
77-46 to 77-99	Lloyds Bank PLC
80 & 81	Bank of Scotland PLC

82	Clydesdale Bank PLC
83, 84 & 86	The Royal Bank of Scotland PLC
87	TSB Bank PLC
89-00 to 89-29-99	Santander UK
90	Bank of Ireland
91	Northern Bank
93-00 to 93-99	First Trust Bank (AIB Group (UK) PLC)
94	Bank of Ireland
95	Northern Bank
98	Ulster Bank Ltd

12 GLOSSARY

Bank Code	A four-digit number used to identify each institution registered on Bank Reference Data. Bank Codes are notified to Direct Participants at the point of institution registration on Bank Reference Data.
Business Identifier Code (BIC)	A unique code registered at SWIFT which identifies individual bank and financial institution offices globally.
Bank Reference Data (BRD)	Holds information about each Direct Participant and indirect participants that participates in any of the UK Payment Schemes: Bacs, CHAPS, Faster Payments, Cheque and Credit Clearing Co & Belfast Bankers' Clearing Company. Information is held about Direct Participants and indirect participants, the Payment Schemes they participate in, their bank offices and the Schemes that the bank offices are registered to use.
BIC Bank Code	The first four characters of a BIC that identify the owning bank.
CHAPS Code	A unique three character numeric code allocated by CHAPS Scheme to each CHAPS Direct Participant.
CHAPS Mnemonic	A unique two digit alpha code allocated by CHAPS Scheme to each CHAPS Direct Participants.
CHAPS Two Report Rule	The CHAPS Two Report Rule requires all CHAPS Bank Reference Data amendments, insertions or deletions to appear on at least two consecutive weeks' amendment reports. Reports are produced on the last working day of the week.
CASS	"Current Account Switching Service" (CASS) Closure

	of old account with transfer of balance, transfer and redirection for payment arrangements.
EISCD	Extended Industry Sorting Code Directory. An extract file containing details of all bank offices registered to participate in the UK Schemes: BACS, CHAPS Sterling, Faster Payments, C&CCC and BBCC.
IBAN	International Bank Account Number (IBAN)
ISCD	Industry Sorting Code Directory. An extract file containing details of all bank offices registered to participate in the UK Schemes: BACS, CHAPS, C&CCC & BBCC. (Does not include Faster Payments data).
Lead Pair	The first two digits of a Sorting Code or range of Sorting Codes.
Partial Switch	Service proposition is designed to offer simple transfer of payments (some or all) as per previous Todasso offering.
Direct Participant	Direct Participants of Bacs, CHAPS, FPS, C&CCC and BBCC Schemes.
Sorting Code	Six digit numbers issued by Bacs on behalf of the Schemes to Direct Participants for use in the Payment Schemes (Bacs, CHAPS, FPS & C&CCC).
Indirect Participants	(Also referred to as Agency Bank or Indirect Clearer). An Institution that is sponsored by a Direct Participant to participate within the Schemes (Bacs, CHAPS, FPS & C&CCC). See Section 3 for Scheme eligibility criteria.