

How to use the IBAN correctly

UBS KeyDirect

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1. Background

1.1 IBAN and BIC have become mandatory

At the end of 2005, the Swiss banks agreed to adopt the IBAN/BIC¹ Resolution proposed by the EU/EEA² countries.

This Resolution contains the following statements:

- With effect from 1 January 2006 the **IBAN and BIC will be regarded as the only identifiers for payments within the EU/EEA countries**, regardless of the amount of the payment.
- During a transitional period, which will last until the end of 2006, cross-border payments without an IBAN and BIC will still be accepted, but additional third-party charges may be applied.
- With effect from 1 January 2007, EU/EEA banks will even have the right to **reject payments that do not carry an IBAN and BIC**.

This regulation applies to all payments in euros made to an EU/EEA country.

1.2 UBS fee

From **August 2006** onwards UBS will charge the instructing party a **fee of CHF 8.00** per payment order for payments to EU/EEA countries that do not contain an IBAN. This amount will be applied per cross-border payment, irrespective of whether the other bank applies third-party charges to UBS or not.

1.3 Scope

- Only payment orders in euros are affected by this charge. However, UBS recommends that the IBAN should be used for all payments in all currencies in the EU/EEA zone.
- This charge does not apply to any IBAN countries other than the 28 EU/EEA countries.
- The charge is not dependent on the amount of the payment order.
- The charge option (OUR, SHA or BEN) has no impact on this charge.

1.4 Obtaining the IBAN

As a matter of principle, an IBAN may **only** be assigned by the financial institution at which the account is held and then communicated to the client. It is not permitted for the IBAN to be calculated using payment software. However, verification of the check digit should be a component of all good payment software.

You can find more detailed information about the structure of the IBAN in the enclosed factsheet "Payment transactions in Europe: always use the IBAN and BIC".

1.5 Correct input in your software

The following chapters show the navigation and data entry screenshots for making an euro payment to the above-mentioned countries without causing additional third-party charges.

Please note that most software solutions provide other additional options/combinations for entering the necessary information, e.g. IBAN and BIC. However, the options shown below meet the criteria without any exceptions and therefore make it impossible for the user to enter incorrect information.

If you require more detailed information about other options, please contact the corresponding software partner (for contact information see Chapter 7).

¹ IBAN: International Bank Account Number, BIC: Bank Identifier Code

² Austria, Belgium, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, the Netherlands, Norway, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden, the United Kingdom of Great Britain and Northern Ireland. Status: January 2006.

2. ABACUS Electronic Banking (Version 2006)

2.1 Entering an IBAN payment

Navigation:

To get to the screen shown below, proceed as follows:

- Program "111 Enter Payments"
- Press <F5> to select payment type "IPI"

Data entry screen:

Please note:

"Account no.":

Enter the IBAN of the beneficiary here.

"Recipient's bank":

If available, please also enter the BIC (SWIFT address).

2.2 Entering a bank with SWIFT-ID

You can access ABACUS's bank master data file in programs "412 Institute", "413 Account(s) Receivable" or "445 Payroll". New banks can be entered here.

Navigation:

- Select program "412 Institute", "413 Account(s) Receivable" or "445 Payroll"
- Press <F5> to enter a new bank

Data entry screen:

Please note:

Enter data – e. g. Bank name, address and SWIFT-ID – in the appropriate fields.

Press <F2> to save the record.

However, you can also enter the SWIFT-ID for a bank that already exists. To do this, simply select the bank in question, enter the valid SWIFT-ID, and press <F2> to save the record.

2.3 Modifying the master data

2.3.1 IBAN in the master data

To modify the master data, you must first select payment type "IPI" so that the IBAN can be entered in the "Beneficiary account" field.

Navigation:

- Select program "414 Beneficiary"

Data entry screen:

The screenshot shows the '414 Beneficiary' screen with the following data entered:

- Supplier: ENTREPRISE SA, CH150025425440020001V
- Address: No. 1, Rue de la Gare 1, CH-1000 Lausanne
- Account: 2-CH15002542544002, Quantity: 2
- Payment type: IPI
- Beneficiary account: CH150025425440020001V
- Clearing No.: 254
- Bank address: UBS AG, Postfach, 9001 St. Gallen, SWIFT-ID: UBSWCH2H90A

Procedure:

- Select the payee or click on the "New..." button to enter a new address
- Press <F5> to select a new payment method, then select payment type "IPI"
- Enter the IBAN in the "Beneficiary account" field
- In field "Clearing No." press <F4> to select the relevant bank
- Press <F2> to save the record

2.3.2 IBAN for suppliers (accounts payable)

The IBAN for suppliers is entered in the beneficiary account with type "IPI". The validity of the input is checked.

Navigation:

- Launch program "31 Supplier Base" for accounts receivable

Data entry screen:

The screenshot shows the '31 Supplier Base' screen with the following data entered:

- Supplier: ENTREPRISE SA, CH150025425440020001V
- Beneficiary account: CH150025425440020001V
- Account type: IPI
- Account: CH150025425440020001V
- Bank: UBS AG, Am Bahnhofplatz, Postfach, CH - 9001 St. Gallen, SWIFT-ID: UBSWCH2H90A

Procedure:

- Select supplier or press <F5> to enter a new one
- Select catalogue "Payment Methods"
- Select tab "Beneficiary Account"
- From the list of already available beneficiary accounts select the record to be modified or press <F5> to generate a new entry
- Select account type "IPI" and enter the IBAN in field "Account"

Data entry screen:

The screenshot shows the 'Bank' screen with the following data entered:

- Country / Postcode: CH, 9001
- Clearing No. / Bank No.: 254
- Bank address: UBS AG, Am Bahnhofplatz, Postfach, CH - 9001 St. Gallen, SWIFT ID: UBSWCH2H90A

Procedure:

- Select the recipient bank and check whether a SWIFT-ID is present. If not, use the "New Institute" link to complete the bank data

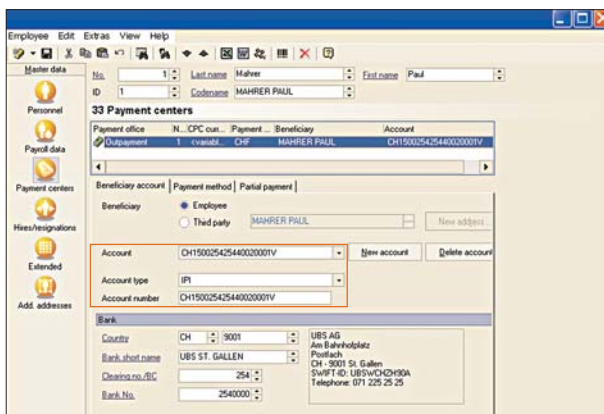
2.3.3 IBAN for employees (salary)

The IBAN for employees is entered in the beneficiary account with type "IPI". The validity of the input is checked.

Navigation:

- Launch program "33 Payment centers" for wages accounting

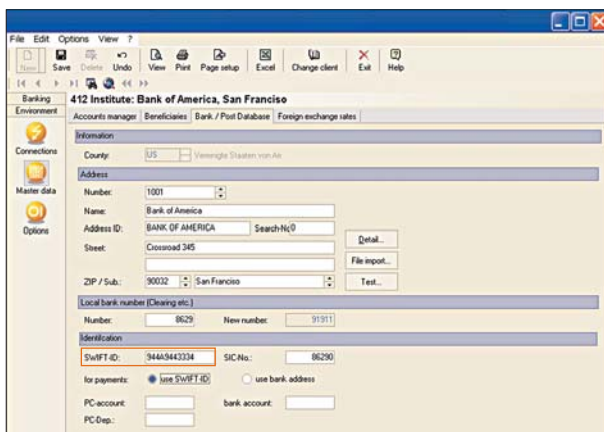
Data entry screen:



Procedure:

- Select employee or press <F5> to enter a new one
- Select catalogue "Payment centers"
- Select tab "Beneficiary account"
- From the list of already available beneficiary accounts select the record to be modified or press <F5> to generate a new entry
- Select account type "IPI" and enter the IBAN in field "Account number"

Data entry screen:



Procedure:

- Select the recipient bank and check whether a SWIFT-ID is present. If not, use program "445 Bank/Postal directories" to complete the bank data
- Save the data

3. CashComm (Version 4.1.66)

Navigation:

- "Payments + Bills"
- "Edit – New payment..."
- Select payment type "International Payment Instruction (IBAN/PI)"

Data entry screen:

Edit payments + bills

Payment type: International Payment Instruction (IPI) Graphical

Recipient

Address code: [] ...

Name: Test

Address line 1: []

Address line 2: Test

ZIP/Town: 99999 ... Test

Country: D ... Germany

Date: 13.02.2006 Execute on: []

Amount: 5.00 EUR ... Euro

Book entry text: []

Purpose of use: []

Clearing no.: []

Or SWIFT (BIC): AABBBCCCC

IBAN: DE12345678901234567890

Fees at the expense: Fee split Form: 01

Debit account: []

Bookkeeping acct.: []

OK Cancel

Please note:

"SWIFT":

If available, enter the SWIFT address of the recipient bank here. Otherwise enter the clearing number.

"IBAN":

Enter the beneficiary's IBAN here.

4. ITS Integrated Treasury System (V5.6.1)

4.1 Manual voucher entry

Navigation:

Manual voucher entry can be found in the menu

- "Payment operations"
- "SZT Slips"

Data entry screen:

Please note:

"Bank Code/SWIFT":
Enter the BIC here.

"Account Number":
Please enter the IBAN here.

4.2 Modifying the master data

Master data is stored in the following modules:

- "Money market"
- "Foreign exchange trading"
- "Contract management"
- "Netting"

The modifications for these modules are all the same. This document uses the money market module as an example. The "Cash Management" module is special and will be dealt with separately.

4.2.1 Money market

The IBAN and BIC are to be stored in the folders "Payment from" and "Payment to" in "Standing Instructions".

Navigation:

- "Administration"
- "Masterdata and Parameters"
- "GM Tables"
- Folder "Standing Instructions"

Data entry screen:

Please note:

Enter the beneficiary's data here.

"SWIFT Address":
Enter the BIC here.

"Account":
Enter the IBAN here.

Data entry screen:

Please note:

"SWIFT Address":
Enter the beneficiary's BIC here.

"Account":
Enter the IBAN here.

4.2.2 Foreign exchange trading

Navigation:

- "Administration"
- "Masterdata and Parameters"
- "FX Tables"
- Folder "Standing Instructions"

You can find the required modifications to the screens in Chapter 4.2.1 "Money Market".

4.2.3 Contract management

Navigation:

- "Administration"
- "Masterdata and Parameters"
- "CTM Rules and Texts"
- Folder "Standing Instructions"

You can find the required modifications to the screens in Chapter 4.2.1 "Money Market".

4.2.4 Netting

Navigation:

- "Administration"
- "Masterdata and Parameters"
- "NE Tables"
- "Netting-Standing Instructions"

You can find the required modifications to the screens in Chapter 4.2.1 "Money Market".

4.2.5 Cash Management

Navigation:

- "Administration"
- "Masterdata and Parameters"
- "CM Tables"
- Folder "Standing Instructions"

In Cash Management, payments are generated between pairs of ITS accounts by pooling or clearing. For this reason no beneficiary is stored in "Standing Instructions"; instead there is merely a reference to an ITS account. In order to make sure that the IBAN and BIC are used here, it is necessary to tick the "Use IBAN, if available" checkbox in "Standing Instructions", and the IBAN and BIC must be stored in the account/bank master data file.

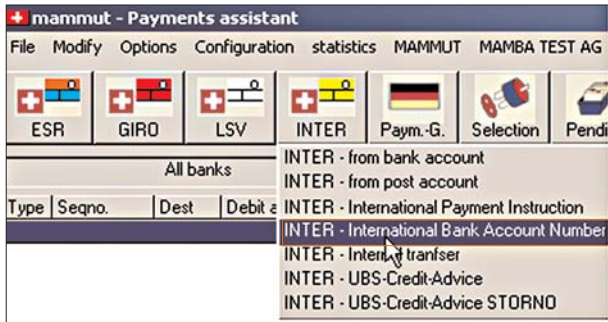
4.3 Verifying IBANs

In the "Integrated Treasury System" it is possible to check that the IBANs entered are formally correct. Both the IBAN length and the check digit are verified.

It is possible to verify the IBAN directly when a new account is being set up. In day-to-day operations, however, monitoring can be used to check that IBANs are present and correct and hence avoid unnecessary costs.

5. mammut ENTREPRISE (all products, from Version 540A SP1 onwards)

Navigation:



Data entry screen:

The screenshot shows the 'mammut - International Bank Account Number' data entry screen. It is divided into two main sections: 'Ordering Customer / Auftraggeber' and 'Beneficiary / Begünstigter'.
Ordering Customer / Auftraggeber:
Debit account: 2TUR1-929899.X1X
CH38 0027 3000 9298 99X1 X
Name / Name: MAMBA TEST AG
Address / Adresse: STRASSE 6300 ZUG
Currency/Währung: EUR-EUROPAEISCHE UNI
Amount/Betrag: 100.00
Amount to be paid zu zahlender Betrag: [field]
Beneficiary / Begünstigter:
Previous payment: [button]
Account number Kontonummer: CH26 0900 0000 6048 9788 6
Name / Name: KUNDE GMBH
MUNICH
Beneficiary's Bank Bank des Begünstigten: ABN AMRO BANK N.V. COPENHAGEN
or / oder SWIFT: ABNADKKKXXX BIC: [field]
Charges to be paid by Gebühren zu Lasten: 2
0 = OUR / Auftraggeber
1 = BEN / Begünstigter
2 = SHA / Gebührenteilung
Details of payment Verwendungszweck: INVOICE
Value: 13.02.2006
Category: A18824
Buttons: OK, Help, Details, New, Abort, Wage

Please note:

“Account number”:

Enter the beneficiary's IBAN here.

“SWIFT”:

If you know the beneficiary's SWIFT address, enter it here.

If not, complete fields “Beneficiary's Bank” fields.

6. PayMaker/ClubMaker/BusinessMaker (Version 14.4)

Navigation:

- Click on button "Payments"
- or
- Menu bar "Banking Functions"
- "Create and transfer payments..."
- "Bank"
- "Abroad"

Data entry screen:

The screenshot shows a software dialog box titled "Payment to an account abroad". It is divided into several sections for data entry:

- Execution date:** A date picker set to 31.08.2006.
- Acc. to be debited:** Fields for "Account number" and "Booking Text".
- Type of:** Radio buttons for "Bank account" (selected) and "Postal account".
- Beneficiary:** Fields for "Account/IBAN", "Address of beneficiary", and "Message to beneficiaries".
- Beneficiary's bank:** Fields for "Bank no./sort code" and "BIC/SWIFT".
- Payment Type:** Radio buttons for "in Switzerland" and "Abroad" (selected).
- Amount:** Fields for "Amount" and "Currency" (set to CHF).
- Instructions to your Bank (optional):** A dropdown for "Division of costs" and a "Further instructions" button.
- Options:** Checkboxes for "Recurring payment", "Update master data", and "Update accounting".

On the right side, there are buttons for "Accounting...", "Save", "Blank template", "Cancel", and "Help".

Please note:

"Account/IBAN":
Enter the IBAN of the beneficiary here.

"BIC/SWIFT":
Enter the BIC here.

If you do not enter an IBAN in the "Account number" field, a warning message is produced.

7. Contact information

7.1 UBS KeyDirect Software Partners

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