ICL Pathway Ltd	Network Banking Reconciliation & Incident Management	Ref:	NB/PRO/002
		Version:	2.0
	COMMERCIAL IN CONFIDENCE	Date:	22/01/02

Document Title: Network Banking Reconciliation & Incident Management

Document Type: Procedure

Release: N/A

Abstract: This document outlines the end-to-end reconciliation and incident management procedures required to investigate, report and resolve Network Banking reconciliation and business incidents.

Document Status: APPROVED

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0.0 Document Control

0.1 Document History

Version No.	Date	Reason for Issue	Associated CP/PinICL
0.1	22/10/01	Initial Draft	N/A
1.0	19/12/01	Issued for Approval following POL review	N/A
2.0	22/01/02	Post V1.0 POL comments included to enable final approval off by POL	N/A

0.2 Approval Authorities

Name	Position	Signature	Date
Paul Westfield	ICL Pathway Infrastructure Services Manager		
Jeanette Brown	Business Design - POL		

0.3 Associated Documents

Reference	Version	Date	Title	Source
1. CS/SPE/011	1.0	19/12/01	Network Banking End to End Reconciliation Reporting	PVCS
2. NB/SDS/004			System Design Specification for Network Banking	PVCS
3. CR/SPE/028			Network Banking Transaction States and Data Flows	PVCS

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0.4   Abbreviations/Definitions

Abbreviation	Definition
Business Incident	Any exception (as defined below) reported via NB102 or via the HSH requiring investigation and the provision of corrective information to allow POL to settle or reconcile. A Business Incident relates to the 'Symptom' and not to the root cause of the exception.
Exception Types	Within all reports the 'Exceptions' category will include: • 'Incomplete States', i.e. those transactions where one or more transaction component is missing – a C4 without a C12 etc • Genuine exceptions where transaction components belonging to the same high level transaction have been exceptioned, i.e. C12 (amount) not = to C4 (amount) etc. • NBE / DRS corruption's
MSU Day	Between 08.00hrs and 17.30hrs Monday – Friday inclusive, excluding English bank holidays
System Incident	Any exception (as defined above) reported via NB102 or via the HSH requiring the investigation and repair of the root cause of the exception.
APS	Automated Payment Service
BIMS	Business Incident Management Service
BSM	Business Service Management (AP Service Provision Team – POL)
DRS	Data Reconciliation Service
EPOSS	Electronic Point of Sale Service
HSH	Horizon Systems Helpdesk
MER	Manual Error Report
MSU	Management Support Unit
NBE	Network Banking Engine
NWB	Network Banking
POL	Post Office Limited
SIL	System Incident Log
SSC	System Support Centre
TIP	Transaction Information Processing
TP	Transaction Processing
TPS	Transaction Processing Service

0.5   Changes in this Version

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Version	Changes
1.0	• New section 'Disputed transactions' included • Report definitions amended to be consistent with CS/SPE/011 • Process maps amended following discussion • Definition of SLA components included in detail • Re- structuring of document following POL review
2.0	• Late comments included to enable approval by POL: See section 4.4.3.1 – 'Customer Critical Exceptions' included in points 1 and 3.

0.6   Changes Expected

Changes

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0.7 Table of Contents

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1.0 Introduction

The Network Banking (NWB) report set produced by ICL Pathway central systems has been designed to enable NWB transactions completed in the outlets to be reconciled to the outlet Cash Account and settlement to be made with Post Office Limited (POL) clients, e.g. Link, or direct settlement to specific clients.

ICL Pathway central systems will produce a suite of reports in accordance with the rules documented within *'CS/SPE/011: Network Banking End to End Reconciliation Reporting',* which reconcile all the individual transaction components making a NWB transaction. Reconciliation is essentially at two levels, the counter reconciling with the 'Client' and the counter reconciling with POL central systems – the Cash Account.

In addition to those exceptions reported by ICL Pathway within the NWB report set, reconciliation errors may be discovered by POL when reconciling data within it's central systems or relating to queries from POL clients. To initiate the Business Incident Management Service (BIMS) process, ICL Pathway or POL Transaction Processing (TP) or Business Service Management (BSM) generates NWB Business Incidents for one or more exceptions or reconciliation errors discovered.

The incident management process is generic for all services. Electronic Point of Sale Service (EPOSS), Automated Payment Service (APS) and NWB incidents are raised, documented and progressed to resolution in the same manner. It should be noted however, that where a NWB incident **DOES NOT** affect reconciliation within POL Transaction Information Processing (TIP), the provisions quoted within the Codified Agreement (CA) schedule G01, in respect of charges levied for Manual Error Reports (MER), **DO NOT** apply. Definition and charges for NWB / Transaction Processing Service (TPS) related errors, subject to the provisions of CA schedule G01, where the incident has caused a reconciliation or settlement error within TIP are found in associated ICL Pathway document: *'CS/PRO/111: TPS Reconciliation & Incident Management'*

2.0 Scope

This document sets out the reconciliation and incident management procedures to be adopted by ICL Pathway / Management Support Unit (MSU) for dealing with NWB reconciliation report distribution to POL and any associated NWB Business Incidents which may arise, including:

- NWB reconciliation report exceptions and incomplete states
- Software faults affecting reconciliation and settlement
- POL client enquiries / disputed transactions

3.0 NWB Reconciliation Reports

3.1 Reports produced by ICL Pathway central systems

3.1.1 NB100a: NBE / DRS Reconciliation Statement

This report reconciles the Network Banking Engine (NBE) with the Data Reconciliation Service (DRS) output from the outlet.

1. **NBE / DRS exceptions outstanding from previous days** – This figure identifies NWB NBE / DRS exceptions that were not cleared from the previous day..

2. **NBE / DRS exceptions manually cleared** – This figure identifies NWB NBE / DRS exceptions that were <u>cleared by MSU (F99)</u>, the previous day.

3. **Sub total of lines 1 & 2**

4. **NBE / DRS corruption's outstanding from previous days** – This figure identifies NWB NBE / DRS corruption's that were not cleared from the previous day.

5. **NBE / DRS corruption's manually cleared** – This figure identifies NWB NBE / DRS corruption's that were <u>cleared by MSU (F99)</u>, the previous day.

6. **Sub total of lines 4 & 5.**

7. **CCT processed today** – This figures identifies all successfully confirmed client transactions processed today (C4)

8. **ACTAC Processed today** – This figure identifies all authorised client transactions processed today which have not yet been matched to a counter confirmation (S)

9. **ECT processed today** – This figure identifies all reconciliation differences highlighted within the NBE processed today (D).

10. **Sub total of lines 7, 8 & 9**

11. **Counter confirmations processed today** – This figure identifies all counter confirmation transactions processed today (C12)

12. **CCT / Counter confirmations matched today** – This figure identifies all successfully confirmed client transactions (C4) that have been matched with counter confirmation transactions today (C12)

13. **NBE / DRS exceptions outstanding today** – This figure identifies NWB NBE / DRS exceptions that are uncleared at the end of this day.

14. **NBE / DRS corruption's outstanding today** – This figure identifies NWB NBE / DRS corruption's that are uncleared at the end of this day.

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3.1.2   NB100b – TIP DRS Reconciliation Statement

This report reconciles POL TIP with the DRS output from the outlet.

1. **TIP / DRS exceptions outstanding from previous days** – This figure identifies NWB TIP / DRS exceptions that were not cleared from the previous day.

2. **TIP / DRS exceptions manually cleared** – This figure identifies NWB TIP / DRS exceptions that were <u>cleared by MSU (F99),</u> the previous day.

3. **Sub total of lines 1 & 2**

4. **Counter confirmations received today** – This figure identifies all counter confirmation transactions processed today (C12)

5. **TIP transactions received today** – This figure identifies all NWB EPOSS transactions forwarded to TIP and posted to the Cash Account today(C112)

6. **Sun total of lines 4 & 5**

7. **Counter confirmations / TIP transactions matched today** – This figure identifies all counter confirmations (C12) that have been matched to TIP transactions (C112) today

8. **TIP / DRS exceptions outstanding today** – This figure identifies NWB TIP / DRS exceptions that are uncleared at the end of this day.

3.1.3 NB101a – Network Banking Settlement Statement <= 5 days

This report provides settlement information based upon the 'Client View' where transaction components have been received by the DRS less than or equal to five days after the reconciliation date.

1. **Confirmed transactions** – This figure identifies all successfully confirmed client transactions (C4), with a reconciliation date applicable to the date of the report column.

2. **Late confirmed transactions** – This figure identifies all successfully confirmed client transactions (C4), that have been received by the DRS on the run date of the report where the run date of the report is later than the reconciliation date applicable to the date of the report column.

3. **Sub Total of lines 1 & 2**

4. **Unconfirmed transactions** – This figure identifies all authorised client transactions (S), that have not yet matched to a counter confirmation (C12), with a reconciliation date applicable to the date of the report column

5. **Late unconfirmed transactions** – This figure identifies all authorised client transactions (S), that have not yet matched to a counter confirmation (C12), that have been received by the DRS on the run date of the report, where the run date of the report is later than the reconciliation date applicable to the date of the report column.

6. **Sub Total of lines 4 & 5**

7. **Total of confirmed and unconfirmed transactions** – Total of lines 3 & 6

8. **Exceptioned transactions** – This figure identifies all reconciliation differences highlighted within the NBE (D), with a reconciliation date applicable to the date of the report column.

9. **Late exceptioned transactions** – This figure identifies all reconciliation differences highlighted within the NBE (D), that have been received by the DRS on the run date of the report, where the run date of the report is later than the reconciliation date applicable to the date of the report column.

10. **Total of confirmed, unconfirmed and exceptioned transactions** – Total of lines 7, 8 & 9

11. **NBE / DRS exceptions O/S** – This figure identifies all NWB NBE / DRS exceptions that are uncleared at the end of this day.

12. **TIP / DRS exceptions O/S** – This figure identifies all NWB TIP / DRS exceptions that are uncleared at the end of this day.

13. **NBE / DRS corruptions O/S** – This figure identifies all NWB NBE / DRS corruption's that are uncleared at the end of this day.

3.1.4   NB101b – Network Banking Settlement Statement > 5 days

This report provides settlement information based upon the 'Client View' where transaction components have been received by the DRS more than five days after the reconciliation date.

Report NB101b report layout follows report NB101a. However it commences on Reconciliation Date / Column Date = Today – N where N >= 5. There is no maximum number of days within report NB101b. NB101b reports as many Reconciliation Dates / Column Dates as necessary subject to the rules identified within section 3.1.4.1 of *'CS/SPE/011: Network Banking End to End Reconciliation Reporting'*. For example, if on 06/01/01, subject to the rules identified within section 3.1.3.1 of *'CS/SPE/011: Network Banking End to End Reconciliation Reporting'* for NB101a, either an exception remains or a new transaction is received for Reconciliation date 01/01/01 or earlier, the appropriate Reconciliation Date / Column Date would be included within NB101b until no exceptions remained. In effect, NB101b could run for an indefinite number of Reconciliation Dates / Column Dates if exceptions remained or later transaction components were received.

3.1.5   NB102 – Exception Summary

The report identifies all incomplete or exception states.

This report is divided into 12 sections:

Section 1:   Uncleared confirmed, unconfirmed and TIP exceptions <24 hrs

- Reports exceptions by 'Incomplete or Exception System State' and reconciliation date. Where no exceptions are reported for a particular system state, the row is suppressed.

Section 2:   Uncleared exceptioned client transactions

- Reports NBE exceptions, (D), individually listed in system state order and reconciliation date where the incomplete or exception state suggests an urgent resolution is required to avoid customer dissatisfaction

Section 3:   Uncleared NBE / DRS corruption's

- Reports NBE / DRS corruption's individually listed in system state order and reconciliation date.

Section 4:   Uncleared timing differences

- Reports transaction components where there is a difference in the reconciliation date and the posting date allocated where an 'S' has been received with an earlier or later date than the 'C4'. The 'C4' automatically assumes the 'S' reconciliation date however the transaction is exceptioned.

Section 5:   Uncleared confirmed, unconfirmed and TIP exceptions >24 hrs

- Reports defined uncleared exceptions *(see CS/SPE/011)* previously included within Section 1 which have remained uncleared for a period of greater than 24 hours. They are removed from section 1 and listed individually in system state and reconciliation date order.

Section 6:   Uncleared future dated settlement transactions

- Reports any transactions received by the DRS from the NBE which are 'future dated' – Settlement date > report run date +3 in system state and reconciliation date order.

Section 7:   Cleared confirmed, unconfirmed and TIP exceptions <24 hrs

- As section 1 – exceptions cleared and set to 'F99' by ICL Pathway MSU

Section 8:   Cleared exceptioned client transactions

- As section 2 – exceptions cleared and set to 'F99' by ICL Pathway MSU

Section 9:   Cleared NBE / DRS corruption's

- As section 3– exceptions cleared and set to 'F99' by ICL Pathway MSU

Section 10:   Cleared timing differences

- As section 4 – exceptions cleared and set to 'F99' by ICL Pathway MSU

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Section 11: Cleared confirmed, unconfirmed and TIP exceptions >24 hrs

- As section 5 – exceptions cleared and set to 'F99' by ICL Pathway MSU

Section 12: Cleared future dated settlement transactions

- As section 6 – exceptions cleared and set to 'F99' by ICL Pathway MSU

3.1.6 NB103 – Settled Transaction / Cash Account Reconciliation Statement

This report allows POL to reconcile the settlement stream against the outlet Cash Account stream. This reconciliation is required as settlement with the individual POL clients is based upon the reconciliation date, i.e. the business day upon which the transaction took place – this is carried right through the 'C4', 'S', & 'D' transaction components. To complete a full reconciliation, it is important to know which Cash Account the settled transaction was posted to, in order to enable a reconciliation of settlement to be made with the outlet records. This report reconciles the transactions by reconciliation date and Cash Account record.

1. NB103 is run weekly: In order to align with internal POL / TIP processing it is required that this report is produced **AFTER** TPS processing on Friday and **BEFORE** TPS processing on Saturday. The report will include all C4, S and D transaction components where:
   - reconciliation date = run date and,
   - reconciliation date = run date – 'N' (where 'N' = 1 to 13).

2. Where a C112 is available and the CAP is known, the transaction will be posted against the appropriate CBDB applicable to the reconciliation date – (see rules 6 & 7)

3. Where no C112 is available and therefore the CAP is unknown:
   - the C4, S and D transaction components will be posted to 'No Cash Account Allocated' (Column 7)
   - then, when the C112 becomes available, the entry will be deleted from 'No Cash Account Allocated' (Column 7) and posted to the appropriate CBDB week applicable to the reconciliation date on the C112 (see rules 6 & 7)
   - if no C112 has been received after 14 days, **the entry within 'No Cash Account Allocated' (Column 7) will remain until the C112 becomes available even if this exceeds 14 days**

4. If a transaction is posted to the row 'No C/A to TIP' (according to it's reconciliation date):
   - the transaction will remain in this row until the Cash Account has been delivered to TIP and then move up into the row 'C/A to TIP'
   - if no Cash Account has been delivered to TIP after 14 days, **the entry within 'No C/A to TIP' should will until the Cash Account is delivered to TIP even if this exceeds 14 days**

5. As the report is run each week, the transactions will move across the report according to the CAP and the reconciliation date; for example, a transaction where the Cash Account has been delivered to TIP and posted to CBDB>=plus 2 in the first week, will move to CBDB plus 1 the second week and then appear in CBDB the third week, until disappearing off the report after 14 days

6. This report identifies VALUE only against five Cash Account Periods (CAP's). Those CAP's equate to the Counters Business Database (CBDB) date, the CBDB date minus 1, the CBDB date <=minus2, the CBDB date plus 1 and the CBDB date >= plus 2. In addition, those settled transactions, which currently have not been allocated a relevant CAP, will also be identified.

7. The CBDB CAP equates to TWO CAP's prior to the CAP applicable to the run date of the report. For example; if the report was run on Saturday 20th January within CAP42 *(CAP 42 commenced on Thursday 17th January)*, the CBDB CAP would be CAP40 *(CAP 40 commenced on Thursday 3rd January, ended Wednesday 9th January)*.

8. Where the CAP in which the outlet is trading is numerically more than 2 weeks prior to the CBDB CAP, if this takes the outlet CAP into the previous year, this will be reported as such. For example; the CBDB CAP is CAP 1 and the outlet is trading in CAP 51, this is assumed to be CAP51 of the previous year, *(therefore CBDB <=minus2)* and not reported ahead in the current year.

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3.2 Report Distribution & Checking

Both daily and weekly reports will be available by 08.00hrs the day following the run date of the report to:

- POL / TIP gateway: The Host writes the reports to an appropriate directory. These are picked up by FTMS and posted to the TIP gateway. (As per other Host to external system applications)

- ICL Pathway CS/MSU DRS Workstation – MSU will check each report for mathematical accuracy only.

All reports will be produced as ASCII text files – one for each report. The report layout will be fixed format with space characters providing the blank space. This will allow for 'Excel' input, using fixed field width facilities. Any formatting, (lines and shading) will not be included within the file.

3.2.1 Contingency in the Event on Non delivery of reports to PON

If ICL Pathway are unable to deliver all or any individual report to the POL / TIP gateway by 08.00hrs the day following the run date of the report, ICL Pathway MSU Manager will liase with the Network Banking Settlement Team Leader POL / TP to arrange an e mail transmission via the ICL Pathway account within the POL corporate mail system of reports **NB101a and NB101b only**. ICL Pathway / MSU will operate this contingency under 'reasonable endeavours' and will aim to have the reports with POL by 08.00hrs. However this timescale may not be achievable if processing problems have also delayed receipt of the reports into the DRS workstation. Should the POL corporate mail system be unavailable to ICL Pathway, then ICL Corporate mail is used as an alternative.

NB: Should the corporate e mail service of either organisation be unavailable, the Manager ICL Pathway /MSU will liase with the Manager POL / TP and agree facsimile of reports NB101a and NB101b only.

Any distribution list for these reports is considered by both ICL Pathway and POL to be of a dynamic nature and therefore specific addressees are not covered within this document.

4.0 Reconciliation & Incident Handling

4.1 Incident Classification

4.1.1 NWB Business Incidents

Business Incidents relate to the 'Symptom' of an underlying cause – e.g. the effect of the system fault on the resulting reconciliation or settlement information sent to POL.

A NWB Business Incident relates to one or more of the exceptions reported within the NWB Report Set, or one or more reconciliation or settlement errors / disputed transactions raised in accordance with this document by POL / TP / BSM. (Refer to section 6.0 for a list of those NWB Business Incident incomplete or exception states currently known and for which appropriate NWB Business Incident reporting processes are set out in this document).

4.1.1.1 NWB Reconciliation Report Exceptions

Exceptions reported within the NWB reconciliation report set will be applicable to:

- Communication difficulties between the outlet and the Campus
- Communication difficulties between the Campus and the NBE
- Errors within the NBE
- Errors within the DRS
- Errors causing TIP transactions not be harvested
- Corruption's within the NBE / DRS

4.1.2 System Incidents

System Incidents Relate to the underlying 'Cause'

Following the creation of a NWB Business Incident, ICL Pathway may raise an associated System Incident to identify and repair the underlying cause of a NWB Business Incident. System Incidents will be routed to the appropriate group within ICL Pathway, for investigation and resolution.

Where there are associated System Incidents and NWB Business Incidents, their relationship can be either:

- one to one; or

- one to many, respectively.

4.2 NWB Business Incident Originators

4.3 Generation of Business Incidents

In line with the generic incident management policy agreed between ICL Pathway and POL, NWB Business Incidents will only be recognised as such if generated by ICL Pathway or POL as appropriate, via the HSH or via the 'Enquiry Service'. This ensures that the NWB Business Incident is properly logged, enabling ICL Pathway / MSU to ensure that corrective information can be supplied and any underlying system fault can be rectified.

It is envisaged that NWB Business Incidents will only be generated by the following groups within ICL Pathway and POL:

- ICL Pathway / MSU for exceptions reported via the NWB Report Set

- POL TP / BSM for any other reconciliation / settlement error or disputed transaction discovered by POL that has not been reported by ICL Pathway via the NWB report set

- ICL Pathway / System Support Centre (SSC) for any system fault or data 'surgery' which is considered by ICL Pathway to have a reconciliation or settlement implication within POL in respect of NWB transactions.

Subject to agreement by the parties to the contrary, Post Office outlet calls to the Horizon System Helpdesk (HSH) will not generate NWB Business Incidents. However calls from Post Office outlets will be monitored and if it is considered necessary by ICL Pathway, difficulties reported to the HSH will be elevated to NWB Business Incident status.

4.3.1 Business Incidents Raised via the HSH by ICL Pathway / MSU

MSU will raise an appropriate Business Incident via the HSH for all exceptions appearing on reconciliation report NB102 sections 2,3,4 and 5.

4.3.2 Business Incidents Raised via the HSH by POL

It is important that POL TP / BSM supply sufficient information to the HSH when generating a NWB Business Incident in respect of a reconciliation or settlement error to ensure the timescales for the resolution of NWB Business Incidents referred to in section 6.0 can be achieved. Achievement of such timescales is dependent upon the following information being provided by POL TP / BSM when generating a NWB Business Incident via the HSH:

1. A valid 'PATH' code must be quoted, e.g. **'PATH040'** etc.

2. Prefix all narrative with **'THIS IS A BUSINESS INCIDENT FOR MSU'**

3. The following transaction detail:

- Client Account Number (the PAN)

- Outlet FAD

- Value of transaction

- Date of transaction

NB: Where POL TP / BSM raise a NWB Business Incident which may require a large amount of supporting information, summary detail only may be given to the HSH and the additional information may be sent via e-mail to ICL Pathway / MSU. (A current ICL Pathway / MSU contact list will be made available to POL).

4.3.3   Disputed Transactions Raised via the Enquiry Service

This facility is to support requirement NBR260 in respect of disputed transactions where POL have received notification via either the outlet or the Network Business Support Centre (NBSC). POL / TP / BSM will contact ICL Pathway / MSU directly by telephone, requesting urgent investigation within the timescales quoted in section 4.4.3.1

Achievement of such timescales is dependent upon the following information being provided by POL TP / BSM when generating a disputed transaction enquiry via the Enquiry Service:

1. A valid 'PATH' code must be quoted, e.g. **'PATH040'** etc.

2. The following transaction detail:

- Client Account Number (the PAN)

- Outlet FAD

- Value of transaction

- Date of transaction

NB: If incorrect or insufficient information is provided by POL to ICL Pathway to allow resolution of the query, no further action will take place until new information is supplied and the query will not be monitored in accordance with the timescales referred to in section 4.4.3.1.

4.4 NWB Incident Reporting

4.4.1 BIMS Reports / MER

The Business Incident Management System (BIMS) has been designed to report the progress to resolution of an NWB Business Incident to allow POL / TP to complete an accurate reconciliation (within POL central systems) or settlement with their clients. For ease of identification and association with the corresponding HSH call, BIMS Report references will mimic the HSH reference. However they will be prefixed with a letter 'B', e.g. HSH ref.: E9912120011 = BIMS ref.: BE9912120011. Where an incident has been raised via the Enquiry Service, an initial response will be provided via telephone to POL / TP / BSM and followed up by an appropriate BIMS report.

4.4.1.1 Format & content of BIMS report / MER

A BIMS Report will be issued for each NWB Business Incident generated via the HSH and the Enquiry Service. As part of that BIMS report, ICL Pathway will issue a MER for each error associated with the relevant NWB Business Incident where it is necessary to do so, to advise POL / TP of the transaction detail required to enable reconciliation or settlement to take place.

BIMS Reports / MER are designed to notify POL / TP of the detail required to assist in the reconciliation or settlement process within POL / TP. They communicate information concerning the resolution of the symptom of an underlying cause, <u>not the cause itself</u>. BIMS Reports / MER will not advise any detail as to the underlying 'Cause' of the problem if this is a result of a software error etc. This information is supplied via the System Incident Log (SIL). Where a System Incident is generated to eradicate the cause of a particular problem and there are one or more associated NWB Business Incidents, cross-references will be supplied on the NWB Business Incident BIMS Report / MER and the SIL to allow tracking of the System Incident.

4.4.1.2 Clearance & Closure Criteria

ICL Pathway anticipates that it will provide information concerning NWB Business Incidents to POL / TP on a 'drip feed' basis, by issuing updated versions of the initial BIMS Report / MER.

A BIMS Report is 'Cleared' when ICL Pathway / MSU has provided the reconciliation / settlement information required to be contained in the relevant BIMS Report as set out in section 4.4.1.1. Additionally, the exception is cleared from the appropriate section of NB102 by MSU. The BIMS Report is then 'Closed' following agreement between POL / TP and ICL Pathway / MSU at the monthly TIP Operational Review Forum (TIPORF). Such agreement is subject only to fulfilment of the following conditions:

- If there is no associated System Incident, the BIMS Report is closed subject to the clearance criteria described above being met

- If there is an associated System Incident, the BIMS Report is closed subject to the successful closure of the System Incident by ICL Pathway / MSU. *(On some occasions however, it is expected that POL / TP will give authority to close a BIMS report prior to the closure of the System Incident).*

POL / TP will advise ICL Pathway / MSU via spreadsheet on a monthly basis at the monthly TIPORF of any payments it considers are payable to POL (as compensation for POL's costs in dealing with MER) and / or its charges for dealing with widespread errors. **For the avoidance of doubt, NO charges are payable in respect of MER issued for NWB incidents not affecting the TIP transaction stream**.

If the parties disagree whether the TIP transaction stream has been affected or not, this will be initially discussed at the monthly TIPORF. The specific incidents will then be escalated via a 'Case Law Referral' form, to the Contract Administration Board for a final decision to be made.

4.4.1.3 BIMS Report Distribution

ICL Pathway / MSU will distribute NWB BIMS Reports / MER within POL / TP using the POL corporate e-mail network. In the event that this facility is temporarily unavailable, reports will be distributed via the ICL Pathway mail system.

BIMS Reports / MER distributed in accordance with this section will be deemed to have been issued to POL / TP, and / or POL / TP given notice of any errors described therein, at the time of transmission by mail.

An example of a BIMS Report / MER is shown in Section 5.0.

4.4.2 System Incident Log

The SIL is intended to track the progress to resolution of a System Incident generated to eradicate an underlying system fault. In practice, one system fault could lead to a number of symptoms generating NWB Business Incidents. The SIL has been developed to remove the need to annotate each BIMS Report / MER associated with a particular system fault, with the detail required to ensure POL / TP are fully advised as to the nature of this fault and how and when it is to be rectified. This information will be contained in the SIL. *NB: The SIL is not intended to be a vehicle to relay detail of all ICL Pathway releases / fixes and will relate only to reconciliation incidents resolved by MSU.*

4.4.3 NWB Exception Resolution Timescales

4.4.3.1 NWB Business Incident SLA conditions

ICL Pathway / MSU will raise an initial BIMS Report (V1.0) relating to a new NWB Business Incident, on the same working day as the NWB Business Incident is generated via the HSH or the Enquiry Service, or in any event on the morning of the next working day. This will be made available in accordance with section 4.4.1.1, to POL / TP. This initial, incomplete, BIMS Report will serve to notify POL that a Business Incident has occurred and that the completed BIMS Report will be provided to POL within the agreed timescales below.

In the event of the NWB Report Set not being available to ICL Pathway / MSU in time to enable any exceptions to be notified within this timescale, ICL Pathway / MSU will contact the POL / TP 'Incident Manager Transaction Processing' to agree a temporary extension to the timescale.

All enquiries and transaction searches within 90 days of the original transaction date will be carried out by ICL Pathway / MSU via the DRS Workstation. Enquiries and transaction searches where the original transaction date is in excess of 90 days will be carried out by ICL Pathway / MSU using the Audit Archive **subject to POL agreement to this archive being used for this purpose.**

ICL Pathway / MSU will ensure the final cleared BIMS Report / MER, is made available in accordance with section 4.4.1.1.and is cleared in accordance with the following timescales:

1. For disputed transaction enquiries relating to system states 8,9,10 & 11 (defined as 'Customer Critical' exceptions) where the **transaction date is within 90 days of the date the transaction is disputed by the end customer** and raised by POL / TP / BSM via the Enquiry Service in accordance with section 4.3.3:

   - If the disputed transaction is notified **BY THE END** of the MSU day where an exception appears within NB102 section 5 – i.e. the day following receipt by the DRS of a transaction within system states 8,9,10 or 11:

     It must be resolved within an average time of <= 8 hours of notification, based upon all Customer Critical exceptions received within a monthly reporting period.

   - If the disputed transaction is notified **AFTER THE END** of the MSU day where an exception appears within NB102 section 5 – i.e. the day following receipt by the DRS of a transaction within system states 8,9,10 or 11:

     It must be resolved within an average time of <= 8 hours commencing at 08.00hrs on the SECOND MSU day following receipt by the DRS of the exception, based upon all Customer Critical exceptions received within a monthly reporting period.

2. For any disputed transaction enquiries relating to system states 8,9,10 & 11 (defined as 'Customer Critical' exceptions) where the **transaction date is in excess of 90 days of the date the transaction is disputed by the end customer** and raised by POL / TP / BSM via the Enquiry Service in accordance with section 4.3.3:

   - ***It must be resolved within 5 MSU days notification***

3. For any exception relating to incomplete states 8,9,10,11 reported within NB102 section 5 and raised by ICL Pathway / MSU via the HSH in accordance with section 4.3.1:

   - ***It must be resolved within an average time of <= 8 hours commencing at 08.00hrs on the SECOND MSU day following receipt by the DRS of the exception, based upon all Customer Critical exceptions received within a monthly reporting period.***

4. For ALL other NWB exceptions reported within NB102 sections 1 – 5 and raised via the HSH by ICL Pathway / MSU in accordance with section 4.3.1:

   - ***They must be resolved within 5 MSU days of notification via NB102 sections 1 -5.***

5. For ALL NWB reconciliation errors raised by POL / TP / BSM via the HSH in accordance with section 4.3.2:

   - ***They must be resolved within 5 MSU days from the date they were reported to the HSH.***

NB: All time is calculated using the MSU day (08.00 to 17.30) and Monday to Friday inclusive, excluding English bank holidays.

4.4.3.2   SLA Exclusions

- Where an exception is identified as having it's root cause outside of the ICL Pathway domain the exception will be removed from the SLA calculation and resolved using 'Reasonable Endeavours'.

- Where an exception has been generated due to factors outside of ICL Pathway's control, e.g. where an outlet has failed to communicate due to fire, flooding or other agreed 'Force Majeur' conditions, the exception will be removed from the SLA calculation and resolved using 'Reasonable Endeavours'.

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4.4.3.3 NWB System Incident Resolution Timescales

There is no strict timescale for the resolution of a System Incident as the time taken to develop a fix or correct erroneous reference data cannot be determined. Obviously however, ICL Pathway will give every System Incident the priority it deserves taking into account POL's requirement and would aim to deliver an initial analysis of the root cause within 5 working days and a final analysis and evidence of remedial action, within 10 working days. A System Incident will be closed by ICL Pathway once the relevant fix has been developed and tested, or a correction to the relevant erroneous reference data has been authorised or approved for release through the appropriate agreed procedures between ICL Pathway and POL. The SIL, advising the current status of System Incidents will be delivered to POL / TP at the end of each week. POL / TP may telephone ICL Pathway / MSU at any time to receive an update as to the status of any System Incident documented on the SIL.

4.4.4 Widespread Errors

ICL Pathway will monitor 'trigger points', for example HSH calls and the NWB Report set, which can alert of any likely potential or actual 'widespread' errors which may occur. This is generally agreed to be the case where at least 100 exceptions of the same System State are reported within NB102 sections 2,3,4 & 5. In such a case, a problem will be raised and passed from ICL Pathway into the POL business community.

Should this scenario occur, ICL Pathway Business Continuity Manager will immediately notify POL Business Continuity Manager of the widespread error. Upon giving such notice the provisions of this document (other than this section) shall cease to apply to that particular widespread error. Instead, a recovery plan applicable to the specific nature of the error will be agreed by both parties.

4.4.5 Repairing Data

Refer to ICL Pathway document *'CS/PRO/111 'TPS Reconciliation & Incident Management'* for the repair criteria in relation to NWB transactions affecting the TPS transaction stream.

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5.0 NWB BIMS Report

BIMS Reference: **BE/0110150400**		**Final Update**

Incident Type:	**4 Network Banking**	Version: **3** Last Updated:	**18/10/01 11:40:19**
Incident Class:	**0070** **C2 with no corresponding C4, S or D**		
Originator: **PW-MSU**	Transaction Date: **14-Oct-01**	CAP: **3001**	FAD: **004546**
Status: **0** **Open**		Exception Value:	**£10.00**

Other References		Transaction Liability	
PinICL Reference:		Provisional:	Final:
Incident Xref:		Settlement Details	
TIP/TP/OSG Ref:		Transaction Settlement	
System Incident References		Settled Amount:	
HSH:		Invoice Number:	
PinICL:		Invoice Date:	
		Manual Error Report	
Incident History		Chargeable Errors:	**0**
Date Received: **15-Oct-01**		MER Set Amt:	
Date Cleared: **16-Oct-01**		MER Inv No:	
Date Closed:		MER Inv Date:	

Actions					
Actions: Date & Time	15/10/01 11:03:10	**Action Type**	Describe Incident	**Analyst**	Dina Chauhan
	The NBE/DRS Reconciliation Statement (NB100a) for processing date 15/10/01 shows 1 NBE/DRS Exception for £10.00. This is a C12 with no corresponding C4, S or D. The customer details are Bank – Barclays A/c Number – 00000000 Sort Code – 00-00-00				
Actions: Date & Time	16/10/01 15:36:04	**Action Type**	Clear Incident	**Analyst**	Mike King
	This occurred due the C12 not being delivered to the NBE. The C12 has now been forwarded to the NBE by MSU				

6.0 Incomplete and Exception States

6.1 Incomplete States

Incomplete State	Transaction Components				
	C112	C12	C4	S	D
1		√			
2		√	√		
4			√		
5	√				
6	√	√			
7	√		√		
8				√	
9	√			√	
10		√		√	
11	√	√		√	
12					√
13		√			√
14	√				√
15	√	√			√
16			Then √	√	
17	√		Then √	√	
18		√	Then √	√	
20				√	Then √
21	√			√	Then √
22		√		√	Then √
23	√	√		√	Then √

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6.2 Exception States

Exception State	Description
E01	Additional C112
E02	Additional C12
E03	Additional D
E04	Additional C4
E05	Additional S
E06	S after C4
E07	S after D
E08	C4 after D
E09	D after C4
E10	C112 after final state
E11	C12 after final state
E12	C4 after final state
E13	D after final state
E14	S after final state
E15	Not Used
E16	Not Used
E17	Not Used
E18	Not Used
E19	Not Used
E20	Amount of C112#C12
E21	Amount of C112#C4
E22	Amount of C112#S & C1#0
E23	Amount of C12#C4
E24	Amount of C12#S & C12#0
E25	Amount of C112#D
E26	Amount of C12#D
E27	Incomplete/corrupt C112
E28	Incomplete/corrupt C12
E29	Incomplete/corrupt C4
E30	Incomplete/corrupt D
E31	Incomplete/corrupt S
E32	Amount of C4#S & C4#0
E33	Amount of D#S
E34	C112 arrived after state F99
E35	C12 arrived after state F99
E36	C4 arrived after state F99
E37	D arrived after state F99
E38	S arrived after state F99
E39	Settlement Date # Reconciliation Date

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7.0 Incident Management Process Flows

7.1 Incomplete & Exception State Process Matrix

STATE	C2	C4	C1	S	D	DESCRIPTION	GROUP	REFER TO THE FOLLOWING DIAGRAMS
1	✓	x	x	x	x	Where is C4, C112, S or D*	A	AA, BB
2	✓	✓	x	x	x	Where is C112	B	BB
3	✓	✓	✓			Final		
4	x	✓	x	x	x	Where is C12 and C112	C	BB,CC
5	x	x	✓	x	x	Where is C12, C4 or S or D*	D	AA, CC
6	✓	x	✓	x	x	Where is C4 or S or D*	E	AA
7	x	✓	✓	x	x	Where is C12	F	CC
8	x	x	x	✓	x	Where is C12 and C112 and C4 or D & CE	H	BB,CC,DD
9	x	x	✓	✓	x	Where is C12 and C4 or D and CE	I	CC,DD
10	✓	x	x	✓	x	Where is C1 and C4 or D and CE	J	BB,DD
11	✓	x	✓	✓	x	Where is C4 or D and CE	G	DD
12	x	x	x	x	✓	Where is C12 and C112	C	BB,CC
13	✓	x	x	x	✓	Where is C112	B	BB
14	x	x	✓	x	✓	Where is C12	F	CC
15	✓	x	✓	x	✓	Investigate D*	K	DD
16	x	Then ✓	x	✓	x	Where is C112 and C12	C	BB,CC
17	x	Then ✓	✓	✓	x	Where is C12	F	CC
18	✓	Then ✓	x	✓	x	Where is C112	B	BB
19	✓	✓	✓	✓		Final		

GROUP	STATE NO.
A	1
B	2, 13,18, 22
C	4, 12, 16, 20
D	5
E	6
F	7, 14,17,21
G	11
H	8
I	9
J	10
k	23, 15

Key:

1) * If D found it must be investigated

2) CE = Customer Enquiry

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7.2 MSU Network Banking Top Level

ICL Ltd	Pathway	Network Banking Reconciliation & Incident Management	Ref:	NB/PRO/002
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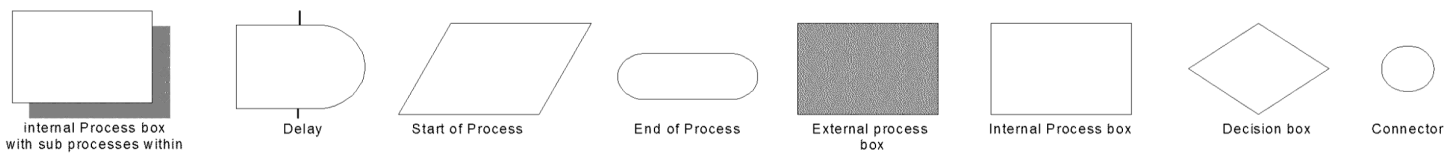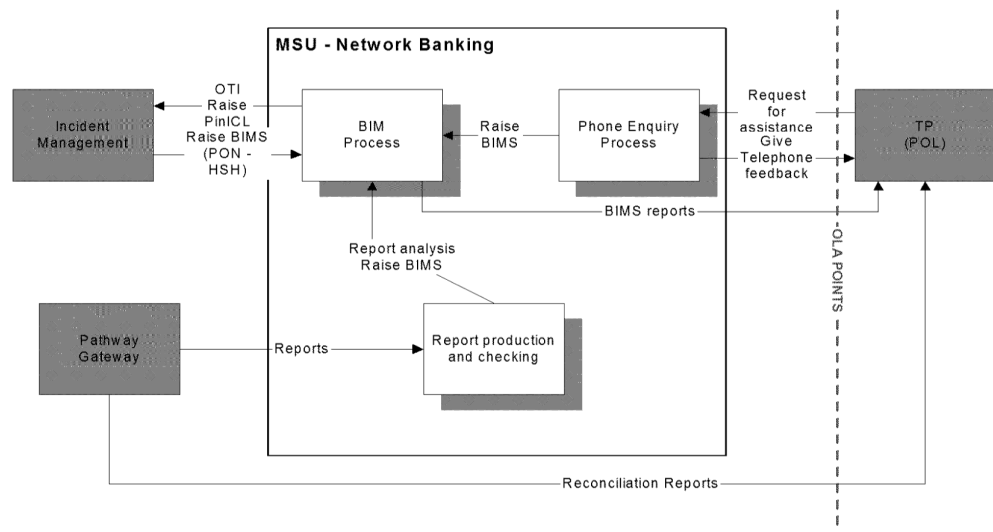
7.3 Reconciliation Report Production and Checking Process – Level 1

ICL Ltd	Pathway	Network Banking Reconciliation & Incident Management	Ref:	NB/PRO/002
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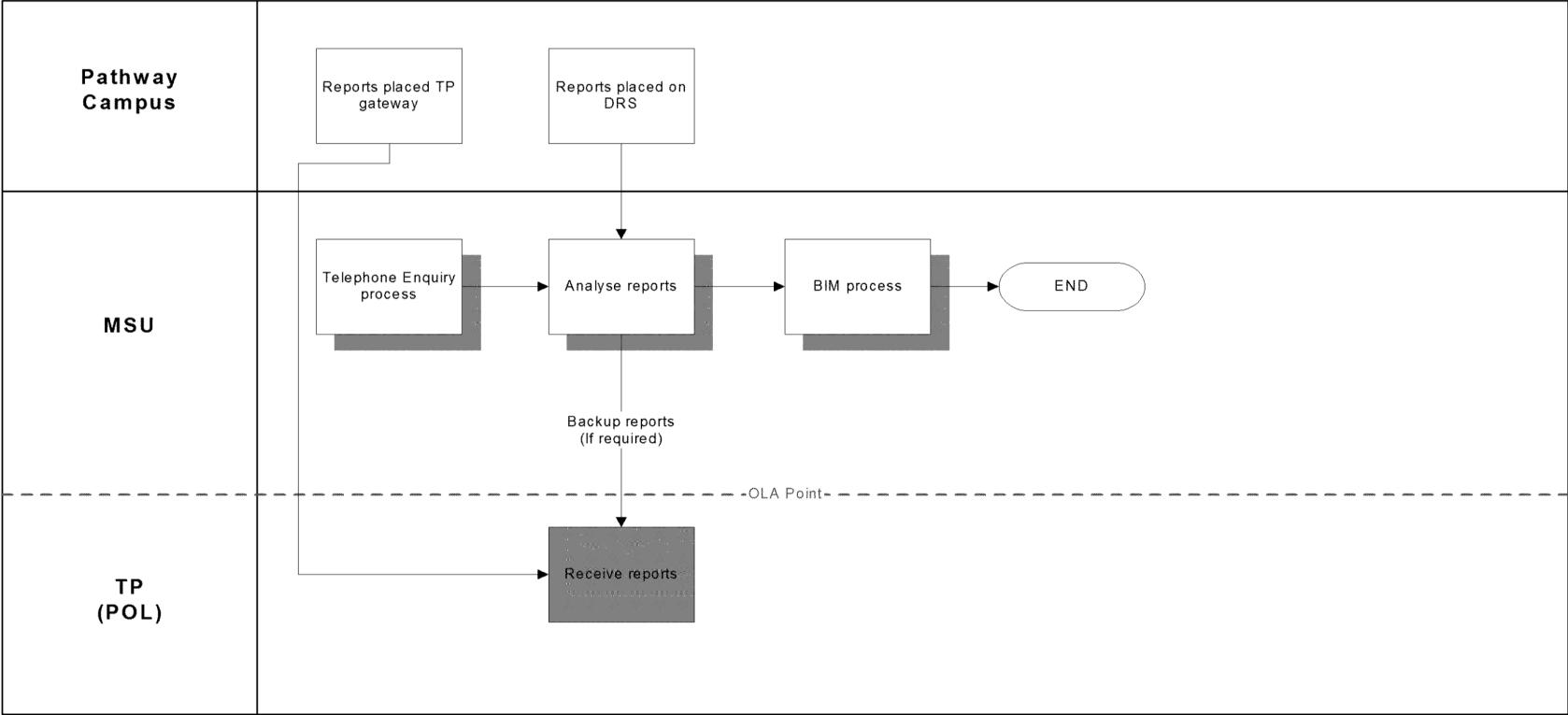
7.4   Reconciliation Report Analysis – Level 2

ICL Ltd	Pathway	Network Banking Reconciliation & Incident Management	Ref:	NB/PRO/002
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		COMMERCIAL IN CONFIDENCE	Date:	16/01/ 02
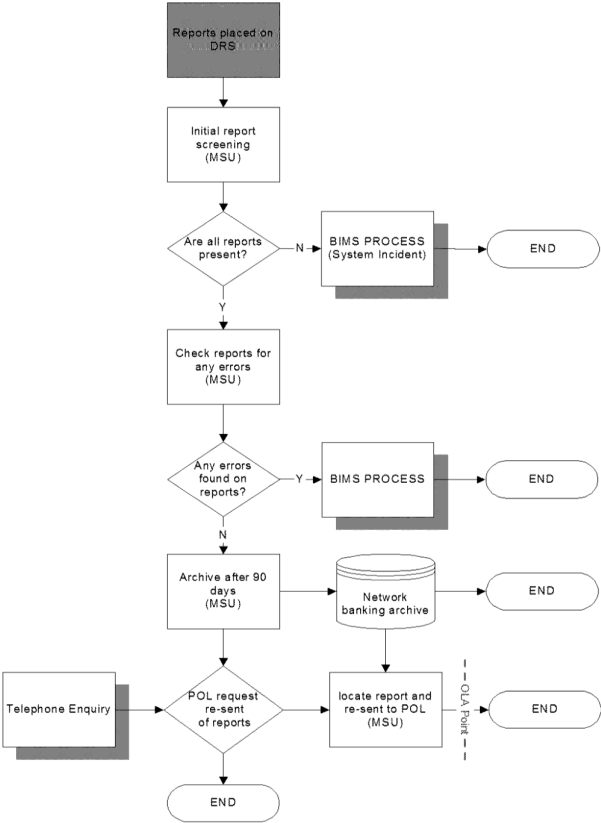
7.5   Enquiry Service Process – Level 1

ICL Ltd	Pathway	Network Banking Reconciliation & Incident Management	Ref:	NB/PRO/002
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7.6   Enquiry Service – Investigate – Level 2
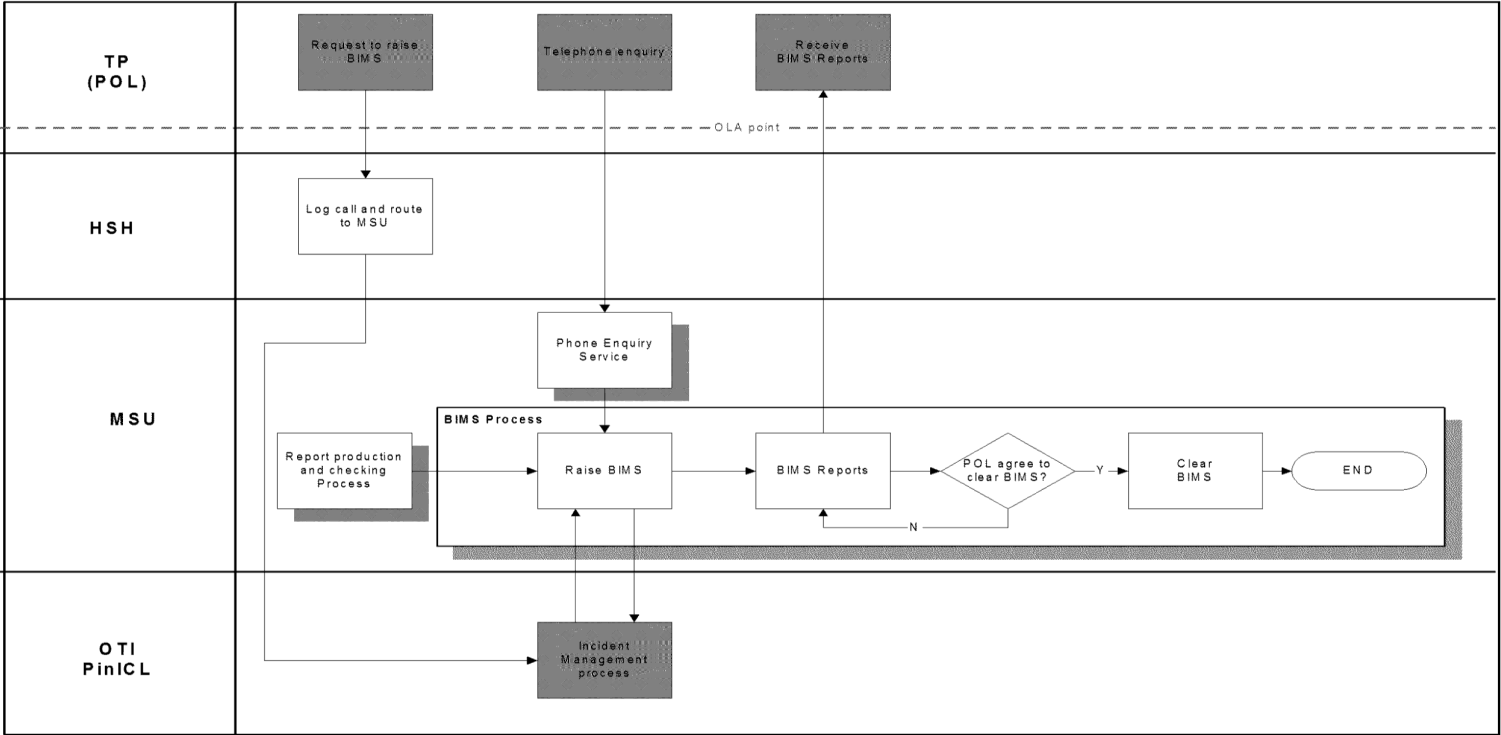
ICL Ltd	Pathway	Network Banking Reconciliation & Incident Management	Ref:	NB/PRO/002
			Version:	2.0
		COMMERCIAL IN CONFIDENCE	Date:	16/01/ 02

7.7 BIMS PROCESS – LEVEL 1

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7.8 BIMS Process – Level 2
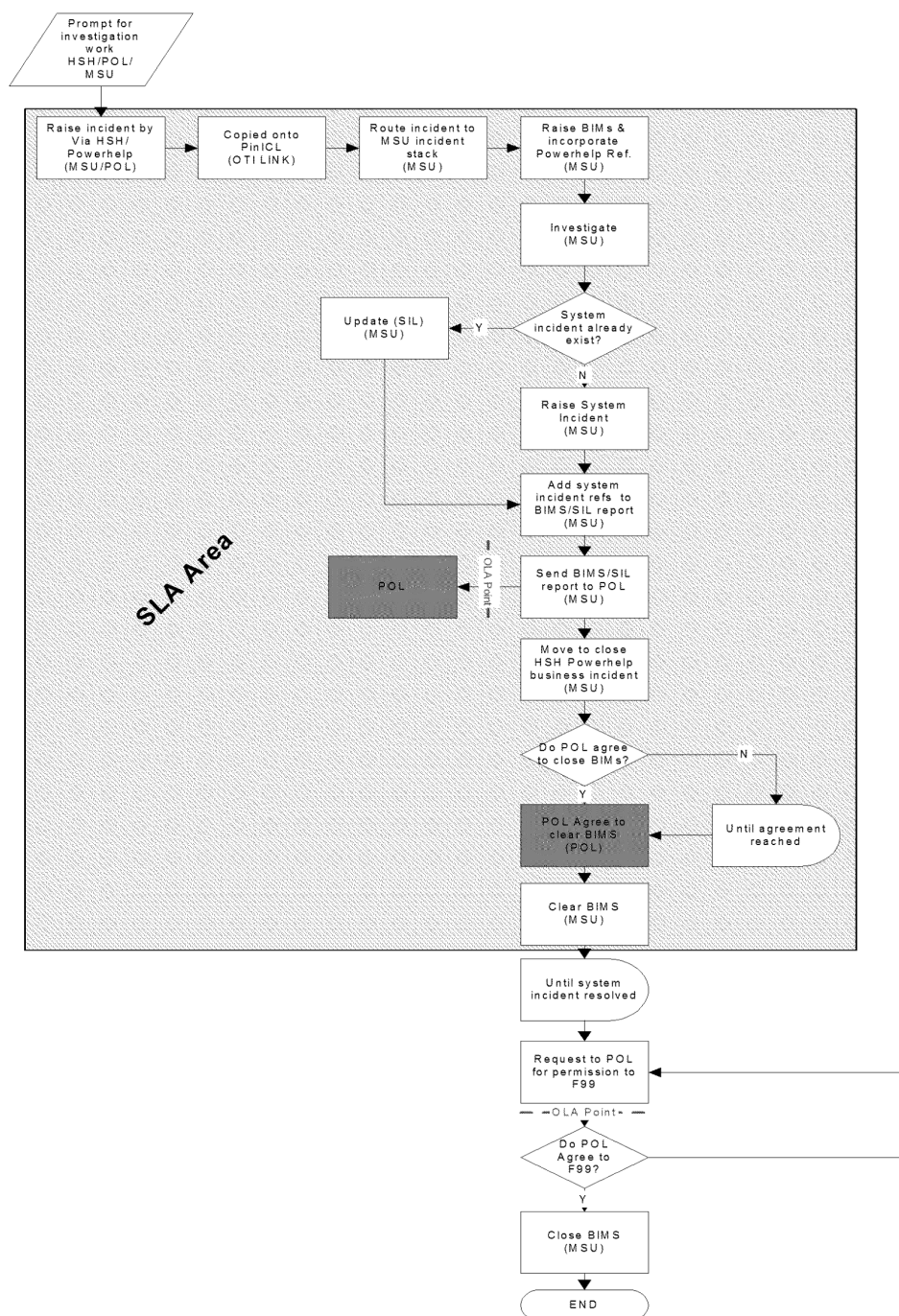
ICL Ltd	Pathway	Network Banking Reconciliation & Incident Management	Ref:	NB/PRO/002
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7.9   Process AA – Location of missing C4, S or D Transaction Component

ICL Ltd	Pathway	Network Banking Reconciliation & Incident Management	Ref:	NB/PRO/002
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7.10 Process BB – Location of Missing C112 Transaction Component
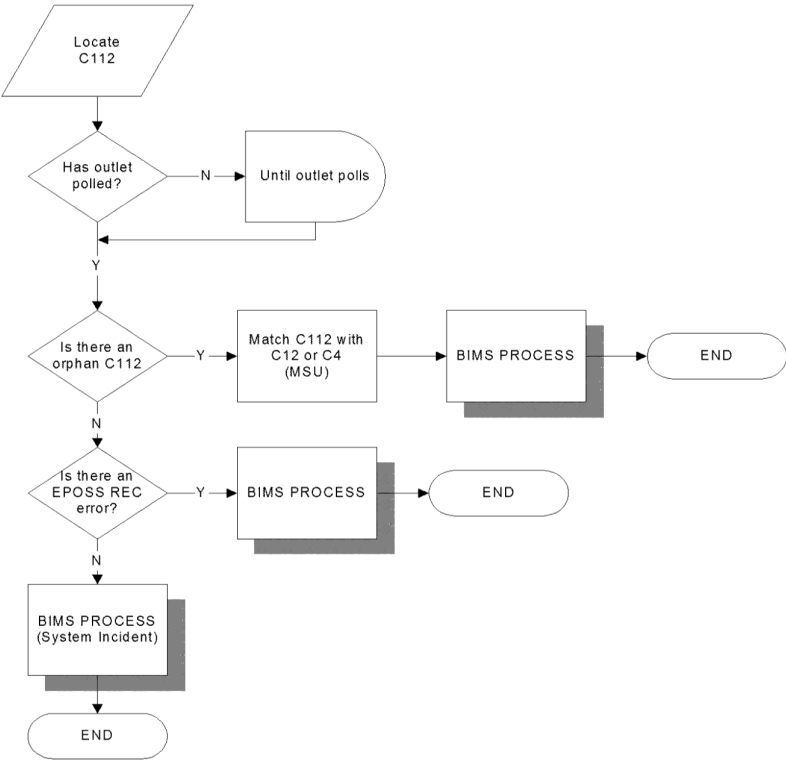
```
                    ┌─────────────┐
                    / Locate      /
                   /  C112       /
                  └─────────────┘
                        │
                        ▼
                  ╱ Has outlet ╲      ┌──────────────────┐
                 ╱   polled?    ╲──N──▶│ Until outlet polls│
                 ╲              ╱      └──────────────────┘
                  ╲          ╱
                        │Y
                        ▼
                 ╱ Is there an ╲     ┌──────────────┐     ┌──────────────┐     ┌───────┐
                ╱  orphan C112  ╲─Y─▶│ Match C112 with│───▶│ BIMS PROCESS │───▶│  END  │
                ╲              ╱     │  C12 or C4    │     └──────────────┘     └───────┘
                  ╲          ╱       │   (MSU)       │
                        │N           └──────────────┘
                        ▼
                 ╱ Is there an ╲     ┌──────────────┐     ┌───────┐
                ╱  EPOSS REC    ╲─Y─▶│ BIMS PROCESS │───▶│  END  │
                ╲   error?     ╱     └──────────────┘     └───────┘
                  ╲          ╱
                        │N
                        ▼
                ┌──────────────┐
                │ BIMS PROCESS │
                │(System Incident)│
                └──────────────┘
                        │
                        ▼
                    ┌───────┐
                    │  END  │
                    └───────┘
```
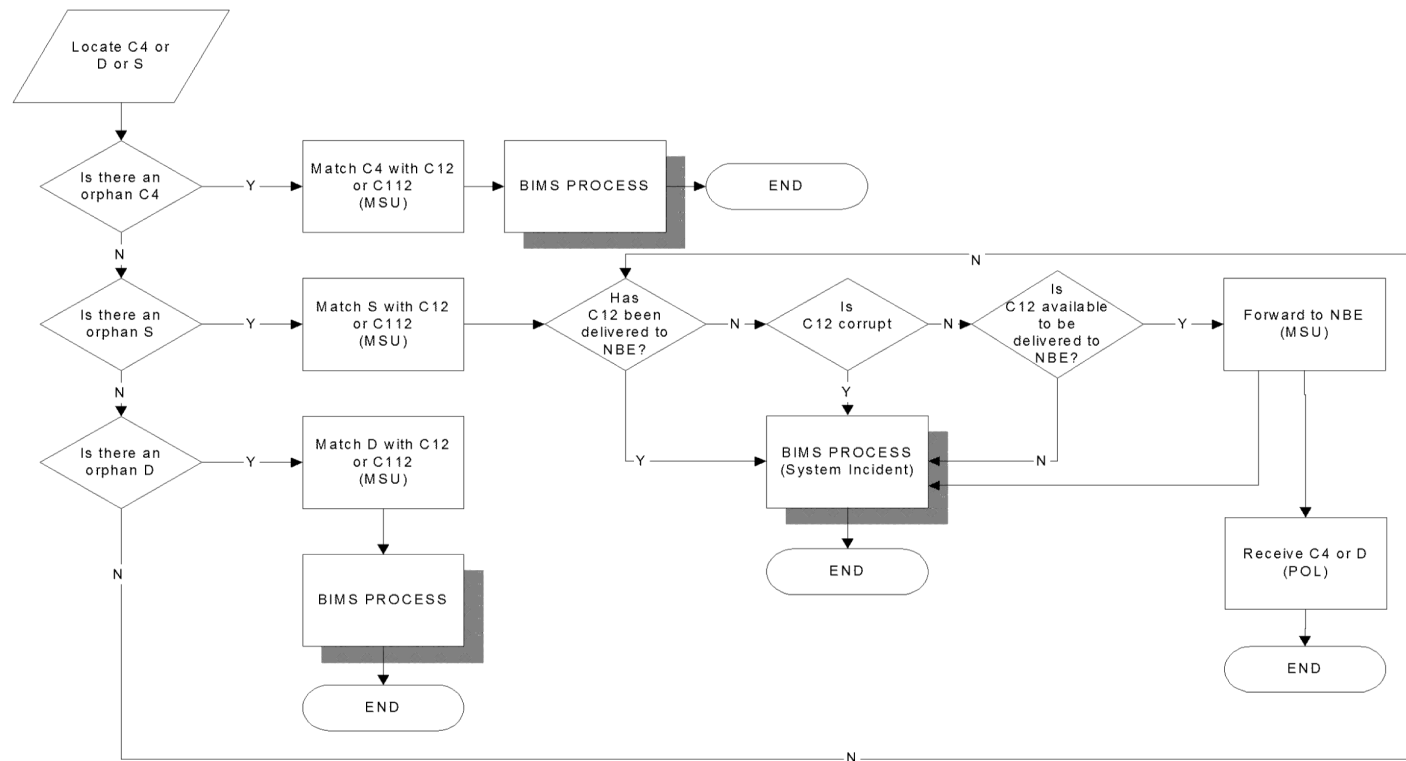
ICL Ltd	Pathway	Network Banking Reconciliation & Incident Management	Ref:	NB/PRO/002
			Version:	2.0
		COMMERCIAL IN CONFIDENCE	Date:	16/01/ 02

7.11 Process CC – Location of Missing C12 Transaction Component

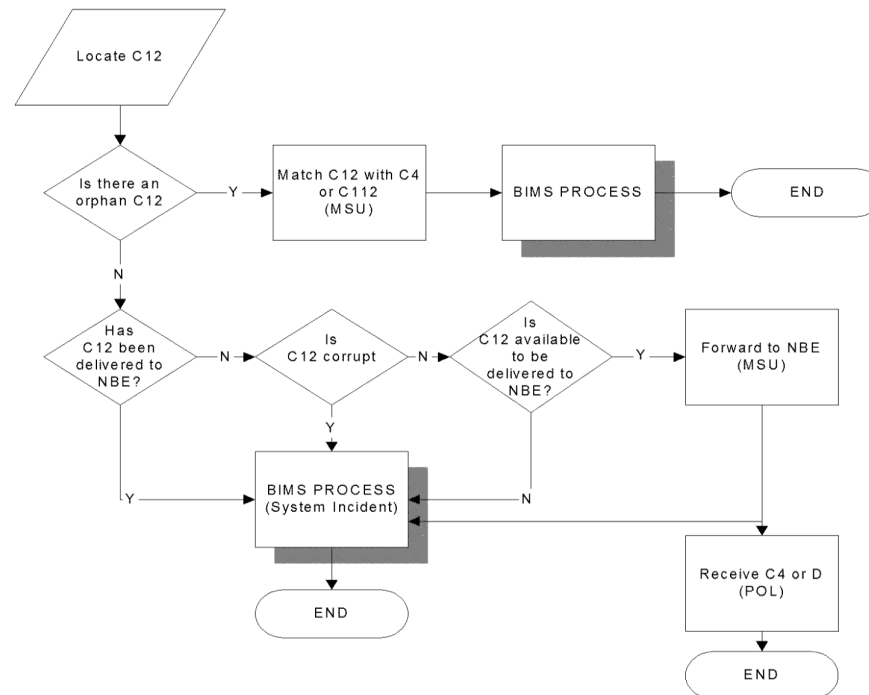| ICL Ltd	Pathway	Network Banking Reconciliation & Incident Management	Ref:	NB/PRO/002
			Version:	2.0
		COMMERCIAL IN CONFIDENCE	Date:	16/01/ 02

7.12 Process DD - Customer Enquiry and Investigation of D Transaction Component Exceptions