

Payment Services Glossary of Terms

1. **Maintaining the account:** - The account provider (the bank) operates the account for use by the customer (you).
2. **Arranged overdraft:** - The bank and you the customer agree in advance that you may borrow money when there is no money left in your account. The agreement determines a maximum amount that you can borrow, and whether fees and interest will be charged to you.
3. **Unarranged overdraft:** - You borrow money when there is no money left in your account (or when you have gone past your arranged overdraft limit) and this has not been agreed with the bank in advance.
4. **Refusing a payment due to lack of funds:** - The bank refuses a payment from your account because there is not enough money in it (or it would take you past your arranged overdraft limit).
5. **Allowing a payment despite lack of funds:** - The bank allows a payment to be made from your account although there is not enough money in it (or it would take you past your arranged overdraft limit).
6. **Direct debit:** - You permits someone else (recipient) to instruct the bank to transfer money from your account to that recipient. The bank then transfers money to the recipient on a date or dates agreed by you and the recipient. The amount may vary.
7. **Standing order:** - The bank makes regular transfers, based on your instruction for a fixed amount of money from your account to another account.
8. **Sending money within the UK:** - The bank transfers money based on your instruction, from your account to another account in the UK.
9. **Sending money outside the UK:** - The bank transfers money based on your instruction, from your account to another account outside the UK.
10. **Receiving money from outside the UK:** - When money is sent to your account from an account outside the UK.
11. **Cash withdrawal in pounds in the UK:** - You withdraw cash out of your account in pounds at a cash machine, within the bank in the UK.
12. **Cash withdrawal in foreign currency outside the UK:** - You withdraw cash out of your account in foreign currency at a cash machine or, where available at a bank outside the UK.
13. **Debit card payment in pounds:** - You use your debit card to make a payment in pounds. This can be in a shop, online or over the phone.

14. **Debit card payment in a foreign currency:** - You use your debit card to make a payment in foreign currency. This can be in a shop, online or over the phone.
15. **Cancelling a cheque:** - You ask your bank to cancel a cheque that you have written.
16. **Payment Service Provider (PSP):** - An ASPSP or other payment service provider authorised under PSD/PSD2.
17. **Account Servicing Payment Service Provider (ASPSP):** - These are traditional financial institutions and in the Directive, this term generally refers to the bank of the payer or payee.
18. **Payment Initiation Service Provider (PISP):** - These will be new entrants into the payment arena who provides a software “bridge” between a payer and a Payment Service Provider (PSP) of the payer (normally a bank) to facilitate online payments by initiating an order at the request of the payer.
19. **Account Information Service Provider (AISP):** - This type of PSP provides Payment Service Users (PSUs) with aggregated online information for multiple payment accounts held with multiple ASPSPs and accessed via the online systems of those ASPSPs. This service provides the PSU with an instant and overall view of their financial situation on several accounts with different providers.
20. **API:** - Application Programming Interface used for TPP access.
21. **Third Party Payment Service Provider (TPP):** - TPP means either PISP or an AISP.
22. **Regulatory Authority:** - The Financial Conduct Authority (FCA) will be the UK competent authority for monitoring compliance and enforcement under PSD2.
23. **One-leg Transactions:** - Any currency transaction in which the sender or receiver is outside UK/EU.