Standards MT November 2021

Usage Guidelines

These usage guidelines explain how to use message standards. In addition, the document identifies specific issues that relate to message standards, and provides clarification (and examples) of message standards. This document is for all users of Standards messages.

23 July 2021

Link to this document: https://www2.swift.com/go/book/book31123

Table of Contents

Preface 4

Significant Changes 5

1 The MT 202 vs. the MT 910 6

1.1 Issue 6

1.2 Clarification 6

1.3 Example 6

2 Book Transfer vs. Local Clearing in the MT 202/203 8

2.1 Issue 8

2.2 Clarification 8

3 (Mis)Use of the MT 400 Advice of Payment 10

3.1 Issue 10

3.2 Clarification 10

4 /C and /D Subfield in Account Number Lines in Payment Messages 14

4.1 Issue 14

4.2 Clarification 14

5 Use of Charges and Amounts Fields in the MT 754 15

5.1 Issue 15

5.2 Clarification 15

6 The Cancellation of One or More Transactions in a Multiple Message 17

6.1 Issue 17

6.2 Clarification 17

6.3 Examples 18

7 Codes in Field 70 and Field 72 of the Category 1 and 2 Messages 21

7.1 Issue 21

7.2 Clarification 21

7.3 Codes Indicating the Party for which the Information or Instruction is Intended 21

7.4 Codes Indicating Method of Advice, the Party to be Advised and Implicitly the Advising Party 22

7.5 Code Identifying the Party Involved in the Transaction which has not been Identified in Other Fields 22

7.6 Coexistence Codes 23

8 US Clearing System Codes in SWIFT Payment Messages....25
8.1 Issue....25
8.2 Clarification....25

9 Use of FR R.I.B. (Relevés d'Identité Bancaire) in SWIFT Payment Messages....29
9.1 Issue....29
9.2 Clarification....29

10 System Validation of the Structure of Field 72 in the Categories 1 and 2 Messages.... 33
10.1 Issue....33
10.2 Clarification....33
10.3 Frequently Asked Questions....34
10.4 Examples....35

11 Cancellation of an MT 103 Payment Instruction for which Cover has been Provided by a Separate MT 202 COV.... 37
11.1 Issue....37
11.2 Clarification....37
11.3 Options.... 38

12 Unique End-to-End Transaction Reference (UETR) Guidelines....39
12.1 Issue....39
12.2 Clarification....39

13 Payments Reject/Return Guidelines....40
13.1 Payment Reject/Return Principles....40
13.2 Payments Reject/Return Information....41
13.3 Return Information in an Equivalent MT Format Derived from pacs.004 Message Received over InterAct.... 53

14 Customer Identification in the MTs 102, 103, and 103 REMIT for US Regulatory Compliance..... 55
14.1 Issue....55
14.2 Customer Identification....55

15 Legal Entity Identifier (LEI) in MT Payments....58

Legal Notices....59

Preface

Introduction

This volume contains guidelines for using message standards. It is complemented by two other *Message Usage Guidelines* volumes:

- Category 3 - Treasury Markets - Foreign Exchange, Money Markets and Derivatives Message Usage Guidelines - on the use of the derivatives messages
- Category 5 - Securities Markets Message Usage Guidelines - on the use of the securities messages

The usage guidelines are recommendations only, and do not form part of the Standards as published in the Standards volumes.

CAUTION This volume contains information effective as of the November 2021 Standards release. Therefore the 24 July 2020 edition of the Standards MT User Handbook volumes remains effective until November 2021.

Significant Changes

The following table lists significant changes to the content of the *Standards MT Usage Guidelines* since the 24 July 2020 edition. This table does not include editorial changes that SWIFT makes to improve the usability and comprehension of the document.

New information	Location
Addition of field 72	Codes in Field 70 and Field 72 of the Category 1 and 2 Messages on page 21
New section	Coexistence Codes on page 23
New section	Return Information in an Equivalent MT Format Derived from pacs.004 Message Received over InterAct on page 53
New section	Legal Entity Identifier (LEI) in MT Payments on page 58

1 The MT 202 vs. the MT 910

1.1 Issue

What message should be sent upon receipt of an MT 202 ?

This section provides clarification of the message to be sent upon receipt of an MT 202 General Financial Institution Transfer. This message instructs payment to the account serviced by the receiver, for the head office (specified in field 57a) of the Beneficiary Institution contained in field 58a.

1.2 Clarification

In the context of Standards, each office and branch is considered to be a separate financial institution

In this case, the receiver of the MT 202 must send an MT 202 in reply to the party specified in field 57a. The receiver must not send an MT 910 Confirmation of Credit.

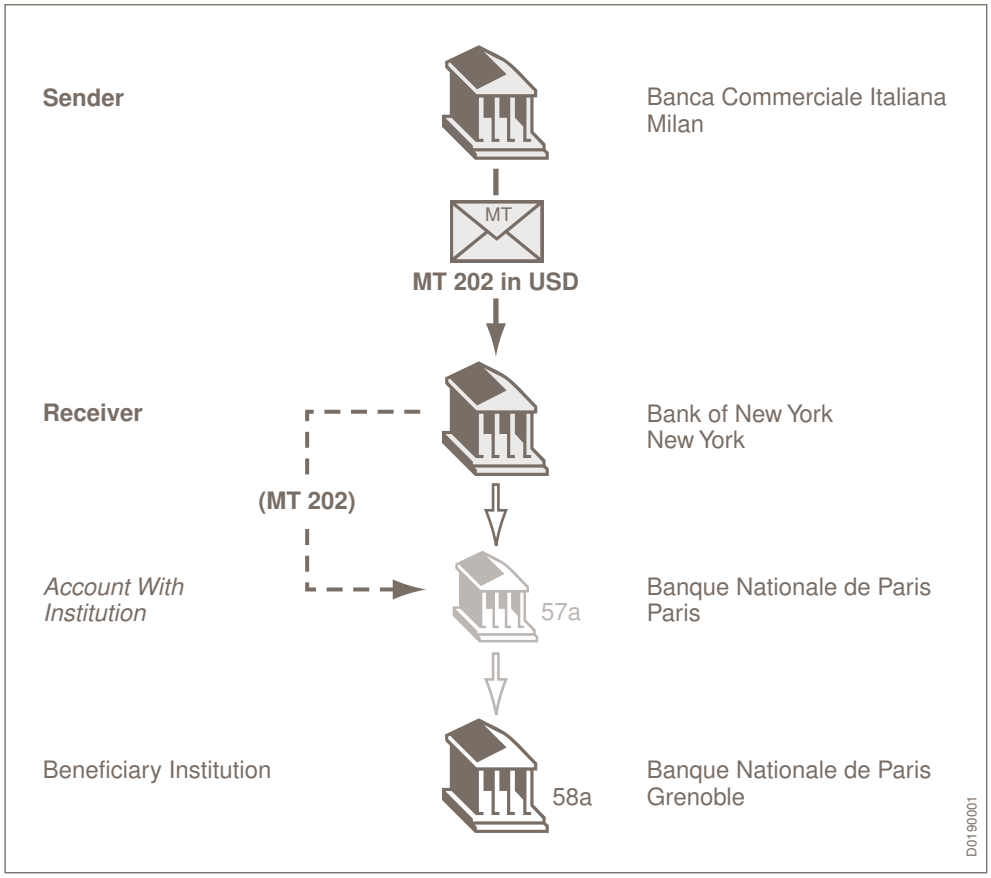
In the context of Standards, each office and branch is considered to be a separate financial institution. For this reason, the Beneficiary Institution is considered to be separate from its head office.

Furthermore, the MT 910 does not allow the specification of the party for which the transfer has been made. Therefore, the head office would not be able to determine for which branch the funds are intended.

1.3 Example

Banca Commerciale Italiana, Milan sends an MT 202 ordering its New York correspondent, Bank of New York, New York, to credit a USD account that it services to Banque Nationale de Paris, Paris, in favour of Banque Nationale de Paris, Grenoble branch.

Bank of New York, New York, upon receipt of the MT 202, credits the USD account that it services for Banque Nationale de Paris, Paris, and sends an MT 202 to Banque Nationale de Paris, Paris, instructing further payment/credit to Banque Nationale de Paris, Grenoble.



2 Book Transfer vs. Local Clearing in the MT 202/203

2.1 Issue

Book transfer or local clearing ?

When an MT 202/203 is sent in the local currency of the receiver, and the Beneficiary Institution is domiciled in the same country, the beneficiary may be either credited in the books of the receiver, or paid via a local clearing system. How should the sender format the MT 202/203 to clearly identify how payment should be effected?

2.2 Clarification

How to ensure book transfer or clearing

Whether the Beneficiary Institution is paid via the local clearing practice (for example, payment through an automatic clearing system, or by cheque) depends on the existence of such a system, and whether an account relationship exists in the currency of the transfer between the receiver, or the Account With Institution, and the Beneficiary Institution. Use of an automatic clearing system normally takes precedence over any existing account relationship or other means of payment. Nevertheless, users are strongly recommended to contact their correspondents for details of local payment practices, as well as any specific requirements that their correspondents may have.

Practices are as follows:

- Where an automated system exists in the currency of the transfer, normal practice is to pay the beneficiary via that system, even if an account relationship exists between the receiver, or the Account With Institution, and the Beneficiary Institution. This practice is usually overridden when the account number to be credited is specified in the account number line of field 58a.

  Therefore, to ensure payment by book transfer, the account number line of the Beneficiary Institution field must be used to specify the account to be credited.
- Where there is no automated system in the currency of the transfer, and an account relationship exists, the Beneficiary Institution will normally be credited by book transfer, unless otherwise indicated in field 72. If there is no account relationship, payment will be made by cheque or some other means.

Some users are misusing the MT 202/203 in attempting to ensure either book transfer or clearing. For example, some users repeat the receiver of the MT 202/203 in field 57a, Account With Institution, to ensure book transfer; others repeat the Beneficiary Institution in field 57a to ensure payment through the clearing system.

To ensure book transfer

The account number to be credited should be specified in the account number line of field 58a, Beneficiary Institution. If the account number is not known, or the sender is unsure of local clearing practice, instructions may be given in field 72, using appropriate codes. However, the use of field 72 may result in higher processing costs and should be avoided whenever possible.

To ensure clearing

When a clearing system exists, an account number should not be specified in the account number line of field 58a, Beneficiary Institution. Alternative identifiers, such as a Fedwire Routing number or a CHIPS participant number may be used, where applicable.

Furthermore, if an automated clearing system does not exist, the alternative local clearing practice to be used can be specified in field 72, using an appropriate code (for example, /CHEQUE/). However, the use of field 72 may result in higher processing costs and should be avoided whenever possible.

Users should never attempt to ensure payment through the local clearing system by repeating the Beneficiary Institution in field 57a.

3 (Mis)Use of the MT 400 Advice of Payment

3.1 Issue

Background

Numerous reports have been received on the misuse of the MT 400 Advice of Payment. To clarify its proper use, the Documentary Services Working Group revised the scope of this message type.

There are two scenarios: firstly, when there is an existing account relationship between the Remitting Bank and the Collecting Bank, and secondly, where no such relationship exists.

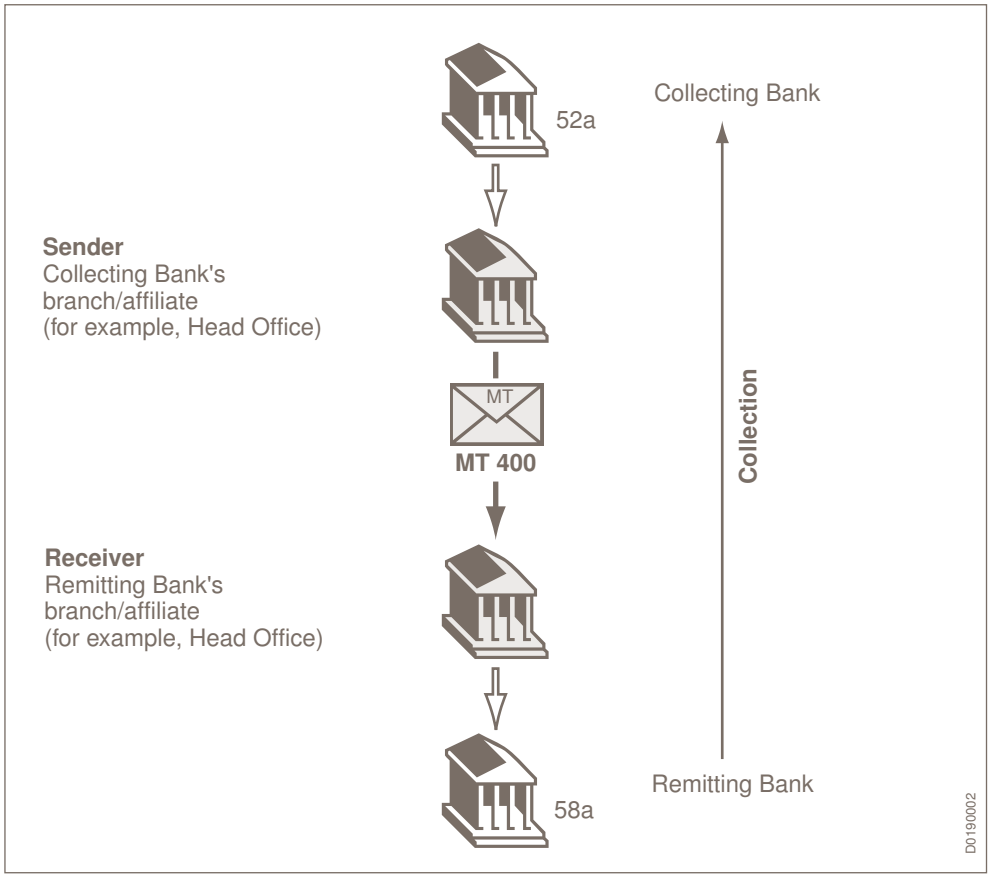
3.2 Clarification

Example 1: existing account relationship

The Remitting Bank and the Collecting Bank have an account relationship in the currency of the collection which is used for settlement in the following way:

- If authenticator keys have been exchanged between the Collecting Bank and the Remitting Bank, the MT 400 is sent by the Collecting Bank to the Remitting Bank. As there is an account relationship, a cover payment (MT 202) should not be sent by the Collecting Bank - the MT 400 which has already been sent, suffices.
- If authenticator keys have been exchanged between a branch/affiliate of the Remitting Bank and a branch/affiliate of the Collecting Bank (and their account relationship is used), the MT 400 is

sent by the branch/affiliate of the Collecting Bank, to the branch/affiliate of the Remitting Bank. Field 52a contains the Collecting Bank, and field 58a the Remitting Bank.



As the account relationship between the branch/affiliate of the Collecting Bank and the branch/affiliate of the Remitting Bank is used, a cover payment should not be sent.

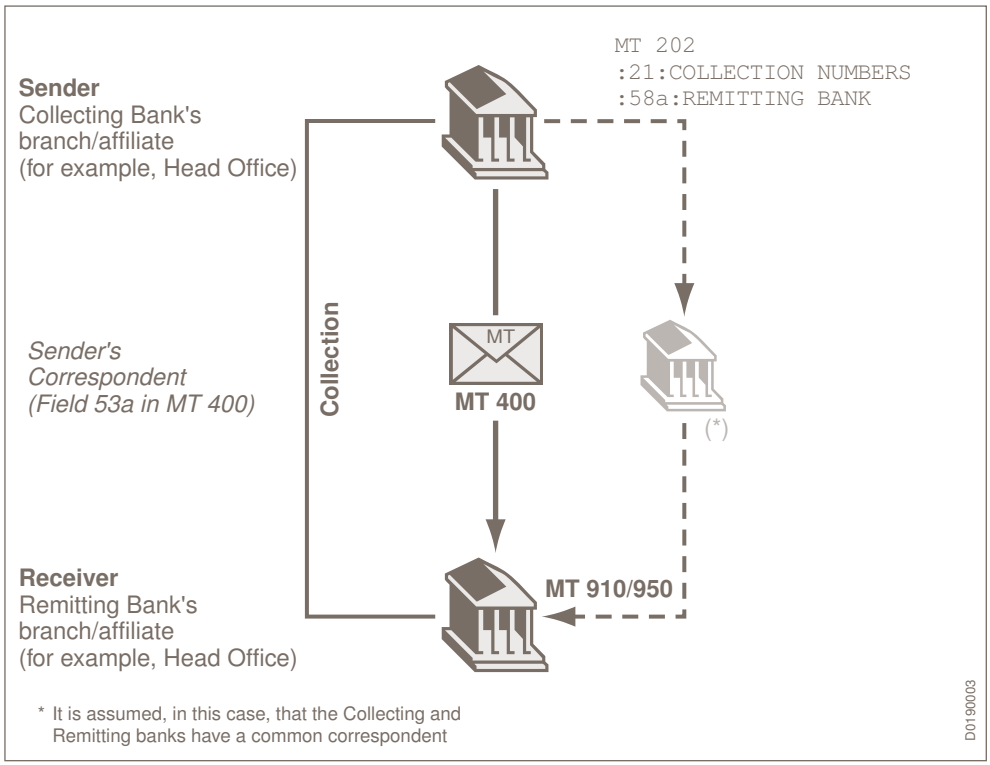
The same applies if authenticator keys are exchanged between either a branch/affiliate of the Collecting Bank, or of the Remitting Bank, and the Remitting Bank or the Collecting Bank (that is, only field 52a is present in the message or only field 58a is present in the message), then the MT 400 is sent between the two parties that have the authenticator keys. This is provided that their account relationship in the currency of the collection is used.

Example 2: no existing account relationship

Possible scenarios are as follows:

- If authenticator keys have been exchanged between the Collecting Bank and the Remitting Bank, the following applies:
  - The Collecting Bank sends an MT 400 to the Remitting Bank.
  - The MT 400 will contain reimbursement instructions (fields 53a, 54a, and 57a).
  - A cover payment (MT 202) in favour of the Remitting Bank (including the Remitting Banks collection number in field 21) is sent by the Collecting Bank to its correspondent, as specified in the MT 400.

No existing account relationship



- If no authenticator keys have been exchanged between the Collecting Bank and the Remitting Bank, the Collecting Bank may send an MT 202 to its correspondent bank, with field 58a containing the Remitting Bank and field 21 containing the Remitting Bank's collection number. Any details, in addition to the collection number, which the Collecting Bank wishes to provide to the Remitting Bank, should be specified in field 72 preceded by the code /BNF/.

  Note *The Collecting Bank often sends an MT 400 to its correspondent, indicating the Remitting Bank in field 58a. This is a definite misuse of the MT 400. It creates confusion at the bank receiving the MT 400, because the bank is not involved in the collection. It also means that the collection will remain outstanding at the Remitting Bank.*

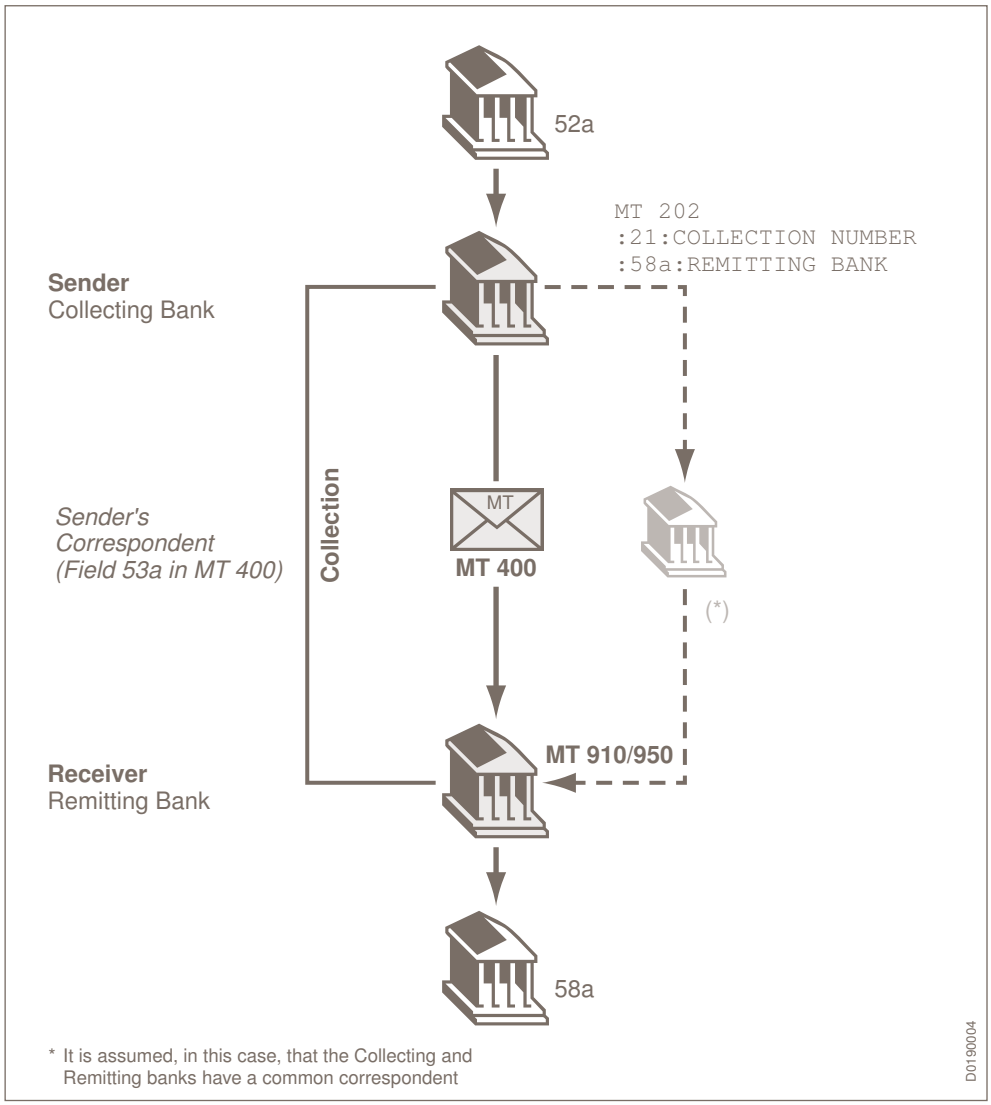
- If authenticator keys have been exchanged between a branch/affiliate of the Remitting Bank and a branch/affiliate of the Collecting Bank (and their account relationship is not used), the MT 400 is sent by the branch/affiliate of the Collecting Bank to the branch/affiliate of the Remitting Bank. Field 52a contains the Collecting Bank, and field 58a contains the Remitting Bank.

  A cover payment (MT 202) in favour of the branch/affiliate of the Remitting Bank (that is, the receiver of the MT 400, not the Remitting Bank indicated in field 58a of the MT 400) is sent to the sender's correspondent bank, as specified in the MT 400.

  The same principle applies in those cases where authenticator keys are exchanged between either a branch/affiliate of the Collecting Bank, or of the Remitting Bank, and the Remitting Bank or the Collecting Bank (that is, only field 52a is present in the message or only field 58a is present in the message).

  Note *Reports have been received of MT 103 Single Customer Credit Transfers, in favour of the customer of the Remitting Bank being sent either to the Remitting Bank, or the Collecting Bank's correspondent. The Collecting Bank should never use the MT 103 in settlement of a collection, based on a collection instruction received from the Remitting Bank.*

Authentication keys exchanged



4 /C and /D Subfield in Account Number Lines in Payment Messages

4.1 Issue

When to use /C or /D subfield

Clarification of when the first, optional, subfield (that is, /C or /D) should be used in the account number line of party fields (that is, 52a, 53a, 54a, 56a, 57a, 58a, and 59a) in payment message types 102, 102 STP, 103, 103 REMIT, 103 STP, 200, 201, 202, 202 COV, 203, 205, and 205 COV.

4.2 Clarification

Use of subfield /C and /D should be limited to field 53a

The use of this subfield is not necessary in party fields used to identify institutions and customers on the pay side of a payment instruction. If an account number is specified in these fields (that is, 56a, 57a, 58a, and 59a), it will always be an account number owned by the party identified in that field - the party which is to be credited.

Similarly, the subfield is not necessary in the party field (52a) used to identify institutions on the originating side of a payment instruction. It is extremely unusual to quote an account number in this field. If one is specified, it will be an account which has been debited.

In payment message types 102, 102 STP, 103, 103 REMIT, 103 STP, 200, 201, 202, 202 COV, 203, 205, and 205 COV, the use of the first optional subfield in the account number line should be limited to the reimbursement field 53a, and only in those cases where it is necessary to specify whether the account identified is to be either credited or debited.

5 Use of Charges and Amounts Fields in the MT 754

5.1 Issue

Correct use of the MT 754

Several comments have been received relative to the correct use of MT 754 Advice of Payment/ Acceptance/Negotiation, particularly on the use of charges and amount fields, considering the various forms that a drawing under a documentary credit can take.

To clarify this, the Documentary Services Working Group has developed a matrix which displays the basic principles for the use of charges fields (that is, 71B and 73) and amount fields (that is, 32a, 33B, and 34a) in the MT 754.

5.2 Clarification

Documentary credit available at and after sight

The following matrix illustrates the use of charges and amount fields in cases where a documentary credit is available both at sight and after sight (the latter category covering credits by deferred payment), and this for documentary credits with or without additional amounts and/or charges.

In the case of credits available after sight, a further distinction is made between up-front charges and charges at maturity.

The second dimension of the matrix illustrates the fields to be used in both cases, where there is debit authority and where the amount is to be claimed from the issuing or reimbursing bank.

Also, it shows whether a date field should contain a value date or a maturity date, and correspondingly the appropriate letter option to be used.

Documentary credit available at sight

Terms of reimbursement	With additional amounts and/or charges	Without additional amounts and/or charges
Authority to debit	32B 34A (Value Date) [=32B +/- 33B, 71B, 73]	32A (Value Date)
Amount(s) to be claimed from reimbursement/issuing bank	32B 34B [=32B +/- 33B, 71B, 73]	32B

Documentary credit available after sight

Terms of reimbursement	With additional amounts and/or charges		Without additional amounts and/or charges
	Charges up-front	Charges at maturity	
Authority to debit	32A (Maturity Date) 34A (Value Date) [=73, Charges only]	32B 34A (Maturity Date) [=32B +/- 33B, 71B, 73]	32A (Maturity Date)
Amount(s) to be claimed from reimbursement/ issuing bank	32A (Maturity Date) 34B (Value Date) [=73, Charges only]	32B 34A (Maturity Date) [=32B +/- 33B, 71B, 73]	32A (Maturity Date)

6 The Cancellation of One or More Transactions in a Multiple Message

6.1 Issue

How to use the MT n92

How should the MT n92 Request for Cancellation be used to cancel one or more transactions in a multiple message such as the MT 203? How can such cancellations be distinguished from the cancellation of the entire multiple message?

How do these rules apply to other multiple messages?

6.2 Clarification

The MT n92 cancels one or more transactions in a multiple message or the entire multiple message

The MT n92 enables a sender of a message to request the receiver to cancel that message. The MT n92 also caters for the cancellation of one or more transactions in a multiple message.

The cancellation of a multiple message should distinguish between the following types of cancellation:

- the cancellation of the entire multiple message
- the cancellation of a single transaction contained in a multiple message
- the cancellation of several transactions but not the entire multiple message

Rules

To enable the receiver to clearly distinguish between these different cancellation requests, the following rules are provided:

- If two or more transactions, but not all the transactions in a multiple message, are to be cancelled, one MT n92 must be sent for each transaction to be cancelled.
- If an entire multiple message is to be cancelled, one MT n92 should be sent containing, in field 21, the contents of field 20 Transaction Reference Number applicable to the entire multiple message.

  When, as in the case of the MT 203 Multiple General Financial Institution Transfer, there is no field 20 applicable to the entire multiple message, the contents of field 20 in the first transaction should be used. Other multiple messages having no field 20 for the entire message, but one for each transaction include the MTs 450 Cash Letter Credit Advice, 456 Advice of Dishonour, and 604 Commodity Transfer/Delivery Order.

  If the copy fields are used, at least all the mandatory fields in both the non-repetitive, and all the repetitive, sequences must be present. Alternatively, field 79 may be used to indicate that the entire multiple message is to be cancelled, together with information to enable the receiver to uniquely identify the message to be cancelled.
- If one transaction in a multiple message is to be cancelled, field 21 must be used to contain the transaction reference number associated with the unique transaction to be cancelled; that is, the contents of field 20 in the repetitive sequence related to that transaction.

In those cases where there is no field 20 in the repetitive sequence (for example, the MTs 210 Notice to Receive and 605 Commodity Notice to Receive), field 21 of the repetitive sequence to be cancelled must be specified in field 21 of the MT n92.

Furthermore, if the copy fields are used, a copy of at least the mandatory fields in the non-repetitive sequence, together with those in the relevant repetitive sequence, must be present. Fields contained in the repetitive sequences relating to transactions not to be cancelled, must not be present. In lieu of the copy fields, field 79 may be used to indicate that only one transaction is to be cancelled, together with information to enable the receiver to uniquely identify the transaction to be cancelled.

- Where there is no field 20, or field 21, per transaction within a multiple message, the multiple message must be cancelled as a whole and, if necessary, a corrected version sent. These multiple messages include the collection messages (that is, the MTs 410 Acknowledgement, 412 Advice of Acceptance, 420 Tracer, 422 Advice of Fate and Request for Instructions and 430 Amendment of Instructions), the travellers cheque messages (that is, Category 8), and the MT 935 Rate Change Advice.

6.3 Examples

How to use the MT n92

The following examples illustrate the use of the MT n92 to request the cancellation of the first transaction with a transaction reference number of 2345 for the amount of 1000000 EUR contained in an MT 203 sent by Österreichische Länderbank, Vienna, to Algemene Bank Nederland, Amsterdam. The MT 203 contains four transactions each with its own transaction reference number and related reference totalling 1 million EUR with a value date 020102.

Example 1

Using MT n92 - copy of mandatory fields of the transaction to be cancelled

SWIFT message	Comments
OELBATWW 292 ABNANL2A :20:2356	-
:21:2345	Transaction reference number of the transaction to be cancelled.
:11S:203 020102 0001000072	MT of the original message to be cancelled. Date on which the original message was sent. Session number and input sequence number of the original message.
:19:1000000, :30:020102 :20:2345 :21:789022 :32B:EUR100000, :58A:MGTCUS33	Copy of the mandatory fields in the fixed sequence and those of the repetitive sequence relating to the transaction to be cancelled.
-	End of message Text/Trailer

Example 2

In lieu of the copy fields of the original message to be cancelled, field 79 could be used as shown below:

Using MT n92 with field 79 to cancel one transaction in a multiple message

SWIFT message	Comments
OELBATWW 292 ABNANL2A :20:2356	-
:21:2345	Transaction reference number of the transaction to be cancelled.
:11S:203 020102 0001000072	MT of the original message to be cancelled. Date on which the original message was sent. Session number and input sequence number of the original message.
:79:PLEASE CANCEL FIRST TRANSACTION WITH TRN 2345 AND RELATED REFERENCE 789022 VALUE DATED 020102 FOR EUR100000, TO MGTCUS33.	Narrative description of transaction to be cancelled.
-	End of message Text/Trailer

Example 3

In cancelling the entire MT 203, field 21 must contain the transaction reference number of the first transaction. However, either field 79, or the copy fields, will indicate that the entire message is to be cancelled, either in narrative text or the copy, of at least all the mandatory fields of both the non-repetitive and the repetitive sequences:

Using MT n92 to cancel an entire MT 203

SWIFT message	Comments
OELBATWW 292 ABNANL2A :20:2356	-
:21:2345	Transaction reference number of the first transaction.
:11S:203 020102 0001000072	MT of the original message to be cancelled. Date on which the original message was sent. Session number and input sequence number of the original message.

SWIFT message	Comments
:19:1000000, :30:020102 **:20:2345** :21:789022 :32B:EUR100000, :58A:MGTCUS33 **:20:2346** :21:ABX2270 :32B:EUR300000, :58A:MELNGB2L **:20:2347** :21:CO 2750/26 :32B:EUR200000, :58A:CITIUS33 **:20:2348** :21:DRESFF2344OELBWW :32B:EUR400000, :58A:DRESDEFF	Copy of the mandatory fields in the fixed sequence and those of all repetitive sequences contained in the message to be cancelled.
-	End of message Text/Trailer

7 Codes in Field 70 and Field 72 of the Category 1 and 2 Messages

7.1 Issue

How to use field 72

This section explains how to use codes in field 72 of Category 1 and 2 messages.

7.2 Clarification

Rules

The contents of field 72 in the MTs 102, 102 STP, 103, 103 REMIT, 103 STP, 104, 107, 200, 201, 202, 202 COV, 203, 204, 205, and 205 COV must be preceded by a code between slashes, indicating the party for which the information is intended, unless otherwise indicated by another code.

Specific codes have been defined for use in some of these messages, as noted in the specifications for field 72 in the General Field Definitions Plus or in the Category 1 - Customer Payments and Cheques - Message Reference Guide and Category 2 - Financial Institution Transfers - Message Reference Guide.

It should be emphasised that bilaterally-agreed codes may also be used in field 72, provided that they adhere to the required structure of maximum 8 characters and with the recommendation to use only uppercase alphabetic characters.

The following tables show SWIFT-defined codes available for use in field 72 of the payment messages.

7.3 Codes Indicating the Party for which the Information or Instruction is Intended

Codes table

The following codes indicate the party for which the information or instruction is intended.

Code	Description
/INT/	Instructions are for the intermediary.
/ACC/	Instructions following are for the Account With Institution.
/BNF/	Information following is for the beneficiary. This code may be used in the MTs 202, 202 COV, 203, 204, 205, and 205 COV. This code must not be used in the MT 103, as field 70, Remittance Information, is available for transaction details intended for the beneficiary. Nor should this code be used in MTs 200 and 201, as the beneficiary is always the sender.

7.4 Codes Indicating Method of Advice, the Party to be Advised and Implicitly the Advising Party

Codes table

The following codes indicate the method of advice, the party to be advised and, implicitly, the advising party.

Code	Description
/PHONIBK/	The receiver is to telephone the intermediary.
/TELEIBK/	The receiver is to contact the intermediary via the most efficient telecommunications means available.
/PHON/	The receiver (if no field 56a is present), or the intermediary, is to telephone the Account With Institution.
/TELE/	The receiver (if no field 56a is present), or the intermediary, is to contact the Account With Institution via the most efficient telecommunications means available.
/PHONBEN/	The last financial institution in the chain (that is, the receiver or the Account With Institution) is to telephone the beneficiary.
/TELEBEN/	The last financial institution in the chain (that is, the receiver or the Account With Institution) is to contact the beneficiary via the most efficient telecommunications means available.

Note *These codes are defined for use in specific messages and implicitly identify the party for which the information is intended. Therefore, they must not be preceded by another code identifying that party.*

These codes should not be used in field 72 of the MT 103, as their equivalent should be used in field 23E Instruction Code of the MT 103.

7.5 Code Identifying the Party Involved in the Transaction which has not been Identified in Other Fields

Codes table

The following code identifies the party involved in the transaction which has not been identified in other fields, and is provided as information to the receiver.

Code	Description
/INS/	The instructing institution is identified in field 72, preceded by this code, in those cases where this party is different from the ordering party specified in field 52a. It identifies the party which instructed the sender to execute the transaction. This code is available for use in field 72 of the MTs 102 STP, 103, 103 REMIT, 103 STP, 202, 202 COV, 203, 205, and 205 COV. The use of an ISO business identifier code (BIC) is strongly recommended. A maximum of two lines may be used. In case of MTs 102 STP and 103 STP an ISO financial institution BIC must be used.

7.6 Coexistence Codes

Starting SR 2022, SWIFT will evolve its capabilities to enable instant and frictionless transactions from one account to another, anywhere in the world. This will unlock huge opportunities for our community of over 11,000 institutions.

Financial institutions will be able to move at their own pace when connecting to the platform. The platform supports connectivity using existing messaging formats and services, and adds the option to connect using Application Programming Interfaces (APIs). Users of MT messaging may continue to use the format until the ISO 20022 migration deadline for cross-border payments and reporting in November 2025.

The equivalent MT formatted message is an MT created based on the fields from the ISO 20022 message.

When an MT 103, MT 103 STP, MT 202, or MT 205 is generated as equivalent MT format of respectively pacs.008 or pacs.009, new codes may occur in field 70 and field 72. Some elements in an ISO 20022 message have no equivalent field in MT, but must be passed on to the next agent to allow the processing of the payment up to the end party. As of SR 2022, FIN users must therefore recognise and be able to process the codes indicated below at the start of a line in field 70 or field 72, placed between slashes. Presence of the information in the ISO 20022 message does not guarantee presence of the information in the MT equivalent. A priority order will be applied trying to represent as much ISO 20022 data in the field 70 and field 72 of the equivalent MT, more information in the translation documentation.

The following sections describe the codes being introduced and the data they represent.

7.6.1 Field 72

- INTA: Next Intermediary Agent. If a second intermediary agent is present in the ISO 20022 message, related information is translated after the code INTA. If a third intermediary agent is present in the ISO message, the code INTA is used a second time and will follow the information related to the third intermediary agent.

  The related information can be one or more of the following:

  - a BIC
  - Name (and TownName and Country). TownName and Country are optional.
  - ClearingSystemMemberIdentification for domestic transactions

- SVCLVL: Service Level. If the payment service level used in the ISO 20022 message has no equivalent in MT, the service level information (an ISO 20022 code or proprietary information) is translated after the code SVCLVL to indicate how the payment must be processed.
- LOCINS: Local Instrument. If the payment local instrument is present in the ISO 20022 message, the code LOCINS will be followed by the local instrument information which can be an ISO 20022 code or proprietary information.
- CATPURP: Category Purpose. If the payment category purpose has no equivalent in an existing MT field, the code CATPURP is used followed by the category purpose information which can be an ISO 20022 code or proprietary information.

7.6.2 Field 70

- ULTB: Ultimate Beneficiary. If the beneficiary customer in field 59 is not the ultimate party to which an amount is due and the element UltimateCreditor is present in the ISO 20022 message, it must be included in the equivalent MT to warn the beneficiary to deliver it to the right party. The code ULTB is followed by information about the UltimateCreditor (either a combination of Name, Country, and optionally TownName or Name and OtherIdentification or Name only or OtherIdentification only).
- ULTD: Ultimate Debtor. If the ordering customer in field 50 is not the ultimate party that owes an amount of money to the (ultimate) beneficiary and the element UltimateDebtor is present in the ISO 20022 message, it will be included in the equivalent MT. The code ULTD is followed by information about the UltimateDebtor (either a combination of Name, Country, and TownName or Name and Other Identification or Name only or OtherIdentification only).
- PURP: Purpose. If the element Purpose is present in the ISO 20022 message, this information is important to help the creditor to reconcile the payment with other documents. The code PURP is followed by either an ISO code or proprietary information.
- ROC: Reference of Customer. This code is already indicated in the standards MT documentation as part of remittance information. However, if in the ISO 20022 message no code ROC is used in (unstructured) remittance information, it is added to the MT equivalent to indicate the identification that is present in the mandatory ISO 20022 element EndToEndIdentification, provided it is a meaningful value (that is, different from NOTPROVIDED).
- URI: Unstructured Remittance Information. If the remittance information in the ISO 20022 message is unstructured, the code URI is put in the equivalent MT followed by the unstructured remittance information. The code URI is omitted if the unstructured remittance information is the only information in field 70.
- RELID: Related Remittance Information. If the element RelatedRemittanceInformation is present in the ISO 20022 message, the code RELID is put in the equivalent MT followed by the related remittance information.
- SRI: Structured Remittance Information. If the ISO 20022 message contains structured remittance information, this information is not copied into the equivalent MT. The code SRI will be used to indicate that it was present in the original message, but the information is replaced by a plus sign (/SRI/+).

For more details about the translation rules, see the translation documentation published on MyStandards.

8 US Clearing System Codes in SWIFT Payment Messages

8.1 Issue

Use of US clearing system codes in payment messages

Standards incorporate guidelines on the use of clearing system codes in the optional account number line of selected party fields of the payment messages (that is, the MTs 101, 102, 102 STP, 103, 103 REMIT, 103 STP, 104, 200, 201, 202, 202 COV, 203, 204, 205, and 205 COV).

The following sections provide additional information about the use of US clearing system codes, specifically:

- the CHIPS participant number
- the CHIPS UID
- the Fedwire number

8.2 Clarification

8.2.1 CP: CHIPS Participant Number

Rules

These codes are used to identify participants in the CHIPS system in the United States (that is, clearing banks). They are sometimes referred to as the CHIPS ABA numbers.

As of August 1992, the CHIPS participant number has been expanded from three, to four digits. Non-US banks, however, may continue to use the three-digit number in payment messages sent to US banks.

The following rules apply:

- If the institution can be identified by a financial institution BIC, the CHIPS participant number should not be used, as it provides redundant information (that is, an institution has only one BIC and only one CP number).
- If a CHIPS participant number is quoted, option D (name and address) must be used. CHIPS participant numbers may be used in fields 56a, 57a, and 58a.
- Only one CHIPS participant number should be present in an instruction and should normally identify the first financial institution on the payment side of the instruction.

8.2.2 CH: CHIPS UID

Rules

These six-digit codes (that is, `//CH` followed by six digits) are used as party identifiers in CHIPS instructions.

Contrary to the other codes defined in the Standards MT documentation, such as the CHIPS participant number or the Bankleitzahl, a CHIPS UID can identify not only a financial institution, but also a corporate customer.

The UID is very precise insofar as it identifies a specific account to which funds are to be paid. Therefore, to the extent that the account title is the same, an account owner may have an account with several different banks, yet only one UID. If an account owner has several accounts with the same bank, each account will have a different title (for example, A account, B account) and each account will be identified by a separate UID.

CHIPS UID example

ABC Company has accounts with AABKUS33, BBBKUS33, and CCBKUS33. At AABKUS33, ABC Company has an account entitled ABC Company which it uses for all its regular financial transactions. It also has a separate account at the same bank entitled ABC Company Foreign Bills, which it uses for its foreign bills-related transactions.

AT BBBKUS33, ABC Company has two accounts. The first is entitled ABC Company. The second is entitled ABC Company Investment. At CCBKUS33, it has one account entitled ABC Company.

Each of these five accounts has a unique account number attributed by the bank. However, these five accounts will be identified by only three UID numbers. All three ABC Company accounts will have the same UID, say 123456; the account entitled ABC Company Foreign Bills will have a different UID, say 135790 and the account entitled ABC Company Investment will have another UID, say 024689.

Database view

In a database, these entries would appear as follows (the Account With Institution would normally be identified by its CHIPS participant number):

Name/account title	UID	Account with institution	Account number
ABC Company	123456	AABKUS33 BBBKUS33 CCBKUS33	238765 12987 456889
ABC Company Foreign Bills	135790	AABKUS33	6587654
ABC Company Investment	024689	BBBKUS33	67273

Clearly, UID number 123456 on its own does not identify where funds are to be paid - it merely identifies in whose favour they are to be paid. In other words, the UID identifies a beneficiary. Where funds are to be paid must be determined from the rest of the instruction.

Parties identified by a UID need not be geographically located in the United States. The account identified must, however, be on the books of one or more CHIPS participants located in the United States. In the example above, although ABC Company's address may be in say, Brussels, AABKUS33, BBBKUS33, and CCBKUS33 must be CHIPS participants.

A financial institution BIC on its own will generate a UID by default (assuming the institution has a UID). However, because of the very specific nature of UIDs, it is recommended that if a UID is known, it should be quoted.

If a CHIPS UID number is quoted, option D must be used. CHIPS UID numbers may be used in fields 56a, 57a, 58a, and 59a.

8.2.3 FW: Fedwire Number

Rules

These nine-digit codes are used to identify parties in the Fedwire payment system within the United States. Unlike other clearing system codes, their presence also instructs payment by Fedwire.

Furthermore, the presence of the code FW without the Fedwire number, in those cases where option A has been used, specifies that payment is to be made through Fedwire. All Fedwire payments are made through the Fedwire system to a branch of the Federal Reserve Bank, in favour of the party identified. The branch of the Federal Reserve Bank to which payment will be made is determined from the first digits of the Fedwire number.

A Fedwire number can be attributed to parties that are not geographically located in the United States, provided that the account identified is on the books of one of the Federal Reserve Banks.

A financial institution BIC will generate a Fedwire number by default (assuming the institution has an account with a Federal Reserve Bank). Although rare, a party may have several accounts with the Federal Reserve Bank, each of which will have a different Fedwire number. Except for these rare cases, it is recommended that the BIC be used with the Fedwire code, but without the Fedwire number.

If a Fedwire number is quoted, option D must be used. Fedwire codes may be used in fields 56a, 57a, and 58a.

8.2.4 Additional Observations on CP, CH, and FW

Observations

The CHIPS participant number (CP), CHIPS UID (CH), and Fedwire (FW) codes may be used in the same instruction. However, logic suggests that each code should appear only once, and that the following rules should be respected:

- Since the Fedwire code FW indicates how payment should be made, it must only be used to identify the first financial institution in the payment side of the instruction. Other parties in the chain may be identified by CHIPS UID numbers or financial institution BICs.
- A CHIPS participant number must also identify the first financial institution in the payment side of the instruction. Other parties in the chain may be identified by CHIPS UID numbers or financial institution BICs.
- A CHIPS UID number may identify one or more of the parties on the payment side of the instruction. It may identify the first financial institution on the payment side of the instruction. If this is a US institution and a CP number is available, the user must use a CP number instead of the CHIPS UID. If the US institution has a financial institution BIC, the user must use the BIC instead of a CP number.
- US codes, and other codes defined for use on SWIFT, identify parties in a national clearing system and therefore should only be used in instructions which will be paid through that particular clearing system. In other words, they should normally only be used in an instruction sent to a bank located in the same country as the clearing system.
- With the exception of the US codes, different clearing system codes cannot appear in the same instruction.

8.2.5 Account Number or Clearing System Code

Recommendations

In all cases, using a clearing system code excludes the use of the account number line for any other information. When both an account number and a clearing system code are known, a choice has to be made as to which one should be used. Recommendations are shown below.

The presence of an account number implies that the party so identified is to be credited on the books of the immediately preceding party, whereas a clearing system code generally identifies where the funds are to be paid. Thus, given the choice between an account number and a clearing system code, senders must decide how payment is to be effected by the receiver and/or any other institutions in the payment chain.

If payment by book transfer is required, it is recommended that the account number be used. If payment is to be made through the clearing system to the party identified, then it is recommended that the clearing system be used.

8.2.6 Option A or D

Option A vs. option D

Some codes can only be used with option D, some may be used only with option A and some may be used with either. For the sender of a SWIFT message, such differentiation may not appear logical. For the receiver, however, the difference may be important.

Clearly a financial institution BIC can be processed automatically by the receiver of a message. Indeed, as noted above, a financial institution BIC will generate a default value for a clearing system code. Therefore, if a field is identified by the letter option A, the receiver will immediately know that the field contains a piece of information (the financial institution BIC) that can be processed automatically.

The letter option D, on the other hand, tells the receiver that the party in the field is identified by free text. Hence, routines can be developed to automatically process instructions on the basis of the letter option specified.

However, exception routines need to be incorporated for the account number line. The presence of a forward slash in the first position of the field flags the presence of the optional account number line. Depending on the party identified database, this may or may not be sufficient for the receiver to automatically process the instruction.

A clearing system code, identified by two forward slashes in the first two positions of the field (that is, the account number line), gives the receiver information which can be processed automatically. Once again, routines can be developed to process instructions on the basis of the presence of a clearing system code.

The difficulty arises when both a clearing system code and a financial institution BIC are given for the same party: should the receiver process the instruction on the basis of the clearing system code, or the financial institution BIC? Which of the two should take precedence in the case of a discrepancy? By using letter option D, this dilemma is avoided, as the letter option immediately tells the receiver that the text portion of the field cannot be automatically processed, thus ensuring that processing will be carried out based on the clearing system code specified in the account number line.

9 Use of FR R.I.B. (Relevés d'Identité Bancaire) in SWIFT Payment Messages

9.1 Issue

Use of R.I.B.

Standards incorporate guidelines on the use of clearing system codes (that is, Bankleitzahl, Canadian, CHAPS, CHIPS, and Fedwire) in the optional account number line of selected party fields of the payment messages (MTs 101, 102, 102 STP, 103, 103 REMIT, 103 STP, 104, 200, 201, 202, 202 COV, 203, 205, and 205 COV).

In France, a similar concept exists, the **Relevés d'Identité Bancaire** or R.I.B. which enables French banks to automatically process payment instructions received by them. Although a specific code is not yet incorporated into the payment message standards to explicitly identify a R.I.B., this guideline is intended to help users understand how the R.I.B. can be used.

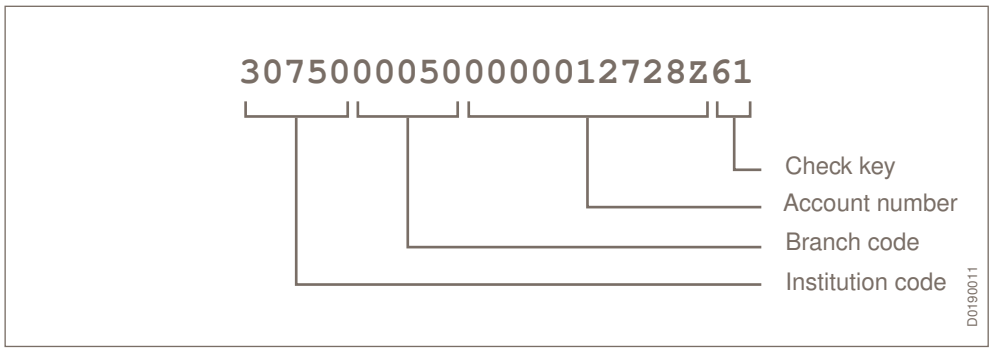
9.2 Clarification

R.I.B. Format

The R.I.B. is used in France to identify an account held in the books of a financial institution. The R.I.B. can therefore identify not only a private individual, but also a corporate customer.

The R.I.B. consists of 23 characters which identify not only the account number, but also the bank, and branch of the bank, at which the account is held. It also includes a check key.

R.I.B. format



R.I.B. - structure

Element	Description
Bank Code	The first element comprises a five-digit code which identifies the financial institution in France and is unique to the institution. There is a direct link between the four-character party prefix of a BIC and the five-digit bank code of the R.I.B.
Branch Code	The second element comprises a five-digit code which identifies the branch of the institution where the account is held.

Element	Description
Account Number	The third element is an eleven alpha-numeric character code which identifies the account.
Check Key	The fourth element is a two-digit check key calculated by an algorithm, which guarantees the integrity of the complete account identification.

The R.I.B. explicitly identifies two parties: the account-servicing financial institution and the account owner. In this respect, it is unlike the other clearing system codes, which only explicitly identify one party - either the financial institution or the account owner, but not both.

In terms of message formatting, use of the R.I.B. is extremely easy. It should be used in exactly the same way as an account number, that is, it should appear in the same field as the account owner. Where the R.I.B. is used in a letter option party field (for example, 58a), it may be used with all letter options.

Since the R.I.B. contains information which identifies not only the beneficiary customer, but also the account domiciliation, it may be tempting to omit the Account With Institution (field 57a) from the payment instruction. The French banks strongly encourage senders to provide this information, however, since it can be used as a further check to ensure that the payment is correctly executed. From the sender's viewpoint, this also means that no specific processing is required to produce a payment instruction to be sent to a French correspondent.

In those cases where the party identified by the R.I.B. in the account number line and the party identified in the text portion of the field are different, to the extent that it is possible for the French bank to clearly identify this difference, then the French bank would normally contact the sender for clarification. This situation will vary from bank to bank, however, depending on the bank's own procedures and agreements. Users are, therefore, strongly encouraged to clarify the position with their correspondent(s).

Note *Although the R.I.B. is an essential element in the straight-through processing of payment instructions sent to French banks, its use does not remove the need to exercise due care and attention when preparing instructions. The responsibility to provide coherent payment instructions still resides with the sender (and, ultimately, with the Ordering Customer).*

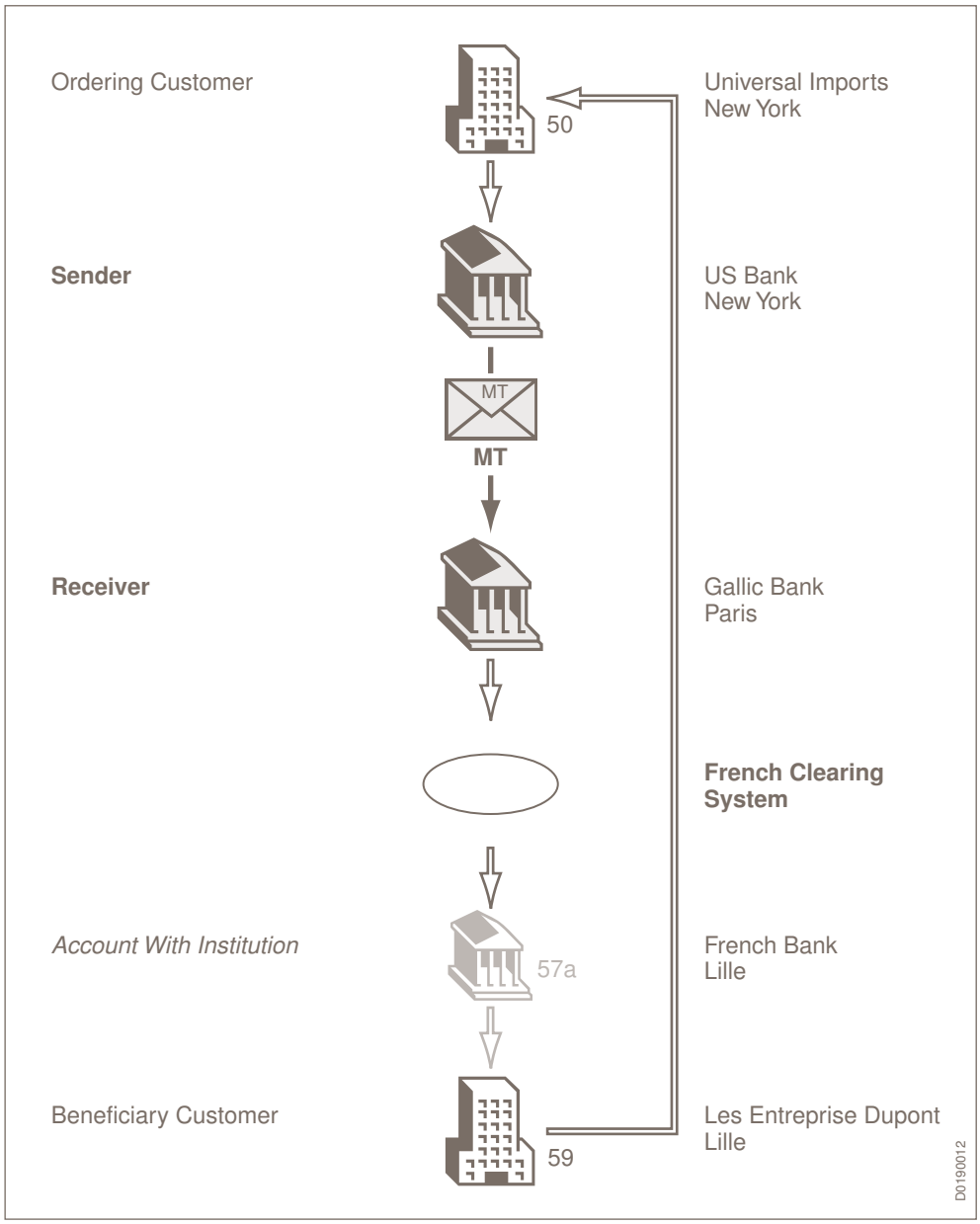
Example

Les Entreprises Dupont, Lille send their invoice number ED930212/045 amounting to EUR 56,650 to Universal Imports, New York, requesting that payment be made to their account with French Bank, Lille. The invoice indicates the R.I.B. of Les Entreprises Dupont to be 30750000500000012728Z61. Universal Imports therefore requests its bank, US Bank, New York to make the payment.

The US Bank has neither authenticator keys, nor an account relationship with French Bank, therefore it sends the instruction to its correspondent in Paris, Gallic Bank.

The following diagram illustrates the information flow between the parties to this transaction:

R.I.B message information flow



The SWIFT message - an MT 103 - sent by the US Bank, New York would be formatted like this:

Message format

Explanation	Format
Sender	USBAUS33
Message Type	103
Receiver	GALLFRPP

Explanation	Format
Unique End-to-end Transaction Reference	121:360f1e65-90e0-44d5-a49a-92b55eb3025f
Message Text	
Transaction Reference Number	:20:93060-0156
Bank Operation Code	:23B:CRED
Value Date/Currency Code/Amount	:32A:020102EUR56650,
Currency/Instructed Amount	:33B:EUR56650,
Ordering Customer	:50K:UNIVERSAL IMPORTS 1 COMMERCIAL ROAD New York
Account With Institution	:57A:BANKFR2L001
Beneficiary Customer	:59:/30750000500000012728Z61 LES ENTREPRISES DUPONT RUE DU LABRADOR LILLE
Remittance Information	:70:/RFB/ED930212/045
Details of Charges	:71A:SHA
End of message Text/Trailer	

10 System Validation of the Structure of Field 72 in the Categories 1 and 2 Messages

10.1 Issue

Validation of field 72

This usage guideline explains how field 72 will be validated by SWIFT, and what codes are defined by SWIFT for use within the field when it is used in the payments messages.

Background

The change in definition for field 72 was first introduced for payment messages MTs 200, 201, 202, 203, 205, and further expanded to include MTs 102, 102 STP, 103, 103 REMIT, 103 STP, 104, 107, 202 COV, 205 COV and 204, that were added lately. This was subsequently introduced to the Category 3 messages. This change states that each item of information in this field must be preceded by a code which specifically indicates the party for which it is intended, unless the party for which the information is intended is already indicated by the use of another code (for example, /TELE/). Where bilateral agreements covering the use of codes in this field are in effect, the code must conform to the structure for presenting codes in this field.

This requirement was introduced to ensure that the receivers of these messages would be able to process them automatically, thereby avoiding confusion and delays. However, receivers will not be alone in benefiting from the changes. Manual intervention and repair of payment and financial trading instructions result in higher costs being charged to the sender or the beneficiary customer. Errors resulting from the mis-interpretation of instructions reflect badly on all the parties involved in the instruction.

10.2 Clarification

Field 72 structure

The contents of field 72 in the MTs 102, 102 STP, 103, 103 REMIT, 103 STP, 104, 107, 200, 201, 202, 202 COV, 203, 204, 205, and 205 COV must be preceded by a code between slashes, indicating the party for which the information is intended, unless this is indicated by the code itself.

Specific codes have been defined for use in some of these messages, as noted in the specifications for field 72 in the General Field Definitions Plus or in the Category 1 - Customer Payments and Cheques - Message Reference Guide and Category 2 - Financial Institution Transfers - Message Reference Guide.

It should be emphasised that bilaterally agreed codes may also be used in field 72, provided that they adhere to the defined structure.

Field 72 is an optional field. If it is used, then the following structure must be used:

- The first line must begin with a single slash, followed by a code (the code must consist of at least one, and up to eight (upper-case), alphabetical characters), followed by a second slash (that is, /8c/). The code itself will not be checked by SWIFT, since the standard specifically allows bilaterally-agreed codes to be used. Free text may follow the second slash, up to the maximum number of characters allowed in the line (35 characters, including the code and slashes). The free text is optional; a complete set of space characters will be NAKed.
- If the second and subsequent lines are used, each line must begin with either a code, optionally followed by free text as described above, or a double slash, followed by at least one, and up to

thirty three, free text characters (that is, //33x). The double slash is used to indicate that the information is a continuation of the previous line. The free text after the double slash is mandatory; a complete set of space characters will be NAKed.

SWIFT has defined certain codes which can be used in field 72. Other bilaterally-agreed codes may also be used. Thus, SWIFT normally does not check the use of specific codes in the field, nor ensure that a code requiring information to follow is in fact followed by information. (See section Payments Reject/Return Guidelines on page 40.)

In order to facilitate the automatic processing of the information in field 72, there should be only one SWIFT-defined code per line. Where bilaterally-agreed codes are being used, this requirement does not need to apply since it is assumed that both sender and receiver are fully conversant with the specific use of the field in those cases.

10.3 Frequently Asked Questions

Introduction

This section provides a list of frequently asked questions relating to the structure and contents of field 72.

FAQs

Question	Answer
Will I have to structure all information in field 72 of all my SWIFT messages?	**No**. The additional validation checks will only apply to the message types listed at the beginning of this guideline.
Can I use any code in field 72 of the Payment and Foreign Exchange, Money Markets and Derivative messages?	**Yes**. The validation will not check that only the codes listed in the message reference guides are used. The codes in the message reference guides are those agreed and defined by the SWIFT User Community. Other codes which have been agreed between senders and receivers are also allowed, provided that they are no longer than eight (upper-case) alphabetic characters (8a) in length.
What will happen if the text information in my field 72 contains a slash (/) character and, because the text wraps over from one line to the next, the slash appears as the first character of a line?	Your message could be NAKed. When information flows over several lines, each line should begin with a double slash (//) to indicate that it is a continuation of the previous line. Provided you respect this rule, the first character of the text portion of the line can be a slash (see example 3 below).
Can I put two codes in field 72 of these messages?	**Yes and no**. We strongly recommend that there be only one code per line, particularly when SWIFT-defined codes are used. The reason for this is that it would enable a receiver to automatically read and/or forward the information contained in the line. If, however, you are using several bilaterally agreed codes and you know that the receiver will be able to interpret the information correctly, you may specify more than one code per line.

Question	Answer
Can I ensure that I am formatting field 72 in my Payment and Foreign Exchange, Money Markets, and Derivative messages correctly?	**Yes**. You can use the enhanced Test and Training mode to check your messages. In full function mode or local test mode, future messages which you send will be validated against the new release requirements.

10.4 Examples

Example of field 72 in an MT 103

```
:72:/INS/BCZACDKIBIC'CrLf'
/ACCC/FOR THE ATTENTION OF DHR SMIDT'CrLf'
//SPECIAL OPERATIONS'CrLf'
```

The instruction has been received by the sender from Banque Commerciale du Congo, Kinshasa(/INS/), although this bank was not the original Ordering Institution which would have been identified in field 52a; the receiver is requested to pass the instruction to the attention of Dhr Smidt (/ACCC/).

The use of the code /ACCC/ will probably prevent the instruction being processed automatically in this case, since the information which follows requires interpretation.

Example of field 72 in an MT 202:

```
:72:/TELE/PHONE(+322)6553266/FAX6553801'CrLf'
///TELEX+046/26532'CrLf'
```

The sender has asked that the Account With Institution be advised by the most appropriate and efficient means of telecommunication available. The sender has provided phone, fax, and telex numbers.

The sender has used a slash to separate the different elements. The second line starts with double slash, to indicate that it is a continuation of the first line. The third slash on the second line is used to separate the FAX element from the TELEX element.

While a slash (/) is part of the valid SWIFT character set, we strongly recommend that another character be used, whenever possible, to avoid potential problems.

Examples of field 72 in Category 1 and 2 messages

Following examples would fail the validation check and would be NAKed:

- `:72:HAPPY CHRISTMAS'CrLf'`

  Reason: the first line of the field does not contain a code.

- ```
  :72://SPECIAL OPERATIONS'CrLf'
  /ACCC/FOR THE ATTENTION OF DHR SMIDT'CrLf'
  ```

  Reason: the first line of the field does not begin with a code.

- ```
  :72:/ACCC/FOR THE ATTENTION
  OF DHR SMIDT'CrLf'
  SPECIAL OPERATIONS'CrLf'
  ```

  Reason: the second line of the field does not begin with either a code or a double slash.

- `:72:/ACCC/eee'CrLf'`

  Where `e` are blanks

  Reason: the information following the code /ACCC/ consists entirely of blank characters.

- ```
  :72:/ACCC/'CrLf'
  //'CrLf'
  ```

  Reason: there is no information following the //.

- ```
  :72:/ACCC/'CrLf'
  //eee'CrLf'
  ```

  Where e are blanks

  Reason: the information following the // consists entirely of blank characters.

- ```
  :72:/ACCC/'CrLf'
  /bnf/'CrLf'
  ```

  Reason: the code /bnf/, in the second line, is not in (upper-case) alphabetic characters.

- ```
  :72:/acc/'CrLf'
  /ACCC/'CrLf'
  ```

  Reason: the code /acc/, in the first line, is not in (upper-case) alphabetic characters.

- ```
  :72:/ACCC/'CrLf'
  /INT/eee'CrLf'
  ```

  Where e are blanks

  Reason: the information in the second line, following the code /INT/, consists entirely of blank characters.

- ```
  :72:/AAAAAAAAA/'CrLf'
  /ACCC/'CrLf'
  ```

  Reason: the code /AAAAAAAAA/, in the first line, exceeds 8 characters.

- ```
  :72:/AAAAAAAA/123456789012345678901234567890123456'CrLf'
  /ACCC/'CrLf'
  ```

  Reason: the contents of the first line exceeds 35 characters.

- ```
  :72:/AAAAAAAA/'CrLf'
  //3456789012345678901234567890123456'CrLf'
  ```

  Reason: the contents of the second line exceeds 35 characters.

- ```
  :72:/123/'CrLf'
  //3456789012345678901234567890123456'CrLf'
  ```

  Reason: the code in the first line does not consist entirely of upper-case alphabetic characters.
  ```

11 Cancellation of an MT 103 Payment Instruction for which Cover has been Provided by a Separate MT 202 COV

11.1 Issue

Cancel an MT 103 for which cover has been provided by a separate MT 202 COV

To cancel an MT 103 payment instruction, for which cover has been provided by a separate MT 202 COV:

1. Should an MT 192 be sent to the receiver of the MT 103?
2. Should an MT 292 be sent to the receiver of the MT 202 COV?
3. Should an MT 192 be sent to the receiver of the MT 103 and an MT 292 to the receiver of the MT 202 COV?
4. Should an MT 192 be sent to the receiver of the MT 103 and no cover be sent at all?

The purpose of these guidelines is to give guidance on the best option to use, both from a practical and legal point of view.

11.2 Clarification

The MT 103 payment instruction and its cover, the MT 202 COV, should be considered as one transaction

As practices vary widely and may impact the choice of a preferred option, the legal relationship established between the sender and the receiver of the original MT 103 (that is, mandator and mandated party) must be taken into account. The receiver is therefore responsible for carrying out the mandate given by the sender.

The MT 103 payment instruction and its cover, the MT 202 COV, should be considered as one transaction. Consequently, cancelling the original MT 103 should automatically trigger the cancellation by the receiver of the whole transaction, including the cover.

11.3 Options

Four options are presented below:

Option	Advice
1) Sending an MT 192 to the receiver of the MT 103 is the **recommended** and most logical option.	The receiver of the MT 103 and MT 192 is responsible for requesting cancellation of the payment from the beneficiary if payment has already been effected, and for initiating the return of the funds through the correspondent chain, that is, reversing the MT 202 COV. The return of the funds is not cover for an MT 103 and therefore constitutes a normal financial institution transfer for which the MT 202 must be used. By doing so, the receiver retains control of the funds, and does not run the risk of having the cover reversed by its correspondent before consent is received from the beneficiary and debit authorisation is given to the receiver's correspondent. If cover is refunded in favour of the sender, the receiver must undertake any adjustments for use of funds separately. Alternatively, the receiver must initiate the specific request to its correspondent to return the funds with good value, or with compensation.
2) Sending an MT 292 to the receiver of the MT 202 COV, which was sent in cover of the MT 103 present drawbacks.	Not only is option 2 a longer procedure for both sender and receiver, since the correspondents will have to forward a request for reimbursement to the receiver, but in addition, it could result in the receiver of the MT 103 being automatically debited by its correspondent. The receiver would then have to obtain restitution of the original payment from the beneficiary.
3) Sending an MT 192 to the receiver of the MT 103, and an MT 292 to the receiver of the MT 202 COV.	This option might appear as the fastest and surest way of obtaining return of the funds. However, it could result in the funds being returned by the receiver before the request from the correspondent is received. This would cause confusion and duplication.
4) Sending an MT 192 to the receiver of the MT 103 without sending any cover.	This option presents threats for both sender and receiver. This situation could arise if the sender realises that a mistake has been made, and requests cancellation of the MT 103 before the MT 202 COV instruction has been sent. The receiver will be put in a position of having received, and possibly acted on, a bona-fide payment instruction for which it is entitled to expect reimbursement. If the beneficiary subsequently refuses to refund the payment, the receiver will be out of funds. The sender obviously does not want to be debited by its correspondent for an instruction which should not have been sent. Nevertheless, the risk is that the receiver and/or beneficiary will refuse to refund the original, or that the refund will not be effected with original value.

12 Unique End-to-End Transaction Reference (UETR) Guidelines

12.1 Issue

For the key payments MTs, user header block (block 3) must be present and must contain field 121 with a UETR for the transaction. This UETR must be passed, unchanged throughout the transaction chain. When the transaction is either rejected or returned, must the UETR of the original payment be used or a new one?

12.2 Clarification

The UETR is a common reference for the full life cycle of the payment transaction. In the case an individual transaction is returned or rejected, the UETR of the original payment is to be used in field 121 of the return or reject message. More information about specific formatting of reject or return messages can be found in Payments Reject/Return Guidelines on page 40.

13 Payments Reject/Return Guidelines

13.1 Payment Reject/Return Principles

Purpose of the payment reject mechanism

The generic payment reject mechanism is designed to increase automation and remove ambiguity. It is available in all payments messages used for payment rejects and returns.

Rejects versus returns

In order to avoid duplication of error codes, rejects and returns are considered as the result of semantic errors which are not validated by FIN, such as "account closed". FIN validation errors, such as "missing mandatory field", are still handled through negative acknowledgements returned by FIN.

From the receiver's point of view, rejects and returns can be defined as follows:

- **Reject** occurs when the message and/or transaction has not yet been booked; that is, accounting has not yet taken place.
- **Return** occurs when the message and/or transaction has already been booked; that is, accounting has already taken place, and an amount must be returned to the original sender.

Handling of charges

Charges can be defined as fees resulting from the rejection/return of the messages or transactions.

Charges, and their application, vary extensively according to the following:

- differing country and market requirements
- individual business relationships, for example between bank and customer
- common banking practice
- details of charges codes

Due to these significantly different practices, it is not possible to specify a means of handling charges. The generic payment reject mechanism, however, caters for the possibility to report charges that have been deducted, or applied to payment rejects/returns.

Specification of the levied reject/return charges, that is, charges that have been applied to the rejected/returned transaction (for example, deducted from the returned principal) should be included in order to assist the original sender of the message to reconcile differences in amounts.

Errors and reason codes

The error code list covers the majority of message text errors (that is, block 4) not validated by FIN. It can be used for both message (that is, file) level and transaction level rejects/returns and represents common, generic errors causing rejects/returns. It does not cover country-specific errors.

The list is not intended to be exhaustive, and can be bilaterally extended. Space is foreseen to add a textual reason for further explanation.

Time frames

A general rule is: as soon as possible (ASAP) and according to normal banking practice.

It was deemed inappropriate to state a specific time frame for issuing or acting upon a reject/return message, for the following reasons:

- differing country, local, bank-to-client relationship agreement requirements
- time frames usually stated/handled in bilateral/service agreements, and are subject to normal banking practice
- complexity of, and variations in, the return process
- may be market-dictated and adhered to by market participants

Routing

As a general rule of good practice, the payment reject/return should always follow the same route as the original transaction. This ensures that all relevant information used in the original payment chain is contained in the reject/return message received by the original sender.

Rejection/return of individual transactions within the same message

Certain multiple transaction messages (for example, MTs 201, 203, and 204) contain more than one field 72, that is, a field 72:

- in the non-repetitive sequence, (that is, at the file level)
- in the repetitive sequence, (that is, at transaction level)

The following guidelines should be followed in these cases:

- In cases where the mechanism is used to indicate that a message was rejected/returned due to a *file* level error, field 72 of the non-repetitive sequence should be used.
- In cases where the mechanism is used to indicate that a message was rejected/returned due to a *transaction* level error, an MT n95 should be used without the original message appended to it. The field 79 of this MT n95 will contain the reject/return information for the erroneous transaction.

If several transactions have to be rejected/returned, several MTs n95 will have to be sent.

13.2 Payments Reject/Return Information

Information

Depending on the message type used to return or reject a payment, the information required to process the rejected/returned transaction must be placed in either field 72 or field 79.

The SWIFT system validates the format for the reject or return functionality whenever the first six characters in line 1 of either field 72 or 79 contain the character string /REJT/ or /RETN/.

MTs currently affected by this form of additional validation are the payment messages:

- MTs 102, 103, 103 REMIT, 104, 107, 110, 200, 201, 202, 202 COV, 203, 204, 205, and 205 COV for field 72.

  The use of field 72 in the MTs 104 and 107 must abide by the reject and return formatting rules or be NAKed with conditional error code D82.
- MTs 195 and 295 for field 79 or, alternatively, field 72 when present in the appended copy of the underlying message.
- MTs 199 and 299 for field 79.

This mechanism is not intended for use in other message types.

13.2.1 Field 72 or Field 79: Sender to Receiver Information/ Narrative

Field 72 or field 79

FORMAT	6*35x (field 72) / 35*50x (field 79)				
DEFINITION	For the purposes of this guideline, this field details the reason for the return or rejection.				
VALUES	The following codes must be used to provide details on the return:				
	Line 1	/REJT/ or /RETN/	2!n[1!a][/2c]	M	/**REJT**/ means a reject and is followed by the identification of the field causing the reject or /**RETN**/ means a return and is followed by the identification of the field causing the return.
	Line 2	/2!c2!n/	[29x] (for field 72) or [44x] (for field 79)	M	Reason Code (see below), optionally followed by a text description of the preceding reason code.
	Line 3	/MREF/	16x	M	Sender's Reference, that is, field 20 of the original message (Transaction Reference Number or File Reference).
	Line 4	/TREF/	16x	O	Transaction Reference, that is, field 21 of the actual transaction, for example an MT 102 or MT 104.
	Line 5	/CHGS/	3!a15d	O	ISO currency code and charges amount. This may contain relevant, levied reject/return charges, that is, charges that have been applied to the rejected/returned transaction (for example, deducted from the returned principal).
	Line 6	/TEXT/	29x (for field 72) or 44x (for field 79)	O	Some further narrative details.

The field causing the reject or return is identified by:

Field	Description
2!n	The field tag of the field in which the error occurred (for example, 32 denotes the error occurred in field with tag 32).
[1!a]	If applicable, this gives the letter option of the preceding field tag in which the error occurred, (for example, A after 32 means field 32A).

Field	Description
[/2c]	If a field tag appears more than once in a message type, this alphanumeric code details the sequence in which the error occurred, (for example, /C after 32A means the error occurred in field 32A of sequence C, 59/B1 denotes the error occurred in field 59 of sequence B1).

The actual reason code must be one of the following codes (Error code T80):

Code	Type	Reason
AC01	Account Number	Format of the account number specified is not correct.
AC02	Account Number	Format of the account number specified is non-numeric.
AC03	Account Number	Format of the account number specified is not valid for local sort/national clearing code.
AC04	Account Number	Account number specified has been closed on the receiver's books.
AC05	Account Number	Account number specified is not a valid account at the Account With Institution.
AC06	Account Number	Account specified is blocked, prohibiting posting of transactions against it.
AM01	Amount	Specified transaction/message amount is equal to zero.
AM02	Amount	Specified transaction/message amount is greater than allowed maximum.
AM03	Amount	Specified transaction/message amount is in a non-processable currency outside of existing agreement.
AM04	Amount	Amount of funds available to cover specified transaction/message amount is insufficient.
AM05	Amount	This transaction/message appears to have been duplicated.
AM06	Amount	Specified transaction amount is less than agreed minimum.
AM07	Amount	Amount specified in transaction/message has been blocked by regulatory authorities.
AM08	Amount	Specified charges amount is not as agreed between sender and receiver.
BE01	Beneficiary	Specification of beneficiary is not consistent with associated account number.
BE02	Beneficiary	Beneficiary specified is not known at associated sort/national clearing code.
BE03	Beneficiary	Beneficiary specified no longer exists in the books.

Code	Type	Reason
BE04	Beneficiary	Specification of beneficiary address, which is required for payment, is missing/not correct.
BE05	Beneficiary	Party who initiated the transaction/message is not recognised by the beneficiary.
AG01	Agreement	No agreement is on file at the receiver for associated transaction/message.
AG02	Agreement	Bank operation code specified in the transaction/message is not valid for receiver.
DT01	Date	Invalid date (for example, wrong settlement date).
MS01	General	Reason has not been specified due to sensitivities.
PY01	Party	Unknown Account With Institution.
RF01	Reference	Transaction reference is not unique within the message.
RC01	Routing Code	Routing code specified in the transaction/message has an incorrect format.
RC02	Routing Code	Routing code specified in the transaction/message is not numeric.
RC03	Routing Code	Routing code specified in the transaction/message is not valid for local clearing.
RC04	Routing Code	Routing code specified in the transaction/message refers to a closed branch.
RR01	Regulatory Requirement	Specification of the ordering customer's account or unique identification needed for reasons of regulatory requirements is insufficient or missing.
RR02	Regulatory Requirement	Specification of the ordering customer's name and/or address needed for regulatory requirements is insufficient or missing.
RR03	Regulatory Requirement	Specification of the beneficiary customer's name and/or address needed for regulatory requirements is insufficient or missing.
TM01	Receipt Time	Associated transaction/message was received after agreed processing cut-off time.
X1!c2!n	Bilateral	Refers to a reject/return code whose specification and meaning has been bilaterally agreed to by sending and receiving parties.

13.2.2 Rules

Rules applicable to field 72 or field 79 of a reject/return message

In order for the system to recognise a payment message considered as a candidate for reject or return format validation, the first six characters in line 1 of either field 72 or 79 must consist of code `/REJT/` or `/RETN/`.

The following examples are recognised as candidates for return or reject validation:

```
:72:/RETN/59(CrLf)
:79:/REJT/59(CrLf)
```

The following example will not be recognised as a candidate for return or reject validation:

```
:72:/RJCT:/57A
/XY99/Returned
/MREF/xxxxx67890xxxxx6
```

Once a payment message is considered as a reject/return message, the following rules are valid for either field 72 or 79:

Rule 1

Information following the code `/RETN/` or `/REJT/` must consist of the field causing the reject or return, and possibly other message elements (for example, letter option and sequence identification), which may be helpful to the sender in isolating the specific error.

See Field 72 or Field 79: Sender to Receiver Information/Narrative on page 42 for pertinent formatting requirements.

Rule 2

Each line must begin with a code.

Example for rule 2 - **Valid**:

- ```
  :72:/RETN/59(CrLf)
  /AC01/(CrLf)
  /MREF/xxxxx67890xxxxx6(CrLf)
  /TREF/xxxxx67890xxxxx6(CrLf)
  /CHGS/USD1234,25(CrLf)
  /TEXT/12345xxxxx12345xxxxx123 45xxxx(CrLf)
  ```

Example for rule 2 - **Invalid**:

- ```
  :72:/RETN/59(CrLf)
  /AC01/(CrLf)
  xxxxx/MREF/67890xxxxx6(CrLf)
  /TREF/xxxxx67890xxxxx6(CrLf)
  /CHGS/USD1234,25(CrLf)
  /TEXT/12345xxxxx12345xxxxx1 2345xxxx(CrLf)
  ```

  Reason: the third line does not start with the code /MREF/.

Rule 3

All codes must be in proper sequence.

Examples for rule 3 - **Valid**:

- ```
  :72:/RETN/59(CrLf) (Mandatory)

  /AC01/12345xxxxx(CrLf) (Mandatory)

  /MREF/xxxxx67890xxxxx6(CrLf) (Mandatory)

  /TREF/xxxxx67890xxxxx6(CrLf) (Optional)
  ```
  ```

/**CHGS**/USD1234,25(CrLf) *(Optional)*

/**TEXT**/12345xxxxx(CrLf) *(Optional)*

- :79:/**RETN**/59(CrLf) *(Mandatory)*

  /**AC01**/(CrLf) *(Mandatory)*

  /**MREF**/xxxxx67890xxxxx6(CrLf) *(Mandatory)*

  Note *Narrative information following the reason code (for example, /AC01/) is optional.*

Examples for rule 3 - **Invalid**:

- :72:/**RETN**/59(CrLf)
  /**AC01**/(CrLf)
  /MREF/xxxxx67890xxxxx6(CrLf)

  /CHGS/
  USD1234,25(CrLf)

  /TREF/
  xxxxx67890xxxxx6(CrLf)
  /TEXT/12345xxxxx12345xxxxx1 2345xxxx(CrLf)

  Reason: codes /CHGS/ and /TREF/ are not in proper sequence.

- 72:/RETN/59(CrLf)

  /MREF/
  xxxxx67890xxxxx6(CrLf)

  /AC01/(CrLf)
  /TREF/x(CrLf)
  /CHGS/USD1234,25(CrLf)
  /TEXT/x(CrLf)

  Reason: code /MREF/ and reason code (for example, /AC01/) are not in proper sequence.

Rule 4

The codes described for lines 1, 2, and 3 are mandatory whereas for lines 4, 5, and 6 they are optional.

Examples for rule 4 - **Valid**:

- :72:/**RETN**/59(CrLf)
  /**AC01**/xx67890xx67890xx6789(CrLf)
  /**MREF**/x(CrLf)

- :72:/**RETN**/59(CrLf)
  /**AC01**/(CrLf)
  /**MREF**/x(CrLf)
  /TREF/xxxxx67890xxxxx6(CrLf)
  /CHGS/BEF1234,(CrLf)
  /TEXT/xxx67890xx67890xxx6789(CrLf)

Examples for rule 4 - **Invalid**:

- :72:/**RETN**/59(CrLf)
  /**AC01**/(CrLf)

  Reason: the code /MREF/ is missing.

- :72:/**RETN**/59(CrLf)
  /**MREF**/xxxxx67890xxxxx6(CrLf)

  Reason: the reason code (for example, /AC01/) is missing.

Rule 5

A code must not be split across lines.

Examples for rule 5 - **Invalid**:

- :72:/RETN/59(CrLf)
  /**AC**(CrLf)

  01/(CrLf)
  /MREF/x(CrLf)

  Reason: the reason code (for example, /AC01/) is split across lines.

- :72:/RETN/59(CrLf)
  /AC01/**xxxxx67890**(CrLf)

  xxxxx67890xxxxx6789(CrLf)
  /MREF/x(CrLf)

  Reason: the information following the reason code (for example, /AC01/) is split across lines.

Rule 6

A single line must not exceed the following number of characters:

- 35 characters in field 72
- 50 characters in field 79

Examples for rule 6 - **Invalid**:

- :72:/RETN/59(CrLf)
  /AC01/**xxxxx67890xxxxx67890xxxxx67890**(CrLf)
  /MREF/x(CrLf)

  Reason: information following the reason code (for example, /AC01/) exceeds 29 characters.

- :79:/RETN/59(CrLf)
  /AC01/(CrLf)
  /MREF/x(CrLf)
  /TREF/xxxxx67890xxxxx6(CrLf)
  /CHGS/EUR1234,(CrLf)
  /TEXT/**xxxxx67890xxxxx67890xxxxx67890xxxxx67890xxxxx**(CrLf)

  Reason: information following the code /TEXT/ exceeds 44 characters.

Rule 7 - Field 72

For field 72, the maximum number of lines permitted is 6.

For field 72, the minimum number of lines required is 3.

Rule 8 - Field 79

For field 79, the maximum number of lines permitted is 35.

For field 79, the minimum number of lines required is 3.

Rule 9 - Additional lines

Additional lines of information following the line beginning with the code /TEXT/ must be preceded by double slashes: //.

Example for rule 9 - **Invalid**:

- :79:/RETN/59(CrLf)
  /AC01/(CrLf)
  /MREF/x(CrLf)
  /TEXT/xxxxx67890xxxxx67890xx xxx6789(CrLf)

```
//xxxxx67890xxxxx67890xx xxx67890xxx(CrLf)
/xxxxx67890xxxxx67890xx xxx67890xxx(CrLf)
```

Reason: one of the lines following the code /TEXT/ is missing the double slash.

Example for rule 9 - **Valid** :

- ```
  :72:/RETN/59(CrLf)
  /AC01/(CrLf)
  /MREF/x(CrLf)
  /TEXT/xxxxx67890xxxxx67890xx xxx6789(CrLf)
  //xxxxx67890xxxxx67890xx xxx67890xxx(CrLf)
  //xxxxx67890xxxxx67890xx xxx67890xxx(CrLf)
  ```

Rule 10

Codes must not be duplicated.

Examples for rule 10 - **Invalid**:

- ```
  :72:/RETN/59(CrLf)
  /AC01/(CrLf)
  /MREF/x(CrLf)

  /TEXT/xxxxx67890xxxxx67890xx xxx6789(CrLf)

  /TEXT/xxxxx67890xxxxx67890xx xxx6789(CrLf)
  ```

  Reason: the code /TEXT/ is used twice.

- ```
  :72:/RETN/59(CrLf)
  /AC01/(CrLf)
  /MREF/x(CrLf)
  /MREF/x(CrLf)
  ```

  Reason: the code /MREF/ is used twice.

Rule 11

The information component following all codes, except for reason code (for example,`/AC01/)` is mandatory. This component must not be empty, nor consist entirely of blanks.

Examples for rules 11 - **Invalid**:

- ```
  :72:/RETN/59(CrLf)
  /AC01/(CrLf)
  /MREF/(CrLf)
  /TEXT/xxxxx67890xxxxx67890xx xxx6789(CrLf)
  ```

- ```
  :72:/RETN/59(CrLf)
  /AC01/(CrLf)
  /MREF/eeeeeeCrLf)
  /TEXT/xxxxx67890xxxxx67890xx xxx6789(CrLf)
  ```

  Where `e` are blanks.

Rule 12

After the code `/CHGS/`, the number of digits following the decimal comma in the amount must not exceed the maximum number allowed for the currency specified (Error code C03).
  ```

Example for rule 12 - **Invalid**:

- :72:/RETN/59(CrLf)
  /AC01/(CrLf)
  /MREF/x(CrLf)
  /CHGS/USD1234,**678**(CrLf)

Rule 13

The ISO currency code following the code /CHGS/ must be valid (Error code T52).

Example for rule 13 - **Invalid**:

- :72:/RETN/59(CrLf)
  /AC01/(CrLf)
  /MREF/x(CrLf)
  /CHGS/**XYZ**1234,67(CrLf)

Rule 14

The reason code must be one of the codes listed in the code table matrix (see Field 72 or Field 79: Sender to Receiver Information/Narrative on page 42), or be formatted according to the rules given in the last entry of this same table.

Example for rule 14 - **Invalid**:

- :72:/RETN/59(CrLf)
  /**AA01**/(CrLf)
  /MREF/x(CrLf)

Examples for rule 14 - **Valid**:

- :72:/RETN/59(CrLf)
  /AC01/(CrLf)
  /MREF/x(CrLf)
- :72:/RETN/59(CrLf)
  /X101/(CrLf)
  /MREF/x(CrLf)
- :72:/RETN/59(CrLf)
  /XA01/(CrLf)
  /MREF/x(CrLf)

13.2.3 Payment Reject Examples

Example 1: using an MT 103

In this example, the original content of field 72 is replaced with the payment reject information string.

MT 103 (original) in error	MT 103 returning the message in error
Entry date = 021125 Input session# = 0001 Input sequence# = 000001 :20:Sample A :23B: CRED :32A:021125USD100,25 :33B:USD100,25 :50K:Franz Holzappel GMBH Vienna :59:H.F. Janssen :71A:SHA	Entry date = 021126 Input session# = 0050 Input sequence# = 999998 :20:Return A :23B: CRED :32A:021125USD100,25 :33B:USD100,25 :50K:Franz Holzappel GMBH Vienna :59:H.F. Janssen :71A:SHA :72:/REJT/59 /BE04/ /MREF/Sample A /CHGS/EUR20,

Example 2: using an MT 195 without the appended MT 103

In this example, field 79 consists of the payment reject information string.

MT 103 (original) in error	MT 195 rejecting the message in error
Entry date = 021125 Input session# = 0001 Input sequence# = 000001 :20:Sample 1 :23B:CRED :32A:021125USD100,25 :33B:USD100,25 :50K:Franz Holzappel GMBH Vienna :59:H.F. Janssen :71A:SHA	Entry date = 021126 Input session# = 0050 Input sequence# = 999998 :20:Error 1 :21:Sample 1 :75:/4/030102 :11R:103 021125 00010000001 :79:/REJT/59 /BE04/Ben address incomplete /MREF/Sample 1

Example 3: using MT 195 with MT 103 embedded in field 79

In this example, field 79 consists of the payment reject information string and the original message.

MT 103 (original) in error	MT 195 rejecting the message in error
Entry date = 021125 Input session# = 0001 Input sequence# = 000001 :20:Sample 1 :23B:CRED :32A:021125USD100,25 :33B:USD100,25 :50K:Franz Holzappel GMBH Vienna :59:H.F. Janssen :71A:SHA	Entry date = 021126 Input session# = 0050 Input sequence# = 999998 :20:Error 1 :21:Sample 1 :75:/4/030102 :11R:103 021125 00010000001 :79:/REJT/59 /BE04/Ben address incomplete /MREF/Sample 1 /TEXT/:20:Sample 1 //:32A:021125USD100,25 //:33B:USD100,25 //:23B:CRED //:50K:Franz Holzappel GMBH //Vienna //:59:H.F. Janssen //:71A:SHA

Example 4 using MT 195 with the appended MT 103

In this example, the MT 195 contains a copy of the MT 103 with its field 72 replaced by the payment reject information string.

MT 103 (original) in error	MT 195 rejecting the message in error
Entry date = 021125 Input session# = 0001 Input sequence# = 000001 :20:Sample 2 :23B:CRED :32A:021125USD100,25 :33B:USD100,25 :50K:Franz Holzappel GMBH Vienna :59:H.F. Janssen :71A:SHA	Entry date = 021126 Input session# = 0050 Input sequence# = 999998 :20:Error 2 :21:Sample 2 :75:/4/030102 :11R:103 021125 00010000001 :20:Sample 2 :23B:CRED :32A:021125USD100,25 :33B:USD100,25 :50K:Franz Holzappel GMBH Vienna :59:H.F. Janssen :71A:SHA :72:/REJT/59 :/BE04/Ben address incomplete /MREF/Sample 2 /CHGS/EUR30,00

Example 5: using MT 199 with MT 103 embedded in field 79

In this example, field 79 consists of the payment reject information string and the original message.

MT 103 (original) in error	MT 199 rejecting the message in error
Entry date = 021125 Input session# = 0001 Input sequence# = 000001	Entry date = 021126 Input session# = 0050 Input sequence# = 999998
:20:Sample 2 :23B:CRED :32A:021125USD100,25 :33B:USD100,25 :50K:Franz Holzappel GMBH Vienna :59:H.F. Janssen :71A:SHA	:20:Error 2 :21:Sample 2 :79:/RETN/59 /BE04/Ben address incomplete /MREF/Sample 2 /CHGS/EUR30,00 /TEXT/:20:Sample 2 //:23B:CRED //:32A:021125USD100,25 //:33B:USD100,25 //:50K:Franz Holzappel GMBH //Vienna //:59:H.F. Janssen //:71A:SHA

Examples 6 to 10

In the following examples, German Bank services a EUR account for Swedish Bank and Swedish Bank services a SEK account for German Bank.

Example 6
Original via MT 103, return via MT 103

Situation	Action taken
German Bank sends a EUR payment order (that is, an MT 103) to Swedish Bank, and Swedish Bank can not execute.	Swedish Bank sends an MT 103 return message, therefore allowing German Bank to withdraw its previously booked EUR from the Swedish Bank's account.

Example 7
Original via MT 103, reject via MT 103

Situation	Action taken
German Bank sends a SEK payment order (that is, an MT 103) to Swedish Bank, and Swedish Bank can not execute.	Since the amount has not yet been booked on the SEK account of German Bank, Swedish Bank sends an MT 103 reject message.

Example 8
Original via MT 102, reject via MT 195 (file level error)

Situation	Action taken
German Bank sends SEK payments to Swedish Bank via an MT 102. An error is detected on the file level and Swedish Bank can not execute.	Since the amount has not yet been booked on the SEK account of German Bank, Swedish Bank sends an MT 195 reject message.

Example 9
Original via MT 102, return via MT 195 (transaction level error)

Situation	Action taken
German Bank sends SEK payments to Swedish Bank via an MT 102. One transaction contained within the MT 102 cannot be executed by Swedish Bank.	Swedish Bank sends an MT 195 return message.

Example 10
Original (third currency) via MT 103 plus associated MT 202 COV, return via MT 103 and MT 202

Situation	Action taken
German Bank sends a USD payment order (that is, an MT 103) to Swedish Bank, and Swedish Bank can not execute.	Swedish Bank sends an MT 103 return message to German Bank, and an MT 202 to relevant US correspondent bank, refunding the USD amount.

13.3 Return Information in an Equivalent MT Format Derived from pacs.004 Message Received over InterAct

Starting SR 2022, SWIFT will evolve its capabilities to enable instant and frictionless transactions from one account to another, anywhere in the world. This will unlock huge opportunities for our community of over 11,000 institutions.

Financial institutions will be able to move at their own pace when connecting to the platform. The platform supports connectivity using existing messaging formats and services, and adds the option to connect using Application Programming Interfaces (APIs). Users of MT messaging may continue to use the format until the ISO 20022 migration deadline for cross-border payments and reporting in November 2025.

More information available in the SWIFT Platform evolution: Connectivity Guidance.

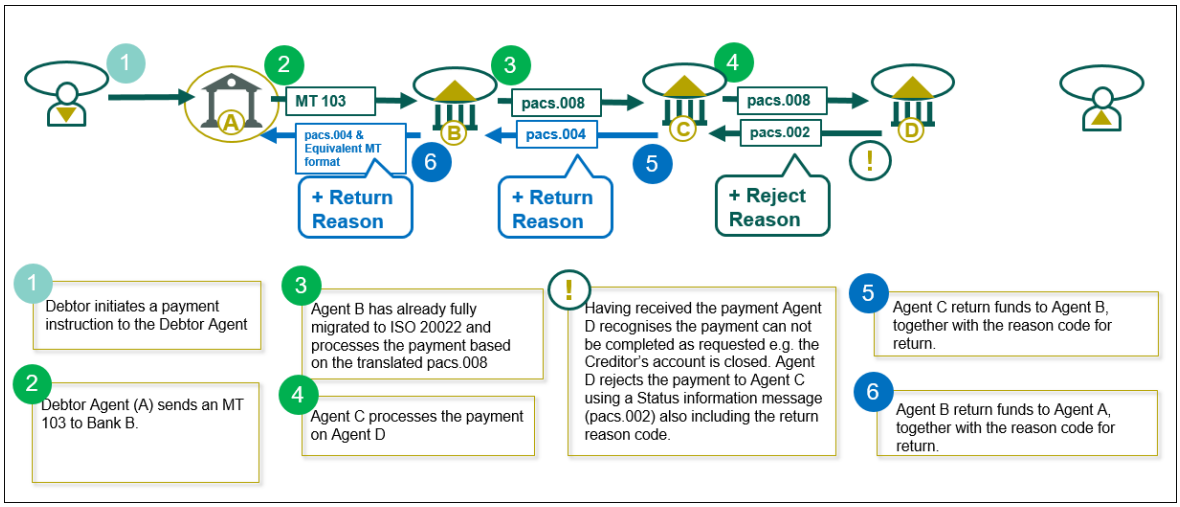
To ensure interoperability of different message formats in this period, financial institutions that are not yet ready to use ISO 20022, will be able to opt for receiving ISO 20022 messages with an equivalent MT format embedded.

The equivalent MT format is an MT created based on the elements from the ISO 20022 message. The Cross Border Payments and Reporting Plus (CBPR+) group has defined usage guidelines and validates standardised rules for translation from ISO 20022 to MT and vice versa.

In the case of return payments sent with pacs.004, the following principles apply to the equivalent MT format for MT 103, MT 103 STP, MT 202, and MT 205 with field 72 starting with /RETN/. All fields in the equivalent MT format relate to the returned payment, not only the field 72 details. This means, for example, that field 32A is the returned interbank settlement amount (taking possible charges into account) and return value date. It also means that all parties (fields 50a and 59a) and financial institutions in MTs /RETN/ are the ones involved in the returned payment (roles not copied from the original credit transfer message) and are extracted from the return chain component from pacs.004. In this context it means, the originator of the return (Debtor in ISO 20022, Ordering

Customer, field 50a in MT) must be understood in MT 103 /RETN/ as the last non-financial institution or financial institution being credited in the original transaction.

Example



Message 2 MT 103 Sender: CHASGB2L Receiver: CHASUS33	Message 6 pacs.004 Sender: CHASUS33 Receiver:CHASGB2L	Equivalent MT of message 6 MT 103 Sender: CHASUS33 Receiver:CHASGB2L
:20:A2B050627270 :23B:CRED :32A:200111USD40000, :33B:USD40000, :50F:/GB29NWBK60161331926819 1/NOKIA CORPORATION 2/1510 ARLINGTON BUSINESS PARK 3/GB/THEALE,RG74SA :52A:CHASGB2LXXX :56A:FTSBUS33XXX :57A:BAUTUS31XXX :59F:/794115296 1/ATnT 2/208 ARAKD ST 3/US/DALLAS,1096,TEXAS :70:/ROC/E2E04044506271305 /INV/INV2708 :71A:SHA	<Document xmlns="urn:iso:std:iso:20022:tech:xsd:pacs.004.001.09"> <PmtRtr> <GrpHdr> <MsgId>P4B2A-006</MsgId> <CreDtTm>2020-01-11T13:00:00-05:00</CreDtTm> <NbOfTxs>1</NbOfTxs> <SttlmInf><SttlmMtd>INDA</SttlmMtd></SttlmInf> </GrpHdr> <TxInf> <OrgnlGrpInf> <OrgnlMsgId>A2B050627270</OrgnlMsgId> <OrgnlMsgNmId>pacs.008.001.08</OrgnlMsgNmId> </OrgnlGrpInf> <OrgnlInstrId>A2B0506272708</OrgnlInstrId> <OrgnlEndToEndId>E2E04044506271305</OrgnlEndToEndId> <OrgnlUETR>174c245f-2682-4291-ad67-2a41e530cd27</OrgnlUETR> <OrgnlIntrBkSttlmAmt Ccy="USD">40000</OrgnlIntrBkSttlmAmt> <OrgnlIntrBkSttlmDt>2020-01-11</OrgnlIntrBkSttlmDt> <RtrdIntrBkSttlmAmt Ccy="USD">39960</RtrdIntrBkSttlmAmt> <IntrBkSttlmDt>2020-01-11</IntrBkSttlmDt> <RtrdInstdAmt Ccy="USD">39990</RtrdInstdAmt> <ChrgBr>SHAR</ChrgBr> <ChrgsInf> <Amt Ccy="USD">20</Amt> <Agt><FinInstnId><BICFI>CHASUS33XXX</BICFI></FinInstnId></Agt> </ChrgsInf> <ChrgsInf> <Amt Ccy="USD">10</Amt> <Agt><FinInstnId><BICFI>FTSBUS33XXX</BICFI></FinInstnId></Agt> </ChrgsInf> <InstgAgt><FinInstnId><BICFI>CHASUS33XXX</BICFI></FinInstnId></InstgAgt> <InstdAgt><FinInstnId><BICFI>CHASGB2LXXX</BICFI></FinInstnId></InstdAgt> <RtrChain> <Dbtr><Agt><FinInstnId><BICFI>FTSBUS33XXX</BICFI></FinInstnId></Agt></Dbtr> <CdtrAgt><FinInstnId><BICFI>CHASGB2LXXX</BICFI></FinInstnId></CdtrAgt> <Cdtr> <Pty> <Nm>NOKIA CORPORATION</Nm> <PstlAdr> <StrtNm>1510 ARLINGTON BUSINESS PARK</StrtNm> <PstCd>RG74SA</PstCd> <TwnNm>THEALE</TwnNm> <Ctry>GB</Ctry> </PstlAdr> </Pty> </Cdtr> </RtrChain> <RtrRsnInf><Rsn><Cd>AC04</Cd></Rsn></RtrRsnInf> </TxInf> </PmtRtr> </Document>	:20:P4B2A-006 :23B:CRED :32A:200111USD39960, :33B:USD39990, :50A:FTSBUS33XXX :57A:CHASGB2LXXX :59F:1/NOKIA CORPORATION 2/1510 ARLINGTON BUSINESS PARK 3/GB/THEALE,RG74SA :71A:SHA :71F:USD20, :71F:USD10, :72:/RETN/99 /AC04/ /MREF/A2B050627270 /TREF/E2E040445062713+

14 Customer Identification in the MTs 102, 103, and 103 REMIT for US Regulatory Compliance

14.1 Issue

Clear identification of originating and beneficiary parties

Regulatory and/or industry bodies are either looking at instituting, or are currently implementing, rules requiring financial institutions participating in their local clearing market to clearly identify the originating and beneficiary parties in financial transactions. These regulations will apply to payments originating in the US - both cross-border and local clearing payments.

Financial institutions will be required to collect, retain and forward information such as:

- originator's full name, address, and identifier
- account number/identifier or full name and address of the beneficiary
- execution date and amount of the transaction
- identification of the beneficiary's financial institution

In line with this requirement, when forwarding additional identification about the originator and/or the beneficiary, the financial institutions in the US recommend the following formats to be used.

14.2 Customer Identification

14.2.1 Field 50K: Ordering Customer

Field block

FORMAT	[/34x] (Account Number) 4*35x (Name and Address)
PRESENCE	Mandatory
DEFINITION	This field contains the originator of the transfer. When the originator is also the sender, this must contain the name/identifier of the sender.
RULES	When required by regulatory authorities, an Account Number subfield or another Identification subfield, but not both, must be present. One of the two following representations must be used: **Format 1:** /34x (account number) 4*35x (name and address) **Format 2:** /4!a/29x (type of identification) (identification) 4*35x (name and address)

VALUES	When FORMAT 2 is used, Type of Identification must contain one of the following codes, followed by the identification: ARNU: Alien Registration Number (preceded by the ISO country code and a slash, /) CCPT: Passport Number (preceded by the ISO country code and a slash, /) CORP: Corporate Identification, that is, identification number of the customer in a corporation (preceded by the ISO country code, a slash, /, name of the corporate and a slash, /) DRLC: Driver's Licence Number (preceded by the ISO country code, a slash, /, state of issue and a slash, /) OTHR: Other identification TXID: Tax Identification Number/social security number (preceded by the ISO country code and a slash, /)

Example - Format 1	`:50K:/12345678`
	`JOHN SMITH`
	`299 PARK AVENUE`
	`NEW YORK, NY 10017`

Example - Format 2	`:50K:/DRLC/US/NY/123-456-789`
	`JOHN SMITH`
	`444 MAIN STREET, APT, 6C`
	`FLUSHING, NEW YORK 11103`

Example - Format 2	`:50K:/TXID/US/121-23-1234`
	`JOHN SMITH`
	`444 MAIN STREET, APT, 6C`
	`FLUSHING, NEW YORK 11103`

14.2.2 Field 59: Beneficiary

Field block

FORMAT	[/34x] (account number) 4*35x (name and address)
PRESENCE	Mandatory
DEFINITION	This field contains the party designated by the ordering party as the ultimate recipient of funds. If available, an account number in this field must always identify the account number of the beneficiary customer with its account servicing institution.

RULES	If available, either the Account Number subfield, another Identification subfield, or a CHIPS Universal Identifier subfield must be present. One of the three following representations must be used: **Format 1:** /34x (account number) 4*35x (name and address) **Format 2:** /4!a/29x (type of identification) (identification) 4*35x (name and address) **Format 3:** //CH6!n (CHIPS Universal Identifier) 4*35x (name and address)
VALUES	When FORMAT 2 is used, Type of Identification must contain one of the following codes, followed by the identification: ARNU: Alien Registration Number (preceded by the ISO country code and a slash /) CCPT: Passport Number (preceded by the ISO country code and a slash, /) CORP: Corporate Identification, that is, identification number of the customer in a corporation (preceded by the ISO country code, a slash, /, name of the corporate and a slash /) DRLC: Driver's Licence Number (preceded by the ISO country code, a slash, /, state of issue and a slash, /) OTHR: Other identification TXID: Tax Identification Number/social security number (preceded by the ISO country code and a slash, /)

Example - Format 1	`:59:/87654321`
	`PAUL WILLIAMS`
	`444 FIFTH AVE.`
	`APARTMENT 5A`
	`NEW YORK, NY 10023`

Example - Format 2	`:59:/CCPT/FR/654321`
	`PAUL RENARD`
	`555 RUE D'ETOILE`
	`APARTEMENT 4B`
	`PARIS, FRANCE`

Example - Format 2	`:59:/TXID/US/121-23-1234`
	`JOHN SMITH`
	`444 MAIN STREET`
	`APARTMENT 6C`
	`FLUSHING, NEW YORK 11103`

Example - Format 3	`:59://CH654321`
	`PAUL WILLIAMS`
	`444 FIFTH AVE.`
	`APARTMENT 5A`
	`NEW YORK, NY 10023`

15 Legal Entity Identifier (LEI) in MT Payments

The ISO 17442 standard defines the Legal Entity Identifier (LEI). It is a unique 20-character alphanumeric code assigned to all entities that are counterparties to financial transactions. The code itself is neutral, with no embedded intelligence or country codes that could create unnecessary complexity for users.

The Payments Market Practice Group (PMPG) considers the migration to ISO 20022, and use of the LEI within that migration, a key opportunity to rethink how reference data is sourced and used for payments. As a result, the PMPG is recommending that the migration to ISO 20022 is a catalyst to facilitate the adoption of LEI.

The PMPG indicated proposed market guidance for SWIFTNet FIN messages. More information can be found at:

- www.pmpg.info > Document centre > PMPG Market Practice Guidelines > Structured ordering and beneficiary customer data in payments
- www.pmpg.info > Document centre > PMPG Community consultation > LEI in the Payments Market

In an equivalent MT format of an ISO 20022 message, the presence of LEI in an ISO 20022 message for debtor or creditor will be translated following the PMPG guidance by using the issuer code LEIC. For other fields indicating banks involved in the payments chain, the approach must still be to indicate them with a BIC and no conversion is made in the MT equivalent.

Example

```
:50F:/123456789
1/Society for Worldwide Interbank F (truncated to 33 characters)
2/Avenue Adele 1
3/BE/1310 La Hulpe
6/BE/LEIC/HB7FFAZI0OMZ8PP8OE26
:59F:/123456789
1/Society for Worldwide Interbank F (truncated to 33 characters)
2/Avenue Adele 1
3/BE/1310 La Hulpe
3/BE/LEIC/HB7FFAZI0OMZ8PP8OE26
```

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