

What Is SWIFT?

SWIFT is the Society for Worldwide Interbank Financial Telecommunication, a strategic, global member-owned cooperative and the world's leading provider of secure financial messaging services.

Founded in 1973, it was created in order to replace the older telex system. SWIFT connects over 11,000 banks and financial institutions in over 200 countries and is governed by the G-10 central banks, meaning those of Belgium, Canada, France, Germany, Italy, Japan, The Netherlands, United Kingdom, United States, and Switzerland.

The central banks of other major economies also play an important role in SWIFT, including those of Australia, China, Hong Kong, India, Korea, Russia, Saudi Arabia, Singapore, South Africa, and Turkey. SWIFT is crucial to the functioning of the global economy, allowing it to run smoothly through secure financial messaging between banks all over the world, and – amongst other things – easing secure international money transfers.

What Is a SWIFT Code?

A SWIFT code is an alphanumeric code to identify specific banks around the world. It is a type of Bank Identification Code (BIC), and the two terms are often used

SWIFT codes are used to identify the recipient's bank network, and when used together with other information like bank identifiers and account numbers, they can verify exactly where transferred money should be deposited.

Entering a SWIFT code allows for the faster and easier exchange and deposit of currency around the world.

SWIFT codes are made up of several different areas. The first four characters are letters and specify the bank's name. The next two characters are also letters and define the country code where the bank is located. The next two characters are alphanumeric and help to specify the bank's location. There may be a final three alphanumeric characters that provide further details on the bank.

SWIFT codes are related to bank identifiers, [BIC](#), [IBAN](#), ACH, SWIFT-BIC, SWIFT ID, [CLABE](#), [Canadian transit numbers](#), [routing numbers](#), [account numbers](#)s and [sort codes](#).

Bank SWIFT Codes

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Bank SWIFT Codes

To see the SWIFT codes of individual banks in countries such as the [US](#), [UK](#), [Canada](#), and the [Philippines](#), take a look at the lists

Bank fees are the fees you or a beneficiary could pay to a bank as the result of transferring, exchanging, or otherwise paying for or receiving an international money transfer.

Bank fees, also known as "bank charges" or "processing fees", are just one type of fee you may be charged when transferring money, with other potential fees including **exchange rate margins**, **fixed fees** and **commission fees**.

What makes bank fees different from other fees associated with money transfers is that bank fees tend to be outside the control of your bank or currency exchange provider. As such, you'll only be charged a bank fee if it's necessary to complete the transfer.

When Are Bank Fees Charged?

Circumstances in which banks may be required to charge a bank fee in addition to other fees might include:

- Wire transfers into or out of sender or beneficiary accounts;
- Transfers that are sent via SWIFT or other banking protocols;
- Beneficiary banks charging a fee to receive a transfer;
- Intermediary banks charging fees to process money in transit.

Bank fees sometimes mean that either you or your beneficiary (or both) could lose more in fees than had been initially indicated due to circumstances beyond your bank's

What Are Bank Fees?

The term bank fees refers to any charges imposed by [financial institutions](#) on their personal and business customers for account set-up, maintenance, and minor transactional services. These fees may be charged on a one-time or ongoing basis.

Examples of bank fees range from account maintenance charges, withdrawal and transfer fees, [automated teller machine](#) (ATM) fees, [non-sufficient fund](#) (NSF) fees, late payment charges, and others.

Understanding Bank Fees

Banks charge fees for the services they provide their personal and commercial clients—and they seemingly lurk everywhere. For instance, banks charge customers fees just to have certain deposit accounts open. In other cases, they may charge service fees to conduct [transactions](#) or as penalties for

All financial institutions must be transparent about their bank fees. There is a comprehensive disclosure of the fee schedule on bank websites and in the fine print of pamphlets. Customers must carefully read and review the disclosures to avoid surprises. While competition is a natural regulator of where a bank may apply fees and how much it thinks it can get away with, government authorities such as the [Consumer Financial Protection Bureau](#) (CFPB) and the [Office of the Comptroller of the Currency](#) (OCC) stand by to field complaints and concerns from the public about fee-charging practices by banks.

KEY TAKEAWAYS

- Bank fees are imposed by financial institutions on their customers for account set-up, maintenance, and minor transactions.
- These fees may be charged on a one-time or ongoing basis.
- Fees make up a big portion of bank revenue.
- Types of bank fees include account maintenance fees, withdrawal and transfer fees, and ATM fees.

Special Considerations

It's important for customers to keep an eye out on how much they spend on bank fees and, if possible, how to avoid them because

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It's important for customers to keep an eye out on how much they spend on bank fees and, if possible, how to avoid them because they can add up. The national average for monthly checking account maintenance fees in the United States amounted to \$14.13 or \$169.56 for a year, according to [Money Rates](#). That's the highest amount surveyed by the site in seven years. Keep in mind, this figure doesn't include things like overdraft fees, transfer and [withdrawal](#) fees, charges to use the ATM and others. To minimize the amount paid in fees, it's important to maintain monthly minimum balances, limit the number of withdrawals, avoid bouncing checks, and making credit card payments on time.

electronically. You can link bank accounts at the same bank or between different financial institutions. For example, linking external bank accounts is something you may do if you're opening a new account with an online bank.

Let's say you have a checking account at your local brick-and-mortar bank and decide to open an online savings account. The bank requires you to make your initial deposit using an [ACH electronic funds transfer](#). You could link your existing checking account to your new online savings account to schedule the transfer deposit.

Linking bank accounts doesn't make them the same account. It just makes it easier for you to move money from checking to savings or vice versa. And as mentioned in the online savings account example above, it may sometimes be necessary to link a checking account so that you can deposit money to an online savings account if you're not able to do so at a branch

Is It Safe to Link Bank Accounts?

The short answer is yes, it's safe to link bank accounts. Linking bank accounts is as safe as any other banking activity. The level of security provided depends on your bank or credit union. For example, some banks allow you to set up multifactor authentication or biometric login (fingerprint or facial recognition) when logging in to your mobile banking app. This creates an added layer of security, in addition to your unique username and password.

Keeping your banking information safe, especially if you primarily bank online, is important. Identity thieves and fraudsters can wreak havoc with your bank accounts if you're not taking steps to protect them.

If you're unsure what safety measures your bank offers, you can check online or call a branch to ask. Also, keep in mind that you may need to contact more than one bank if you're linking accounts at different financial

Americans piled up an estimated \$2.5 trillion in extra savings during the pandemic. But now, that money is dwindling as people use their cash reserves to deal with the worst inflation in over 40 years. According to a new Forbes Advisor survey, a full two-thirds of Americans say they're raiding their savings as prices for goods and services spike.

A fresh government inflation reading shows consumer prices in May were up 8.6% from a year earlier—the biggest annual increase since 1981. Inflation is hurting workers, with wages not able to keep pace. From May 2021 to May 2022, real wages adjusted for inflation dropped 3.0%, widening the gap between earnings and costs of goods and services.

Although it's unclear why older age groups are less likely to tap their savings, rising rent might be forming a dividing line between the generations during this inflationary time.

In April, the national median monthly rent jumped 15%, according to a report by Redfin. And in some places—including Austin (46%) and Portland, Oregon (33%)—the spike was much higher.

Older households have the highest homeownership rate, so their housing costs are likely fixed. Younger Americans are more likely to rent. In the first quarter of this year, about 79% of people ages 65 and older owned their homes compared to just 39% of those under 35.

As Inflation Presses On, Financial Strategy Is Essential

The Federal Reserve is fighting inflation with interest rate hikes and other monetary policy changes. But there's no way of knowing when inflation will begin to subside—or, at worst, whether the Fed's moves will trigger a recession.

Consumers can adjust to inflation in various ways, from cutting back on spending to consolidating debt. Some might also consider switching jobs for higher pay or a better health insurance or retirement savings plan.

Inflation is making it challenging for many people to save money, but putting money aside is essential for a solid financial plan.

When to Tap Your Savings

While it's not the best idea to use savings to cover today's higher prices for gasoline, food and just about everything else, it beats one alternative: turning to your credit cards. The interest rates are often high, and they're going up.

In the survey, 64% say they expect interest rates will climb over the next 12 months. The Fed's rate hikes have a nearly direct impact on many credit card rates, and as those rates rise you'll find yourself with a lot more debt from purchases you finance with plastic. If you must use a credit card, look into [the best cards with 0% interest rates](#).

If you're currently living off your emergency savings, make a plan to bring in more money, cut down on expenses, or a combination of both—before your savings are completely gone.

How to Maximize the Return on Your Savings

Americans who are still managing to save are putting the money in traditional places.

Maybe too traditional.

The survey found more than half of savers (53%) are socking money away in a conventional savings or checking account. Those are some of the worst ways to stash cash if you want it to grow.

The main advantages of keeping money in a standard savings account are quick access to funds and low risk, but that's where the benefits end. The top APYs on [high-yield savings accounts](#) are barely edging over 1%, which is not much.

Certificates of deposit (CDs) can offer a safe way to save and grow your money. These time deposit accounts offer a guaranteed rate of return at potentially higher rates than you may find with a savings account or money market account. And laddering CDs can help you maximize savings.

So, what is a CD ladder? It's a strategy that uses multiple CDs to earn interest across different time periods. Using a CD ladder may work for you if you want to maximize your money's growth while minimizing the odds of triggering an early withdrawal penalty from a CD account.

What Is a CD Ladder?

When you open a CD, you're committing to saving your money for a set period. Banks and credit unions may offer terms ranging from 28 days to 10 years. Once your CD matures, you can renew the CD, roll the money into a new CD or cash out the CD.

Having a CD ladder means opening multiple CDs with varying maturity dates.

As each CD matures, you decide what to do with the principal and interest earned. Since you know when each will mature, you can plan ahead to decide what to do with the money.

One of the benefits of laddering is that you have flexibility—you can choose which CDs to include. For example, you might choose to have five CDs that mature at six months, 12 months, 18 months, 24 months and 36 months. You can open each CD with the same amount of money or put more money in some CDs and less in others.

There's also the option to open all the CDs in your ladder at the same bank or mix and match CDs from different banks, depending on who's offering the best interest rates. As a savings strategy, it's easy to customize a CD ladder to meet your needs.

How to Build a CD Ladder

Creating a ladder CD strategy isn't difficult, but it's good to have a plan and some goals in mind. Building a CD ladder begins with making some decisions:

- The total amount you want to save
- The number of CDs you want to open

How to Build a CD Ladder

Creating a ladder CD strategy isn't difficult, but it's good to have a plan and some goals in mind. Building a CD ladder begins with making some decisions:

- The total amount you want to save
- The number of CDs you want to open
- How much you want to keep in each CD
- Which maturity terms to choose
- Where you want to open your CDs

Remember, this should be money you won't need right away. This means that a CD isn't a good place to park [emergency savings](#) since making an early withdrawal could result in a penalty.

Also, think about how you want your money spread across your CDs and how many you'll need to open. Here's a CD ladder example that can help you visualize the process.

Say you have \$5,000 to save and you want to open five CDs. You could add \$1,000 to each CD so that they all have the same amount, but for different terms and at different rates. Your CD ladder would look like this:

- CD 1: \$1,000 at 0.50% for 6 months
- CD 2: \$1,000 at 0.90% for 12 months
- CD 3: \$1,000 at 1.10% for 15 months
- CD 4: \$1,000 at 1.25% for 18 months
- CD 5: \$1,000 at 1.35% for 24 months

On the other hand, you could choose to allocate them for different amounts, with the highest balance earning the highest APY. For example, something like this:

You Can Capitalize on Interest Rate Changes

Interest rates aren't set in stone. When rates rise, it's an opportunity for savers. By laddering CDs with varying maturity terms, you're in a position to take advantage of higher rates when they come along.

For example, let's say you have a CD maturing in the next month and, thanks to an interest rate increase, your bank is now offering 2.00% versus the 1.75% you're earning on your current CD. You could roll the money into a new CD to lock in the higher rate.

You Can Avoid Early Withdrawal Penalties.

CDs are time deposit accounts, meaning you're committing to saving money in them for the duration of the term. Withdrawing money from a CD before it matures often triggers a penalty, which typically means forfeiting some or all of the interest you've earned so far.

Having a ladder of CDs with maturity dates spaced out can help reduce your odds of triggering an early withdrawal penalty when you need access to cash. For example, if you've spaced out CDs every six months, you don't have long to wait until your next CD matures.

You Can Save for Different Financial Goals

A CD ladder can also be helpful when saving for a mix of short- and long-term financial goals.

Drawbacks of CD Laddering

Creating a CD ladder could help you get more out of your savings efforts while avoiding early withdrawal penalties. But there are some potential downsides to keep in mind.

You May Lose Out to Inflation

CD rates tend to be on the lower side historically compared to some other investments. This can make it more difficult for the interest you earn to keep pace with inflation during periods of rising prices. While you may be earning a steady rate of return from your CDs, your money has less purchasing power overall.

Is CD Laddering a Good Idea?

Creating a CD ladder could be a good idea if you want to keep your money in a secure place while earning interest and avoiding early withdrawal penalties. When deciding how to save, it's helpful to consider where CD ladders fit in your larger financial picture. Different financial goals may be served better by other financial products.

For instance, both a 401(k) and an individual retirement account can be useful when investing for retirement. Meanwhile, a [high-yield savings account](#) could be a good choice for holding your emergency savings. CD ladders can offer a middle ground when you're saving for both the short and the long term. The more diversified you are with your saving and investing efforts, the better.

A bank account can be very convenient if you need a place to deposit your paychecks or a way to pay bills and cover everyday spending. But not everyone has one: Federal Reserve data shows that 18% of American households are either underbanked, meaning they rely on nontraditional banking options, or unbanked, meaning they have no bank account at all.

Opening a bank account has its benefits, and the process isn't as complicated as it may seem. Whether you're preparing to open your [very first bank account](#) or you're ready to switch your accounts to a new bank, it helps to know what to expect.

Choosing a Bank or Credit Union

Before opening a bank account, the first step is deciding where to keep your money. The options generally include traditional banks, online banks and credit unions. Understanding how each one works and what they offer can help you decide where to open a bank account.

Traditional Bank

Traditional, brick-and-mortar banks typically offer a range of account types, including personal checking and savings accounts and business checking and savings accounts. The main advantage traditional banks offer is local branch access. For example, if you need to deposit cash, you can do so at a drive-through or in person at a teller window. Under the umbrella of traditional banking, you'll find big banks as well as smaller, regional or community banks.

Online Bank

Online banks and banking services offer many of the same account options you'd find at traditional banks. The difference is that you're banking through a website or app versus accessing your money at a physical branch. Online banks typically charge fewer fees and offer better interest rates on deposit accounts than traditional banks. [Neobanks](#), fintech firms that offer banking services, are included in the online bank category.

Savings accounts and money market accounts also can earn interest and both are designed to hold the money you don't plan to spend right away. For example, you may use a savings account for your [emergency fund](#), or you could save money toward a down payment on a home in a money market account.

Some money market accounts offer debit cards or check-writing capabilities. Both money market accounts and savings accounts have been subject to federal rules regarding the number of withdrawals you can make each month ([suspended in 2020](#) by the Federal Reserve). Checking accounts are not subject to these limitations, although the bank or credit union may set limits on withdrawals.

What To Expect When You Open Your New Account

Opening a bank account is something you can do relatively quickly, either online or at a bank or credit union branch.

Generally, you can expect the bank to ask you to fill out an application for a new account—that's usually the first step. From there, you'll need to verify your identity and provide any other information the bank asks for, such as your address or phone number.

If the bank requires a minimum deposit, you'll have to make that deposit when you open your new account. If you're opening an account

Some banks and credit unions offer [teen checking](#) and student checking options for kids under 18. These usually require a parent or guardian's signature to open.

Financial institutions may also offer savings accounts for kids, with parents acting as the custodian until the child turns 18. Once the child reaches their 18th birthday, they automatically assume ownership of the account.

Joint Accounts

A [joint bank account](#) has more than one owner. For example, you may open a bank account with your spouse if you're married. Or, you may set up a joint checking account with an aging parent if you're helping them manage their finances.

What Insurance Do You Need for a Small Business?

When you're buying small business insurance, your coverage decisions will depend on your business's type and size. Here are common [coverage types](#).

- **General liability** insurance gives a business protection against liability claims such as bodily injury and property damage to others.
- **Commercial property** insurance covers the physical property of your small business, such as fire damage or theft.
- **Workers compensation** insurance offers coverage for when an employee becomes ill or injured because of their job. It's required in most states, but rules on who has to be covered vary.

What Does Small Business Insurance Cover?

Here's a closer look at top coverage types for small businesses.

General liability insurance pays for legal costs such as hiring an attorney and any judgments against you and your business. [General liability insurance](#) includes coverage for damage to reputation such as slander or libel and copyright infringement.

Liability insurance pays others, not your own business. It's also known as business liability insurance.

Commercial property insurance covers a number of business items including computers and workstations, desks and chairs, business records, business inventory and supplies. [Commercial property insurance](#) can also cover a business's office and business building.

Do You Need a Business Owners Policy (BOP)?

If you are a small business owner, you may wish to consider a business owners policy (BOP). A BOP includes:

- **General liability insurance**
- **Commercial property insurance**
- **Business interruption insurance**, which helps you recover lost business income if your business is unable to open because of a problem such as a fire

A BOP is less expensive than buying separate insurance policies for this same coverage. So consider whether a BOP is right for you.

Do You Need Commercial Auto Insurance?

A [commercial auto insurance](#) policy is the right way to cover vehicles that you use for business, whether it's a company car or a commercial truck or van.

If you get into an accident while driving the vehicle for business, your personal insurance policy won't cover the claim.

There are a few ways you can access the equity in your home without selling it:

- What is a home equity loan?
- What is a home equity lines of credit? (HELOCs)
- When to use cash-out refinancing

There are key differences between these three loan types, so it's important to understand what they are so you can choose the loan that best fits your financial needs.

Borrowing against your equity can be set up as a loan (home equity loan)—where you receive one lump sum and repay it with interest over time—or a line of credit (home equity line of credit, or HELOC) that you can access over a certain period of time.

A home equity loan is a good option if you know how much you need to borrow, if, for example, you're consolidating debt. A HELOC is a good option for uses like construction or home renovations, as these costs can change over time. The HELOC allows you to use as much or as little of the credit as you want and you can continue to borrow as you pay down the principal. Both of these options require you to get a [second mortgage](#) on your house.

— **What is travel insurance?**

The purpose of travel insurance is to compensate you in the event that you face major problems abroad or while on holiday.

Traveling without coverage could leave you deeply out of pocket if the unthinkable happens. In spite of the Covid-19 pandemic still disrupting and limiting international travel plans, insurance provides critical protection when planning a trip abroad.

What methodology did we use?

We used data from our travel insurance partner CYTI to review single trip travel insurance policies for a family of four (two adults, both aged in their 40s, and two teenagers) travelling to Spain for seven days.

We've assumed no members of the family have any pre-existing medical conditions.

All policies include at least £2 million in medical and repatriation cover and £2,000 in cancellation cover, which extend to risks related to Covid-19, as well as £1,500 in baggage and belongings cover.

We found the least expensive policies that met these credentials and scored them based on price. We then converted each score into a Forbes Advisor star rating out of five.

— Why should I switch my gas tariff?

Perhaps the question should be, why spend more money on gas than you need to? If you haven't switched gas supplier for more than two or three years, it is highly likely that running a quotation on our site could reveal gas tariffs that cost substantially less than you are paying at present. When you choose the tariff you want, that's the starting pistol for the switch itself, which should be completed within 21 days.

If you want your business to do its bit to tackle climate change and protect the planet, there are two main options open to you – switch to a green business energy tariff, and/or generate some or all of your own renewable business energy.

Here, we explain all you need to know about implementing an environmentally-friendly energy strategy for your business.

What are green business energy tariffs?

One of the easiest ways for your business to become ‘greener’ is to switch to a green or renewable business energy tariff. You could even save money on your energy bills in the process.

The more businesses (and households) that sign up to green energy tariffs, the more renewable energy is fed back into the grid, and the country's dependence on fossil fuels reduces.

The renewable energy you use could come from wind farms, solar farms, hydroelectric power stations and biomass plants.

Some suppliers, including Bulb, also offset carbon emissions from the gas they supply by supporting carbon reduction projects. Others, such as Good Energy, run their own wind and solar farms.

The Big Six energy suppliers – British Gas, EDF Energy, E.ON, npower, Scottish Power and SSE – offer green business contracts, but whether you qualify may depend on whether you run a small or [large business](#).

There are also a number of smaller, independent suppliers that provide renewable business energy tariffs, such as Bulb, Ecotricity, Good Energy, Green Energy UK, Hudson Energy, Octopus Energy, Smartest Energy and Total Gas & Power.

The advantage of switching to a smaller supplier is that they often market cheaper tariffs, and they also regularly receive high ratings for their customer service. The downside is that in some cases they may be less financially stable than the Big Six and there is therefore a greater risk that they might go bust.

Following any supplier failure, there would be no interruption to your supply, and Ofgem would place you with a new supplier automatically. At that point, you could then decide whether to stick with the new supplier you've been moved to, or to make your own alternative arrangements by [switching to a more competitive deal.](#)

Some suppliers are ‘greener’ than others

Although there is a range of renewable energy contracts to choose from, be aware that some suppliers are greener than others when it comes to how they support renewable energy.

How can my business generate renewable energy?

If you are particularly keen to reduce your business' carbon footprint, you might also want to think about generating your own renewable energy.

The type of technology you choose to install is likely to depend on the size of your business, the location of your premises and how much you're willing to spend.

Below are the main options to consider:

- **Solar PV panels** are one of the most common types of renewable energy for businesses. Solar panels are straightforward to install – usually on the roof or side of the building – and capture the sun's energy using photovoltaic (PV) cells. This is then converted into

- Wind power uses wind turbines to generate electricity. However, you'll usually need a lot of land to have these installed and to ensure you are generating enough electricity for your business. *Cost – £10,000 for smaller turbines, up to £3.3 million for larger turbines.*
- Hydro-electric power captures the energy of flowing water through a wheel or turbine to generate electricity. *Cost – £4,000 to £8,000 per kilowatt (kW) of capacity installed.*

- **Biomass systems** generate energy by burning or fermenting organic material such as wood pellets with a combined heat and power plant. *Cost – depends on boiler size and type of fuel.*
- **Anaerobic digestion** is where organic material is broken down to produce a methane and carbon dioxide-rich gas which is burnt to produce energy. *Cost – £8,750 per kilowatt thermal (kWth).*
- **Combined heat and power systems** capture heat produced by your electricity to heat water. *Cost – £32,500.*
- **Geothermal and ground source heat pumps** are often fitted to the sides of buildings and use low-level heat naturally found in the ground to provide heating and cooling. *Cost – £11,000 to £15,000.*

For a start, you'll need to consider whether installation will require any big alterations to your business premises and whether this will require planning permission.

The installation of solar panels, for example, may not be an issue, but larger instalments such as wind turbines may present more of a challenge, particularly if your business is in an urban location. It's therefore worth contacting your local council at an early stage to find out where you stand.

You will also need to check that your chosen installer is government-approved under the Microgeneration Certification Scheme (MCS), which will ensure the technology is fitted to a high standard.

What is the feed-in tariff scheme?

Businesses were previously able to benefit from the government's feed-in tariff (FiT) scheme, but this closed to new applicants on 31 March 2019. The scheme offered cash payments to businesses generating their own energy through renewable technology.

That said, if your business had installed an eligible system before this date and successfully applied for the scheme before 31 March 2020, you can still receive payments as normal.

What is a self-build mortgage?

A self-build mortgages allows you to borrow money to buy the plot of land you want to build on, as well as finance the build of the property itself.

Unlike a regular mortgage, where funds are released at completion, with a self-build mortgage the loan is released in stages, typically as various parts of the build are completed.

This is to help minimise risk for lenders who want to be sure the money will be spent as planned and won't run out before the project is finished.

SECTION III**INTERNATIONAL HUMANITARIAN LAW (IHL)**

CHAPTER I	IMPLEMENTATION OF INTERNATIONAL HUMANITARIAN LAW	1083
CHAPTER II	ADDITIONAL PROTOCOLS.....	1112
CHAPTER III	NATIONAL MEASURES TO IMPLEMENT INTERNATIONAL HUMANITARIAN LAW	1113
CHAPTER IV	DISSEMINATION OF INTERNATIONAL HUMANITARIAN LAW.....	1119
CHAPTER V	DEVELOPMENT OF INTERNATIONAL HUMANITARIAN LAW.....	1126

SECTION IV**ACTIVITIES DURING ARMED CONFLICTS**

CHAPTER I	PREPARATIONS FOR SITUATIONS OF ARMED CONFLICT	1137
CHAPTER II	COOPERATION AMONG NATIONAL SOCIETIES DURING ARMED CONFLICTS	1138
CHAPTER III	NON-INTERNATIONAL ARMED CONFLICTS.....	1139
CHAPTER IV	ASSISTANCE AND PROTECTION FOR CONFLICT VICTIMS.....	1142
CHAPTER V	COMBATING HOSTAGE-TAKING, TORTURE, FORCED DISAPPEARANCE AND PIRACY	1201

SECTION V**RELIEF ACTIVITIES IN DISASTER SITUATIONS**

CHAPTER I	RELIEF ORGANIZATION OF NATIONAL SOCIETIES	1206
CHAPTER II	INTERNATIONAL RELIEF ACTIONS.....	1208
CHAPTER III	BENEFICIARIES OF RELIEF ACTIONS.....	1235

SECTION VI**ACTIVITIES IN PEACETIME**

CHAPTER I	HEALTH	1239
CHAPTER II	BLOOD TRANSFUSION.....	1244
CHAPTER III	NURSING.....	1248
CHAPTER IV	ENVIRONMENT	1249
CHAPTER V	YOUTH.....	1250

CHAPTER II	RELATIONS BETWEEN NATIONAL SOCIETIES AND THEIR PUBLIC AUTHORITIES	
I	National Red Cross and Red Crescent Societies as auxiliaries to the public authorities in the humanitarian field, Resolution 6 of the 2003 Council of Delegates	828
II	National Red Cross and Red Crescent Societies as auxiliaries to the public authorities in the humanitarian field, report to the 2003 Council of Delegates.....	829
III	National Societies as auxiliaries to the public authorities in the humanitarian field, Resolution 9 of the 2005 Council of Delegates	835
IV	Summary of the study on situations of armed conflict, Annex to the report to the 2005 Council of Delegates	837
V	Specific nature of the International Red Cross and Red Crescent Movement in action and partnerships and the role of National Societies as auxiliaries to the public authorities in the humanitarian field.....	845
CHAPTER III	GUIDANCE ON RELATIONS WITH OTHER ACTORS OUTSIDE THE MOVEMENT	
I	Minimum elements to be included in operational agreements between Movement components and their external operational partners.....	848
II	Movement Policy for Corporate Sector Partnerships.....	854
III	Guidance document on relations between the components of the Movement and military bodies	864
IV	The Code of Conduct for the International Red Cross and Red Crescent Movement and non-governmental organizations (NGOs) in disaster relief	872
V	Armed protection of humanitarian assistance	879
 SECTION IV		
STRATEGIES AND PLAN OF ACTION		
I	Strategy for the International Red Cross and Red Crescent Movement, Resolution 6 of the 2005 Council of Delegates and Annex	884
II	International Red Cross aid to refugees: statement of Policy	906
III	Movement action in favour of refugees and internally displaced persons, Resolution 4 of the 2001 Council of Delegates.....	908
IV	Movement action in favour of refugees and internally displaced persons and “Minimum Elements to be Included in Operational Agreements between Movement Components and their Operational Partners”, Resolution 10 of the 2003 Council of Delegates	911
V	The Movement’s Policy on Advocacy, Resolution 6 of the 1999 Council of Delegates	913
VI	Movement Strategy on Landmines, Resolution 10 of the 1999 Council of Delegates	915

A. GENEVA CONVENTIONS AND ADDITIONAL PROTOCOLS

I

GENEVA CONVENTION FOR THE AMELIORATION OF THE CONDITION OF THE WOUNDED AND SICK IN ARMED FORCES IN THE FIELD OF 12 AUGUST 1949

CHAPTER I

General Provisions

*Respect
for the
Convention¹*

ARTICLE 1. — The High Contracting Parties undertake to respect and to ensure respect for the present Convention in all circumstances.

*Application
of the
Convention*

ART. 2. — In addition to the provisions which shall be implemented in peacetime, the present Convention shall apply to all cases of declared war or of any other armed conflict which may arise between two or more of the High Contracting Parties, even if the state of war is not recognized by one of them.

The Convention shall also apply to all cases of partial or total occupation of the territory of a High Contracting Party, even if the said occupation meets with no armed resistance.

Although one of the Powers in conflict may not be a party to the present Convention, the Powers who are parties thereto shall remain bound by it in their mutual relations. They shall furthermore be bound by the Convention in relation to the said Power, if the latter accepts and applies the provisions thereof.

*Conflicts not
of an
international
character*

ART. 3. — In the case of armed conflict not of an international character occurring in the territory of one of the High Contracting Parties, each Party to the conflict shall be bound to apply, as a minimum, the following provisions:

- 1) Persons taking no active part in the hostilities, including members of armed forces who have laid down their arms and those

¹ The marginal notes or titles of articles have been drafted by the Swiss Federal Department of Foreign Affairs.

The Fundamental Principles of the International Red Cross and Red Crescent Movement

Humanity The International Red Cross and Red Crescent Movement, born of a desire to bring assistance without discrimination to the wounded on the battlefield, endeavours, in its international and national capacity, to prevent and alleviate human suffering wherever it may be found. Its purpose is to protect life and health and to ensure respect for the human being. It promotes mutual understanding, friendship, cooperation and lasting peace amongst all peoples.

Impartiality It makes no discrimination as to nationality, race, religious beliefs, class or political opinions. It endeavours to relieve the suffering of individuals, being guided solely by their needs, and to give priority to the most urgent cases of distress.

Neutrality In order to continue to enjoy the confidence of all, the Movement may not take sides in hostilities or engage at any time in controversies of a political, racial, religious or ideological nature.

Independence The Movement is independent. The National Societies, while auxiliaries in the humanitarian services of their governments and subject to the laws of their respective countries, must always maintain their autonomy so that they may be able at all times to act in accordance with the principles of the Movement.

Voluntary service It is a voluntary relief movement not prompted in any manner by desire for gain.

Unity There can be only one Red Cross or one Red Crescent Society in any one country. It must be open to all. It must carry on its humanitarian work throughout its territory.

Universality The International Red Cross and Red Crescent Movement, in which all Societies have equal status and share equal responsibilities and duties in helping each other, is worldwide.

The Fundamental Principles were proclaimed by the 20th International Conference of the Red Cross, Vienna, 1965. This is the revised text contained in the Statutes of the International Red Cross and Red Crescent Movement, adopted by the 25th International Conference of the Red Cross, Geneva, 1986.

Wounded falling into enemy hands

ART. 16. — Subject to the provisions of Article 12, the wounded, sick and shipwrecked of a belligerent who fall into enemy hands shall be prisoners of war, and the provisions of international law concerning prisoners of war shall apply to them. The captor may decide, according to circumstances, whether it is expedient to hold them, or to convey them to a port in the captor's own country, to a neutral port or even to a port in enemy territory. In the last case, prisoners of war thus returned to their home country may not serve for the duration of the war.

Wounded landed in a neutral port

ART. 17. — Wounded, sick or shipwrecked persons who are landed in neutral ports with the consent of the local authorities, shall, failing arrangements to the contrary between the neutral and the belligerent Powers, be so guarded by the neutral Power, where so required by international law, that the said persons cannot again take part in operations of war.

The costs of hospital accommodation and internment shall be borne by the Power on whom the wounded, sick or shipwrecked persons depend.

Search for casualties after an engagement

ART. 18. — After each engagement, Parties to the conflict shall, without delay, take all possible measures to search for and collect the shipwrecked, wounded and sick, to protect them against pillage and ill-treatment, to ensure their adequate care, and to search for the dead and prevent their being despoiled.

Whenever circumstances permit, the Parties to the conflict shall conclude local arrangements for the removal of the wounded and sick by sea from a besieged or encircled area and for the passage of medical and religious personnel and equipment on their way to that area.

Recording and forwarding of information

ART. 19. — The Parties to the conflict shall record as soon as possible, in respect of each shipwrecked, wounded, sick or dead person of the adverse Party falling into their hands, any particulars which may assist in his identification. These records should if possible include:

- a) designation of the Power on which he depends;
- b) army, regimental, personal or serial number;
- c) surname;
- d) first name or names;
- e) date of birth;
- f) any other particulars shown on his identity card or disc;

*Societies of
neutral
countries*

ART. 27. — A recognized Society of a neutral country can only lend the assistance of its medical personnel and units to a Party to the conflict with the previous consent of its own Government and the authorization of the Party to the conflict concerned. That personnel and those units shall be placed under the control of that Party to the conflict.

The neutral Government shall notify this consent to the adversary of the State which accepts such assistance. The Party to the conflict who accepts such assistance is bound to notify the adverse Party thereof before making any use of it.

In no circumstances shall this assistance be considered as interference in the conflict.

The members of the personnel named in the first paragraph shall be duly furnished with the identity cards provided for in Article 40 before leaving the neutral country to which they belong.

*Retained
personnel*

ART. 28. — Personnel designated in Articles 24 and 26 who fall into the hands of the adverse Party, shall be retained only in so far as the state of health, the spiritual needs and the number of prisoners of war require.

Personnel thus retained shall not be deemed prisoners of war. Nevertheless they shall at least benefit by all the provisions of the Geneva Convention relative to the Treatment of Prisoners of War of August 12, 1949. Within the framework of the military laws and regulations of the Detaining Power, and under the authority of its competent service, they shall continue to carry out, in accordance with their professional ethics, their medical and spiritual duties on behalf of prisoners of war, preferably those of the armed forces to which they themselves belong. They shall further enjoy the following facilities for carrying out their medical or spiritual duties:

- a) They shall be authorized to visit periodically the prisoners of war in labour units or hospitals outside the camp. The Detaining Power shall put at their disposal the means of transport required.
- b) In each camp the senior medical officer of the highest rank shall be responsible to the military authorities of the camp for the professional activity of the retained medical personnel. For this purpose, from the outbreak of hostilities, the Parties to the conflict shall agree regarding the corresponding seniority of the ranks of their medical personnel, including those of the societies designated in Article 26. In all questions arising out of their duties, this medical officer, and the chaplains, shall have direct access to the military and medical authorities of the camp who shall grant them the facilities they may require for correspondence relating to these questions.

Medical aircraft

ART. 39. — Medical aircraft, that is to say, aircraft exclusively employed for the removal of wounded, sick and shipwrecked, and for the transport of medical personnel and equipment, may not be the object of attack, but shall be respected by the Parties to the conflict, while flying at heights, at times and on routes specifically agreed upon between the Parties to the conflict concerned.

They shall be clearly marked with the distinctive emblem prescribed in Article 41, together with their national colours, on their lower, upper and lateral surfaces. They shall be provided with any other markings or means of identification which may be agreed upon between the Parties to the conflict upon the outbreak or during the course of hostilities.

Unless agreed otherwise, flights over enemy or enemy-occupied territory are prohibited.

Medical aircraft shall obey every summons to alight on land or water. In the event of having thus to alight, the aircraft with its occupants may continue its flight after examination, if any.

In the event of alighting involuntarily on land or water in enemy or enemy-occupied territory, the wounded, sick and shipwrecked, as well as the crew of the aircraft shall be prisoners of war. The medical personnel shall be treated according to Articles 36 and 37.

*Flight over neutral countries.
Landing of wounded*

ART. 40. — Subject to the provisions of the second paragraph, medical aircraft of Parties to the conflict may fly over the territory of neutral Powers, land thereon in case of necessity, or use it as a port of call. They shall give neutral Powers prior notice of their passage over the said territory, and obey every summons to alight, on land or water. They will be immune from attack only when flying on routes, at heights and at times specifically agreed upon between the Parties to the conflict and the neutral Power concerned.

The neutral Powers may, however, place conditions or restrictions on the passage or landing of medical aircraft on their territory. Such possible conditions or restrictions shall be applied equally to all Parties to the conflict.

Unless otherwise agreed between the neutral Powers and the Parties to the conflict, the wounded, sick or shipwrecked who are disembarked with the consent of the local authorities on neutral territory by medical aircraft shall be detained by the neutral Power, where so required by international law, in such a manner that they cannot again take part in operations of war. The cost of their accommodation and internment shall be borne by the Power on which they depend.

CHAPTER II

Wounded and Sick*Protection
and care*

ART. 12. — Members of the armed forces and other persons mentioned in the following Article, who are wounded or sick, shall be respected and protected in all circumstances.

They shall be treated humanely and cared for by the Party to the conflict in whose power they may be, without any adverse distinction founded on sex, race, nationality, religion, political opinions, or any other similar criteria. Any attempts upon their lives, or violence to their persons, shall be strictly prohibited; in particular, they shall not be murdered or exterminated, subjected to torture or to biological experiments; they shall not wilfully be left without medical assistance and care, nor shall conditions exposing them to contagion or infection be created.

Only urgent medical reasons will authorize priority in the order of treatment to be administered.

Women shall be treated with all consideration due to their sex.

The Party to the conflict which is compelled to abandon wounded or sick to the enemy shall, as far as military considerations permit, leave with them a part of its medical personnel and material to assist in their care.

*Protected
persons*

ART. 13. — The Present Convention shall apply to the wounded and sick belonging to the following categories:

- 1) Members of the armed forces of a Party to the conflict as well as members of militias or volunteer corps forming part of such armed forces.
- 2) Members of other militias and members of other volunteer corps, including those of organized resistance movements, belonging to a Party to the conflict and operating in or outside their own territory, even if this territory is occupied, provided that such militias or volunteer corps, including such organized resistance movements, fulfil the following conditions:
 - a) that of being commanded by a person responsible for his subordinates;
 - b) that of having a fixed distinctive sign recognizable at a distance;
 - c) that of carrying arms openly;
 - d) that of conducting their operations in accordance with the laws and customs of war.

Upon the outbreak and during the course of hostilities, the Parties concerned may conclude agreements on mutual recognition of the hospital zones and localities they have created. They may for this purpose implement the provisions of the Draft Agreement annexed to the present Convention, with such amendments as they may consider necessary.

The Protecting Powers and the International Committee of the Red Cross are invited to lend their good offices in order to facilitate the institution and recognition of these hospital zones and localities.

CHAPTER IV

Personnel

ART. 24. — Medical personnel exclusively engaged in the search for, or the collection, transport or treatment of the wounded or sick, or in the prevention of disease, staff exclusively engaged in the administration of medical units and establishments, as well as chaplains attached to the armed forces, shall be respected and protected in all circumstances.

Protection of permanent personnel

ART. 25. — Members of the armed forces specially trained for employment, should the need arise, as hospital orderlies, nurses or auxiliary stretcher-bearers, in the search for or the collection, transport or treatment of the wounded and sick shall likewise be respected and protected if they are carrying out these duties at the time when they come into contact with the enemy or fall into his hands.

Protection of auxiliary personnel

ART. 26. — The staff of National Red Cross Societies and that of other Voluntary Aid Societies, duly recognized and authorized by their Governments, who may be employed on the same duties as the personnel named in Article 24, are placed on the same footing as the personnel named in the said Article, provided that the staff of such societies are subject to military laws and regulations.

Personnel of aid societies

Each High Contracting Party shall notify to the other, either in time of peace or at the commencement of or during hostilities, but in any case before actually employing them, the names of the societies which it has authorized, under its responsibility, to render assistance to the regular medical service of its armed forces.

comfort and security, the Parties to the conflict shall endeavour to utilize, for the transport of wounded, sick and shipwrecked over long distances and on the high seas, only hospital ships of over 2,000 tons gross.

ART. 27. — Under the same conditions as those provided for in Articles 22 and 24, small craft employed by the State or by the officially recognized lifeboat institutions for coastal rescue operations, shall also be respected and protected, so far as operational requirements permit.

The same shall apply so far as possible to fixed coastal installations used exclusively by these craft for their humanitarian missions.

*Coastal
rescue craft*

ART. 28. — Should fighting occur on board a warship, the sick-bays shall be respected and spared as far as possible. Sick-bays and their equipment shall remain subject to the laws of warfare, but may not be diverted from their purpose so long as they are required for the wounded and sick. Nevertheless, the commander into whose power they have fallen may, after ensuring the proper care of the wounded and sick who are accommodated therein, apply them to other purposes in case of urgent military necessity.

*Protection of
sick-bays*

ART. 29. — Any hospital ship in a port which falls into the hands of the enemy shall be authorized to leave the said port.

*Hospital ships
in occupied
ports*

ART. 30. — The vessels described in Articles 22, 24, 25 and 27 shall afford relief and assistance to the wounded, sick and shipwrecked without distinction of nationality.

The High Contracting Parties undertake not to use these vessels for any military purpose.

Such vessels shall in no wise hamper the movements of the combatants.

During and after an engagement, they will act at their own risk.

*Employment
of hospital
ships and
small craft*

ART. 31. — The Parties to the conflict shall have the right to control and search the vessels mentioned in Articles 22, 24, 25 and 27. They can refuse assistance from these vessels, order them off, make them take a certain course, control the use of their wireless and other means of communication, and even detain them for a period not exceeding seven days from the time of interception, if the gravity of the circumstances so requires.

*Right of
control and
search*

They may put a commissioner temporarily on board whose sole task shall be to see that orders given in virtue of the provisions of the preceding paragraph are carried out.

Denunciation

ART. 62. — Each of the High Contracting Parties shall be at liberty to denounce the present Convention.

The denunciation shall be notified in writing to the Swiss Federal Council, which shall transmit it to the Governments of all the High Contracting Parties.

The denunciation shall take effect one year after the notification thereof has been made to the Swiss Federal Council. However, a denunciation of which notification has been made at a time when the denouncing Power is involved in a conflict shall not take effect until peace has been concluded, and until after operations connected with the release and repatriation of the persons protected by the present Convention have been terminated.

The denunciation shall have effect only in respect of the denouncing Power. It shall in no way impair the obligations which the Parties to the conflict shall remain bound to fulfil by virtue of the principles of the law of nations, as they result from the usages established among civilized peoples, from the laws of humanity and the dictates of the public conscience.

*Registration
with the
United
Nations*

ART. 63. — The Swiss Federal Council shall register the present Convention with the Secretariat of the United Nations. The Swiss Federal Council shall also inform the Secretariat of the United Nations of all ratifications, accessions and denunciations received by it with respect to the present Convention.

IN WITNESS WHEREOF the undersigned, having deposited their respective full powers, have signed the present Convention.

DONE at Geneva this twelfth day of August 1949, in the English and French languages. The original shall be deposited in the Archives of the Swiss Confederation. The Swiss Federal Council shall transmit certified copies thereof to each of the signatory and acceding States.

- 3) Members of regular armed forces who profess allegiance to a Government or an authority not recognized by the Detaining Power.
- 4) Persons who accompany the armed forces without actually being members thereof, such as civilian members of military aircraft crews, war correspondents, supply contractors, members of labour units or of services responsible for the welfare of the armed forces, provided that they have received authorization from the armed forces which they accompany.
- 5) Members of crews including masters, pilots and apprentices of the merchant marine and the crews of civil aircraft of the Parties to the conflict, who do not benefit by more favourable treatment under any other provisions in international law.
- 6) Inhabitants of a non-occupied territory who, on the approach of the enemy, spontaneously take up arms to resist the invading forces, without having had time to form themselves into regular armed units, provided they carry arms openly and respect the laws and customs of war.

ART. 14. — Subject to the provisions of Article 12, the wounded and sick of a belligerent who fall into enemy hands shall be prisoners of war, and the provisions of international law concerning prisoners of war shall apply to them.

Status

ART. 15. — At all times, and particularly after an engagement, Parties to the conflict shall, without delay, take all possible measures to search for and collect the wounded and sick, to protect them against pillage and ill-treatment, to ensure their adequate care, and to search for the dead and prevent their being despoiled.

*Search for casualties.
Evacuation*

Whenever circumstances permit, an armistice or a suspension of fire shall be arranged, or local arrangements made, to permit the removal, exchange and transport of the wounded left on the battlefield.

Likewise, local arrangements may be concluded between Parties to the conflict for the removal or exchange of wounded and sick from a besieged or encircled area, and for the passage of medical and religious personnel and equipment on their way to that area.

ART. 16. — Parties to the conflict shall record as soon as possible, in respect of each wounded, sick or dead person of the adverse Party falling into their hands, any particulars which may assist in his identification.

Recording and forwarding of information

These records should if possible include:

CHAPTER VII

Execution of the Convention

ART. 46. — Each Party to the conflict, acting through its Commanders-in-Chief, shall ensure the detailed execution of the preceding Articles and provide for unforeseen cases, in conformity with the general principles of the present Convention.

*Detailed execution.
Unforeseen cases*

ART. 47. — Reprisals against the wounded, sick and shipwrecked persons, the personnel, the vessels or the equipment protected by the Convention are prohibited.

Prohibition of reprisals

ART. 48. — The High Contracting Parties undertake, in time of peace as in time of war, to disseminate the text of the present Convention as widely as possible in their respective countries, and, in particular, to include the study thereof in their programmes of military and, if possible, civil instruction, so that the principles thereof may become known to the entire population, in particular to the armed fighting forces, the medical personnel and the chaplains.

Dissemination of the Convention

ART. 49. — The High Contracting Parties shall communicate to one another through the Swiss Federal Council and, during hostilities, through the Protecting Powers, the official translations of the present Convention, as well as the laws and regulations which they may adopt to ensure the application thereof.

*Translations.
Rules of application*

CHAPTER VIII

Repression of Abuses and Infractions

ART. 50. — The High Contracting Parties undertake to enact any legislation necessary to provide effective penal sanctions for persons committing, or ordering to be committed, any of the grave breaches of the present Convention defined in the following Article.

Penal sanctions

Each High Contracting Party shall be under the obligation to search for persons alleged to have committed, or to have ordered to be committed, such grave breaches, and shall bring such persons, regardless of their nationality, before its own courts. It may also, if it

*I.
General observations*

- g) date and place of capture or death;
- h) particulars concerning wounds or illness, or cause of death.

As soon as possible the above-mentioned information shall be forwarded to the Information Bureau described in Article 122 of the Geneva Convention relative to the Treatment of Prisoners of War of August 12, 1949, which shall transmit this information to the Power on which these persons depend through the intermediary of the Protecting Power and of the Central Prisoners of War Agency.

Parties to the conflict shall prepare and forward to each other through the same bureau, certificates of death or duly authenticated lists of the dead. They shall likewise collect and forward through the same bureau one half of the double identity disc, or the identity disc itself if it is a single disc, last wills or other documents of importance to the next of kin, money and in general all articles of an intrinsic or sentimental value, which are found on the dead. These articles together with unidentified articles, shall be sent in sealed packets, accompanied by statements giving all particulars necessary for the identification of the deceased owners, as well as by a complete list of the contents of the parcel.

ART. 20. — Parties to the conflict shall ensure that burial at sea of the dead, carried out individually as far as circumstances permit, is preceded by a careful examination, if possible by a medical examination, of the bodies, with a view to confirming death, establishing identity and enabling a report to be made. Where a double identity disc is used, one half of the disc should remain on the body.

If dead persons are landed, the provisions of the Geneva Convention for the Amelioration of the Condition of the Wounded and Sick in Armed Forces in the Field of August 12, 1949, shall be applicable.

*Prescriptions
regarding
the dead*

ART. 21. — The Parties to the conflict may appeal to the charity of commanders of neutral merchant vessels, yachts or other craft, to take on board and care for wounded, sick or shipwrecked persons, and to collect the dead.

*Appeals to
neutral
vessels*

Vessels of any kind responding to this appeal, and those having of their own accord collected wounded, sick or shipwrecked persons, shall enjoy special protection and facilities to carry out such assistance.

They may, in no case, be captured on account of any such transport; but, in the absence of any promise to the contrary, they shall remain liable to capture for any violations of neutrality they may have committed.

belonging to a Party to the conflict and operating in or outside their own territory, even if this territory is occupied, provided that such militias or volunteer corps, including such organized resistance movements, fulfil the following conditions:

- a) that of being commanded by a person responsible for his subordinates;
 - b) that of having a fixed distinctive sign recognizable at a distance;
 - c) that of carrying arms openly;
 - d) that of conducting their operations in accordance with the laws and customs of war.
- 3) Members of regular armed forces who profess allegiance to a Government or an authority not recognized by the Detaining Power.
 - 4) Persons who accompany the armed forces without actually being members thereof, such as civilian members of military aircraft crews, war correspondents, supply contractors, members of labour units or of services responsible for the welfare of the armed forces, provided that they have received authorization from the armed forces which they accompany.
 - 5) Members of crews, including masters, pilots and apprentices of the merchant marine and the crews of civil aircraft of the Parties to the conflict, who do not benefit by more favourable treatment under any other provisions of international law.
 - 6) Inhabitants of a non-occupied territory who, on the approach of the enemy, spontaneously take up arms to resist the invading forces, without having had time to form themselves into regular armed units, provided they carry arms openly and respect the laws and customs of war.

ART. 14. — All warships of a belligerent Party shall have the right to demand that the wounded, sick or shipwrecked on board military hospital ships, and hospital ships belonging to relief societies or to private individuals, as well as merchant vessels, yachts and other craft shall be surrendered, whatever their nationality, provided that the wounded and sick are in a fit state to be moved and that the warship can provide adequate facilities for necessary medical treatment.

Handing over to a belligerent

ART. 15. — If wounded, sick or shipwrecked persons are taken on board a neutral warship or a neutral military aircraft, it shall be ensured, where so required by international law, that they can take no further part in operations of war.

Wounded taken on board a neutral warship

Here:

- Portfolio optimization is the process of selecting the best portfolio given the client's objectives and constraints.
- Fundamental analysis is the approach typically applied in valuing and evaluating the individual securities.

Overlaid is the portfolio manager's investment style – broadly, active vs passive , value vs growth, and small cap vs. large cap – and investment strategy.

In a well-diversified portfolio, achieved investment performance will, in general, largely be a function of the asset mix selected, while the individual securities are less impactful. The specific approach or philosophy will also be significant, depending on the extent to which it is complementary with the market cycle.

A quantitative fund is managed using computer-based techniques (increasingly, machine learning) instead of human judgment. The actual trading also, is typically automated via sophisticated algorithms.

Investment management [20][21][13] is the professional asset management of various securities – typically shares and bonds, but also other assets, such as real estate, commodities and **alternative investments** – in order to meet specified investment goals for the benefit of investors.

As above, investors may be institutions, such as insurance companies, pension funds, corporations, charities, educational establishments, or private investors, either directly via investment contracts or, more commonly, via collective investment schemes like mutual funds, **exchange-traded funds**, or REITs.

At the heart of investment management^[13] is **asset allocation** – diversifying the exposure among these **asset classes**, and among individual securities within each asset class – as appropriate to the client's **investment policy**, in turn, a function of risk profile, investment goals, and investment horizon (see **Investor profile**).

Here:

Public finance describes finance as related to sovereign states, sub-national entities, and related public entities or agencies. It generally encompasses a long-term strategic perspective regarding investment decisions that affect public entities.^[16] These long-term strategic periods typically encompass five or more years.^[17] Public finance is primarily concerned with:^[18]

- Identification of required expenditures of a public sector entity;
- Source(s) of that entity's revenue;
- The budgeting process;
- Sovereign debt issuance, or municipal bonds for public works projects.

Central banks, such as the Federal Reserve System banks in the United States and the Bank of England in the United Kingdom, are strong players in public finance. They act as lenders of last resort as well as strong influences on monetary and credit conditions in the economy.^[19]

The latter [creates the link](#) with [investment banking](#) and [securities trading](#), as above, in that the capital raised will generically comprise debt, i.e. [corporate bonds](#), and [equity](#), often [listed shares](#). Re risk management within corporates, see [below](#).

Financial managers – i.e. as distinct from corporate financiers – focus more on the *short term* elements of profitability, cash flow, and "working capital management" ([inventory](#), credit and [debtors](#)), ensuring that the firm can [safely and profitably](#) carry out its financial *and operational* objectives; i.e. that it: (1) can service both maturing short-term debt repayments, and scheduled long-term debt payments , and (2) has sufficient cash flow for ongoing and upcoming [operational expenses](#). See [Financial management § Role](#) and [Financial analyst § Corporate and other](#).

Corporate finance deals with the actions that managers take to increase the value of the firm to the shareholders, the sources of funding and the **capital structure** of corporations, and the tools and analysis used to allocate financial resources. While corporate finance is in principle different from managerial finance, which studies the **financial management** of all firms rather than corporations alone, the concepts are applicable to the financial problems of all firms,^[13] and this area is then often referred to as "business finance".

Typically, then, "corporate finance" relates to the *long term* objective of maximizing the value of the **entity's assets**, its **stock**, and its **return to shareholders**, while also **balancing** risk and **profitability**. This entails^[14] three primary areas:

1. **Capital budgeting**: selecting which projects to invest in – here, accurately **determining value** is crucial, as judgements about asset values can be "make or break"^[15]
2. **Dividend policy**: the use of "excess" funds – are these to be reinvested in the business or returned to shareholders
3. **Capital structure**: deciding on the mix of funding to be used – here attempting to find the **optimal capital mix** re debt-commitments vs **cost of capital**

Personal finance is defined as "the mindful planning of monetary spending and saving, while also considering the possibility of future risk".^[8] Personal finance may involve paying for education, financing **durable goods** such as **real estate** and cars, buying **insurance**, investing, and saving for **retirement**.^[9] Personal finance may also involve paying for a loan or other debt obligations. The main areas of personal finance are considered to be income, spending, saving, investing, and protection.^[10] The following steps, as outlined by the Financial Planning Standards Board,^[11] suggest that an individual will understand a potentially secure personal finance plan after:

- Purchasing insurance to ensure protection against unforeseen personal events;
- Understanding the effects of tax policies, subsidies, or penalties on the management of personal finances;
- Understanding the effects of credit on individual financial standing;
- Developing a savings plan or financing for large purchases (auto, education, home);
- Planning a secure financial future in an environment of economic instability;
- Pursuing a checking and/or a savings account;
- Preparing for retirement or other long term expenses.^[12]

Inter-institutional trade and investment, and fund-management at this scale, is referred to as "wholesale finance". Institutions here extend the products offered, with related trading, to include bespoke options, swaps, and structured products, as well as specialized financing; this "financial engineering" is inherently mathematical, and these institutions are then the major employers of "quants" (see below). In these institutions, risk management, regulatory capital, and compliance play major roles.

The [lending](#) is often indirect, through a [financial intermediary](#) such as a [bank](#), or via the purchase of notes or [bonds](#) ([corporate bonds](#), [government bonds](#), or mutual bonds) in the [bond market](#).

The lender receives interest, the [borrower](#) pays a higher interest than the lender receives, and the financial intermediary earns the difference for arranging the loan.^{[5][6][7]} A bank aggregates the activities of many borrowers and lenders. A bank accepts deposits from lenders, on which it pays interest. The bank then lends these deposits to borrowers. Banks allow borrowers and lenders, of different sizes, to coordinate their activity.

Investing typically entails the purchase of [stock](#), either individual securities, or via a [mutual fund](#) for example. Stocks are usually sold by corporations to investors so as to raise required capital in the form of "[equity financing](#)", as distinct from the *debt financing* described above. The financial intermediaries here are the [investment banks](#). The investment banks [find the initial investors](#) and facilitate the listing of the securities, typically shares and bonds. Additionally, they facilitate the [securities exchanges](#), which allow their trade thereafter, as well as the various service providers which manage the performance or risk of these investments. These latter include [mutual funds](#), [pension funds](#), [wealth managers](#), and [stock brokers](#), typically servicing [retail investors](#) (private individuals).

As above, the financial system consists of the flows of capital that take place between individuals and households ([personal finance](#)), governments ([public finance](#)), and businesses ([corporate finance](#)).

"Finance" thus studies the process of channeling money from savers and investors to entities that need it. [\[b\]](#) Savers and investors have money available which could earn interest or dividends if put to productive use. Individuals, companies and governments must obtain money from some external source, such as loans or credit, when they lack sufficient funds to operate.

In general, an entity whose income exceeds its [expenditure](#) can lend or invest the excess, intending to earn a fair return.

Correspondingly, an entity where income is less than expenditure can raise capital usually in one of two ways: (i) by borrowing in the form of a loan (private individuals), or by selling [government or corporate bonds](#); (ii) by a corporation selling [equity](#), also called stock or shares (which may take various forms: [preferred stock](#) or [common stock](#)). The owners of both bonds and stock may be [institutional investors](#) – financial institutions such as investment banks and [pension funds](#) – or private individuals, called [private investors](#) or [retail investors](#).

Finance is the study and discipline of [money](#), [currency](#) and [capital assets](#). It is related to, but not synonymous with [economics](#), the study of [production](#), [distribution](#), and [consumption](#) of money, assets, [goods](#) and [services](#) (the discipline of [financial economics](#) bridges the two). Finance activities take place in [financial systems](#) at various scopes, thus the field can be roughly divided into [personal](#), [corporate](#), and [public finance](#). ^[a]

In a financial system, assets are bought, sold, or traded as [financial instruments](#), such as [currencies](#), [loans](#), [bonds](#), [shares](#), [stocks](#), [options](#), [futures](#), etc. Assets can also be [banked](#), [invested](#), and [insured](#) to maximize value and minimize loss. In practice, [risks](#) are always present in any financial action and entities.

A broad range of subfields within finance exist due to its wide scope. [Asset](#), [money](#), [risk](#) and [investment management](#) aim to maximize value and minimize [volatility](#). [Financial analysis](#) is viability, stability, and profitability assessment of an action or entity. In some cases, theories in finance can be tested using the [scientific method](#), covered by [experimental finance](#).

Some fields are multidisciplinary, such as [mathematical finance](#), [financial law](#), [financial economics](#), [financial engineering](#) and [financial technology](#). These fields are the foundation of [business](#) and [accounting](#).

The early history of finance parallels the early [history of money](#), which is [prehistoric](#). Ancient and medieval civilizations incorporated basic functions of finance, such as banking, trading and accounting, into their economies. In the late 19th century, the [global financial system](#) was formed.

It was in the middle of the 20th century that finance emerged as a distinct academic discipline, separate from economics.^[1] (The first