# FINASTRA

Global PAYplus

# Method of Payment

Business Guide

**Version Control**

| Version | Date | Summary of Changes |
|---------|------|--------------------|
| 1.0 | | Document Created |
| 2.0 | | Updated section Memberships with RTGS BIC checkbox, Method of Payment and Membership Validation with membership check level Metro/Country, Parties with enhances GUI image. |
| 3.0 | | Updated Method of Payments profile. |
| 4.0 | | Document Restructured |
| 5.0 | November 2015 | Document Updated for Rebranding |
| 6.0 | September | Document rebranded to Finastra template |

## Table of Contents

# 1 Overview

## 1.1 Introduction

Method of Payment defines the means via which a payment is executed / delivered (for example, Book Transfer, SWIFT, via the RTGS/Clearing House).

The method of payment determines many aspects of the processing such as:

- Clearing Settlement account (when using RTGS such as TARGET).
- Value date determination (by taking into account the cut-off restrictions & the relevant calendars to be used)
- Formats and message types to be used
- Whether membership validation is required (e.g. EBA membership)
- Whether exchange of bilateral keys or RMA required
- Whether routing through correspondents is allowed or not

Global PAYplus (GPP) supports both automatic and manual method of payment selection:

- The initiator (manual or electronic) may determine the method of payment, in which case GPP validates the requested method of payment against various validation parameters.
- Alternatively, the initiator of the payment may leave the method of payment selection to be executed by GPP. The automatic method of payment selection is done using the bank-defined Method of Payment Selection rules. GPP scans all the Method of Payment Selection rules in order of priority and selects the first one (i.e. the rule with the highest priority) that is valid both against the payment at hand and against the method of payment itself that gives the earliest valid value date to the message. This allows the bank to determine its own preferences in usage of the various alternative methods of payments while maintaining integrity of usage.

This business guide describes in detail:

- MOPs
- Memberships
- Relationship management application (RMA)
- SWIFT Standard Settlement Instructions (SSI) or Bank routing as it is described in GPP
- Value date determination
- Calendars selection
- Cut-off assessment

## 1.2 High Level Schema
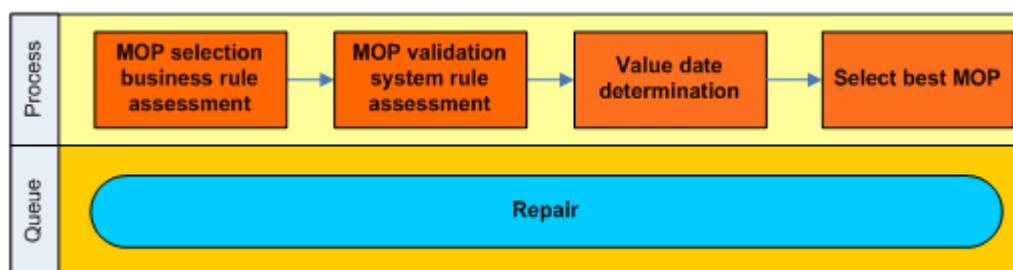
## 1.3  Target Audience

This document describes the MOP workflow. It is designed for business analysts and system administrators who need to set up and configure this feature. It is also of value to anyone who wants to know more about how this feature is implemented.

# 2  Processing

This section details how GPP processes Method of Payment (MOP) selection.

The MOP Selection service determines the best method/channel to transfer funds. It is performed in seven steps:

1.  MOP selection: Selecting all applicable MOPs according to payment attributes. This step is performed first at the specific customer level and then at the default (Office) level.
2.  Message type selection per MOP: Temporary setup of Message Type (MT) according to the examined MOP.
3.  MOP validation: Additional validations that are performed on the selected MOPs from previous step, or performed on a specific MOP that was input manually.
4.  Value date determination: Calculate MOP Value Date for each of the candidate MOPs found in previous step. This step includes an assessment of all types of Cut-offs that are set in the system.
5.  RMA check: Re-check bilateral key dates (if needed).
6.  Message type selection: Restore original MT (after all applicable MOPs are examined)
7.  MOP determination: Selecting the 'Best MOP' out of the MOPs found at previous step.

The service can run in two modes:

- Full MOP Selection – includes steps 1-7
- MOP Validation – includes steps 3-7

In cases where the first-in-credit chain cannot be reached either directly (when accounting relationship exists) or via a clearing house (usually when sending foreign currency to the first in credit chain) the Bank routing profile is assessed to find the first-in-credit chain correspondent and MOP selection is performed again.

See GPP Business Guide Building Correspondent Chain for more details.
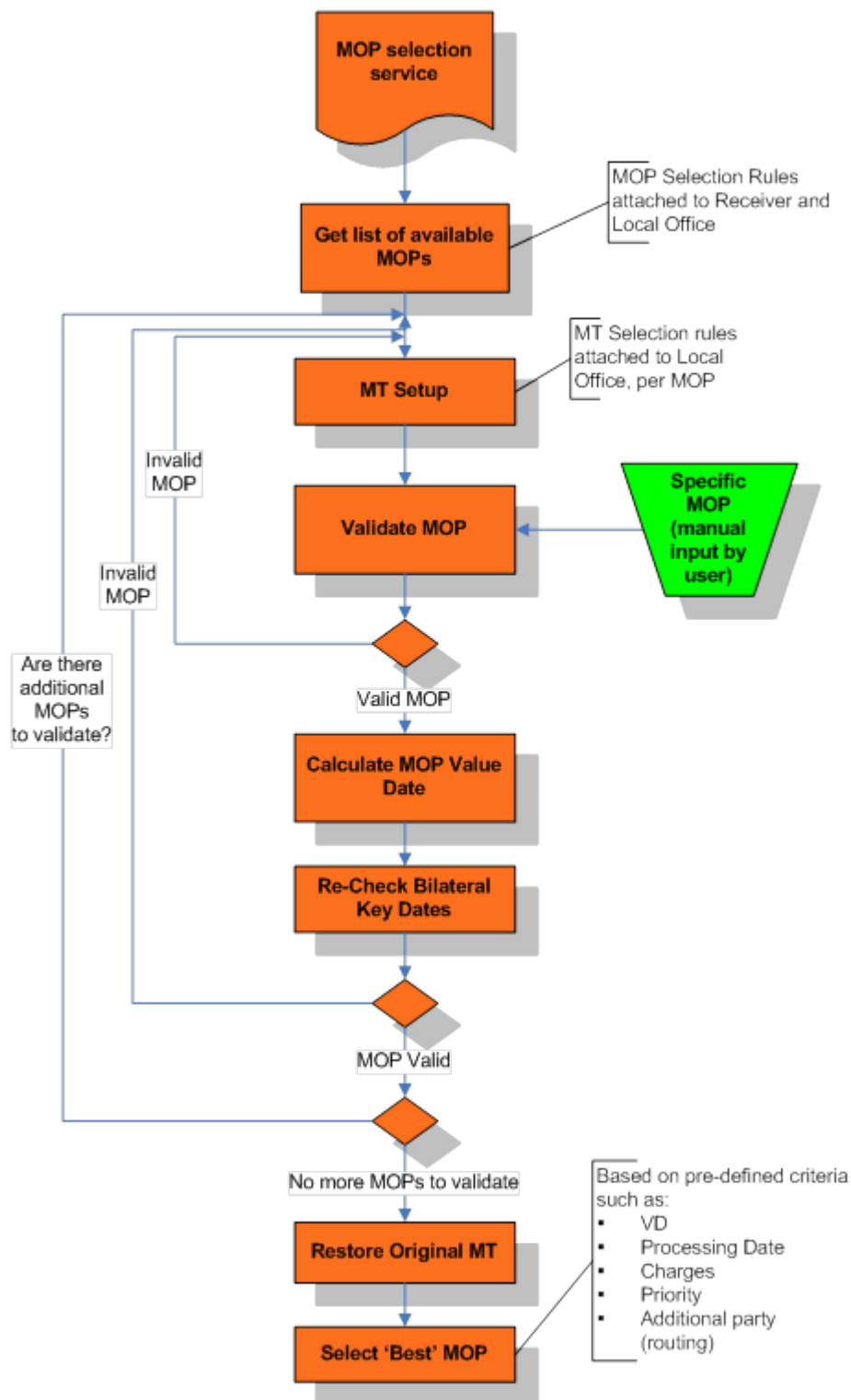
## 2.1 MOP Selection

1. Assess MOP Selection business rules that are attached to the receiving party and the Office.
2. Collect all applicable MOPs.
3. If MOP exists, then continue to MOP Validation.

MOP Selection Rules are used to determine and assign a MOP for each payment.

- The list of available actions for MOP Selection rules consists of all the active MOPs in the system

- The rule can be attached to Party and Office

If a STOP action is defined, the service stops evaluating the MOP selection rules from this point onward (both at Customer and Office level).

The outcome of the evaluation process is a list of applicable MOPs that are further validated in the next step.

**Note:** It is possible that the same MOP is found valid after the MOP selection phase is complete. In this case, the list of applicable MOPs is distinct (i.e. use only one MOP, where more than one applicable MOP is found).

## 2.2 Message Type Selection per MOP

**Note:** The Message Type may be received with the message, or manually defined by the operator.

System table MSG_TYPE_MOP defines the applicable message types for every MOP.

For example, Target 2 supports SWIFT 103 and 202, and not pain or pacs (ISO based payment types). Since it is possible for GPP to receive the ISO-based message types, a temporary conversion is required just to ensure that the message type is supported for the MOP. The validation itself is performed during the MOP validation step.

The system rule Message Type selection is evaluated and converts the original message type to a different one depending on the candidate MOP (which is the sub-rule type in this system rule).

The message type is temporarily set in the payment information and it is restored back to the original message type information when all applicable MOPs have been examined.

**Note:** Each time a MOP is examined, the relevant Message Type – if found by the process – becomes the temporary Message Type, overriding the previous one. The original Message Type is restored before selecting the best MOP.

## 2.3 MOP Validation

### 2.3.1 MT/MOP Validity

The MT/MOP combination validity is checked by accessing the MSG_TYPE_MOP table with the payment's MT and candidate MOP. If the combination is found, the service continues with the evaluation of the MOP validation rules. Otherwise, the service stops the evaluation of the current MOP and continues to the next MOP. An error describing the reason for failure of the current MOP needs to be defined.

### 2.3.2 MOP Validation System Rule Assessment

The MOP profile includes attributes that help in specifying the MOP. Some attributes are used for validation, for example, the MOP maximum allowed amount is specified in the MOP profile and is validated to be within the MOP boundaries for every payment.

The following attributes take part in the MOP validation:

| Field/Flag | Description | Comments |
|------------|-------------|----------|
| MOP down | This option is used to indicate that the MOP is not available for selection. | In exceptional cases, where the MOP is not applicable, it is easier to amend the MOP down flag so that all payments fail the MOP down validation, rather than change the rule attachment. |

| Field/Flag | Description | Comments |
|---|---|---|
| Currency | MOP currency (where applicable). | |
| Min. amount | The minimum amount (in base currency) of a payment that this MOP will accept. | The minimum and maximum amounts are validated for every payment. |
| Max. amount | The maximum amount (in base currency) of a payment that this MOP will accept. | See above |
| Allowed for non-accounting messages | Indicates that the MOP can be selected for non-accounting messages. | |
| Sender/Receiver Type | Specifies the identification code type used for the Sender and Receiver of the message, for example, BICs for SWIFT, ABAs for FED messages, etc. | |
| Membership required | Indicates that membership validations are required for the MOP. | |
| Draft currency | Validates that the payment currency is a Draft Currency as set up in the Currency profile. | |

The MOP Validation system rule specifies extra validations that should be performed on the candidate MOP. The table describes a pre-defined set of rules that cover the current validations:

| Rule Name | Rule Description | Conditions |
|---|---|---|
| MOPDOWN | If the MOP down check box is selected, the MOP is not available for use. | [Cdt MOP Down] is TRUE (MOP Down flag = <br><br>Cdt MOP Down refers to MOP.MOPDOWN |
| MOPCURR | If MOP currency is not defined, then all currencies are valid.<br>If MOP currency is defined (not empty), check that the Instruction Currency is equal to MOP Currency or if MOP Currency = EUR and Instruction Currency is flagged to 'In Euro'<br>If not equal or not flagged then the MOP is not valid. | [Cdt MOP Ccy] Is Not EMPTY AND<br>(<br>  ([Cdt MOP Ccy] <> EUR AND [Cdt MOP Ccy] <> [Sttlm Ccy])<br><br>OR<br>([Cdt MOP Ccy] = EUR AND [Instr ccy euro] <> IN AND [Orgnl sttlm ccy] <> [Cdt MOP Ccy])<br>)<br>* Instr ccy euro [F_INSTR_CCY_EURO] is the reference to the currency profile euro IN indicator. |
| MOPDRAFT | If Draft currency in MOP profile is un-checked – Skip validation<br>If checked, validate that the payment currency is allowed as a Draft Currency (specified in the currency preferences profile for the settlement currency) | [Cdt MOP Chk Draft Ccy] Is TRUE AND [Instr ccy draft] Is Not TRUE<br>Cdt MOP chk draft refers to MOP.CHK_DRAFT_CURRENCY<br>Instr ccy draft ccy refers to CURRENCY_BU.DRAFT_CURRENCY |
| MOPMINMAXA | If Min/Max Amounts are not defined – Skip the validation.<br>If instruction is below the Min amount, then the MOP is not | ([Cdt MOP Min Amt] Is Not EMPTY AND [Sttlm amt] < [Cdt MOP Min Amt])<br>OR<br>([Cdt MOP Max Amt] Is Not EMPTY AND [Sttlm |

| Rule Name | Rule Description | Conditions |
|---|---|---|
| | valid.<br><br>If Instruction amount is over the Max amount, then check the 'MOP split over amount' flag.<br><br>If the flag is not checked, then the MOP is not valid.<br><br>If the flag is checked, then the MOP is valid. | amt] > [Cdt MOP Max Amt] AND [Cdt MOP Split Over Max] Is FALSE)<br><br>Cdt MOP Split Over Max refers to MOP.SPLIT_OVER_MAX<br>Cdt MOP Min Amt refers to MOP.MINAMOUNT<br>Cdt MOP Max Amt refers to MOP.MAXAMOUNT |
| MOPIDETIFY | Checks the Sender/Receiver identified in MOP when the MOP is specified as a MOP that sends out payments (MOP.SENDOUTMSG)<br><br>If checked, validates that the Sender and Receiver are identified in the MOP – Sender (SEND_ABA) and Receiver (REC_ABA) can be identified by the type defined in the 'Sender/Receiver Type' field.<br><br>For example:<br><br>'Sender/Receiver Type' = SA, Sender and Receiver should be identified by a BIC<br><br>'Sender/Receiver Type' = FW, Sender and Receiver should be identified by an ABA<br><br>If Sender ID is defined in the MOP, then there is no need to validate the Sender.<br><br>If Sender and Receiver cannot be identified, then MOP is invalid.<br><br>If MOP.NCC_TYPE not empty and swift required and CR_NCC_TYPE=MOP.NCC_TYPE then valid | ([Cdt MOP Send Out Msg] Is TRUE<br>AND [Cdt MOP Sndr BIC] Is EMPTY<br>AND (([Cdt MOP Send Rec ID Cd] = SA<br>AND ([Cdt pty BIC] Is EMPTY<br>OR [Instg pty BIC] Is EMPTY))<br>OR ([Cdt MOP Send Rec ID Cd] = FW<br>AND ([Cdt pty ABA] Is EMPTY<br>OR [Instg pty ABA] Is EMPTY))<br>OR ([Cdt MOP Send Rec ID Cd] = CP<br>AND ([Cdt pty alias] Is EMPTY<br>OR [Instg pty alias] Is EMPTY))))<br>OR ([Cdt MOP Send Out Msg] Is TRUE<br>AND [Cdt MOP Sndr BIC] Is Not EMPTY<br>AND (([Cdt MOP Send Rec ID Cd] = SA<br>AND [Cdt pty BIC] Is EMPTY)<br>OR ([Cdt MOP Send Rec ID Cd] = FW<br>AND [Cdt pty ABA] Is EMPTY)<br>OR ([Cdt MOP Send Rec ID Cd] = CP<br>AND [Cdt pty alias] Is EMPTY)))<br>Cdt MOP Send Out Msg refers to MOP.SENDOUTMSG<br>Cdt MOP Sndr BIC refers to<br>Cdt pty BIC refers to CUSTOMRS.SWIFT_ID<br>Cdt MOP Send Rec ID Cd refers to MOP.SEND_REC_IDCODE<br>Cdt pty ABA refers to CUSTOMRS.ABA<br>Cdt pty alias refers to CUSTOMRS.ALIAS<br>MOP.NCC_TYPE |
| CRACCNOTEX | Credit account does not exist<br><br>If credit account does not exist, then do not select a MOP that does not have a clearing account. | [Cdt MOP Sttlm acct exists] Is FALSE<br>AND [Cdt acct nb] Is EMPTY<br>AND [Msg class] <> OPI<br><br>Cdt MOP Sttlm acct exists refers to MOP.SETT_ACC_EXISTS |

If the MOP is found to be invalid, i.e., a fitting rule is found, the service stops the evaluation of the MOP validation rules and continues to the next MOP. If there is no other MOP to validate, then the MOP Selection service finishes.

### 2.3.3  Relationship Management Application (RMA) Validation

If no fitting rule is found, meaning the MOP is valid, the service performs the RMA (former Bilateral Keys) validation (where required to do so by candidate MOP profile)

If the RMA check required check box is not selected in the Method of Payment profile (MOP.BILATERALKEYREQUIRED), then skip validation. If it is selected, then continue with the validation.

If selected, validate that there is a relationship with the candidate receiving bank (can be either the initial receiver or the full member that was mapped to receiver field) in Bilateral Key Profile.

**Note:** In the past, the validation of relationship was determined based on the existence of Bilateral Key between 2 counterparties. As of 2008, SWIFT introduced a mechanism called RMA that replaces the Bilateral Key mechanism and is now used for relationship validation.

Refer to the FS_RMA_Handling.doc for further details.

If the MOP RMA check box is selected, access the SWIFT RMA profile with the following parameters:

- Correspondent – the candidate receiver, BIC8

- Sender – "own" BIC8

- Payment's Value Date – if either the Start Date or the End Date of the RMA record is filled, the payment's processing date must be between those dates. The dates are expressed in Coordinated Universal Time (UTC). However, since the payment's processing date is only calculated later in the process, the validation of the date will be checked only after the processing date is determined, that is, after Step 4. If either the Start Date or the End Date of the RMA record is filled, a flag will be set to indicate that Step 5 needs to be performed.

- Payment's MT (Message Type) – first, the process will check if the MT requires authorization – an attribute of the MT. If it requires, and the permission list in the RMA record is not empty, then the process will further check if the payment's MT exist in the include list of MTs for this particular correspondent (or the payment's MT is not included in the excluded MTs – depending on the implementation).

The process only returns entries in active status. If no entry is found for the specific parameters, the MOP is not valid.

### 2.3.4  Membership Validation

Membership is validated if the MOP validation business rule passes and the candidate MOP requires membership check.

1. If the Membership required flag is not selected in the Method of Payment profile, then skip validation.

2. If membership check is required, then

   a. Assess the type field to have an indication of the method of assessing the membership profile. Where type (MOP.MEMBERSHIP_TYPE) =

      i. MOP – use the MOP name to assess membership profile.

      ii. Group – use the group name (defined in the next field- MOP.MOP_GROUP) to assess the membership profile.

      iii. MOPs in Group – Find all MOPs that are associated with the defined group name field (i.e. get a list of MOPs in hand) and find membership to one of these MOPs in membership profile.

3. The Country entry point check box in the Method of Payment profile is an additional check box that also defines the Membership assessment method: If selected, it indicates the entry point defined for the country of the receiver prior to membership validation. That is whether the receiver

country code profile (COUNTRY_CFG.STEP2_ENABLED= 1) is set for Step2 enabled. Relevant for STEP2 XCT MOP

4. When assessing the membership profile, the following is assessed:

    b. Select Member Type, Member ID, MOP and Processing Date.

    c. The values of Member Type, Member ID and MOP may change as follows:

        › Member Type and Member ID (Receiver of the payment)

            1) If the receiver is identified in the MOP:
                Member Type = Sender/Receiver Type in MOP profile (SA, FW or CP)
                Member ID = Receiver (SA – SWIFT_ID, FW – ABA, CP – ALIAS)

            2) Or Member Type = MOP.NCC_TYPE (of the evaluated MOP)
                Member ID  = the value in CR_NCC

5. Analyzing the results:

    a. If an entry found, validate that the Business Date is within the Valid from and Valid to dates. If not, MOP is invalid.

    b. If the entry found is marked as associate (MEMBERSHIP.MEMBERASSOCIATE=A), then map the full member (MEMBERSHIP.MEMBERIFASSOCIATE) to be the new first-in-credit chain (in most cases it becomes the message receiver).

    c. If no entry is found and the Receiver is identified by a BIC (Member Type = SA) then perform the check again:

        i. If Check main BIC in membership check box (MOP.CHK_MAIN_BIC) is flagged, look for an entry in the [Memberships](#).

        › Set the Member check level

        › Metro (6 BIC digits, default)

        › Country (8 BIC digits)

    d. If no entry is found, then MOP is invalid.

## 2.4 Value Date Determination

For every candidate MOP, a value date calculation is performed.

To be able to conclude, the processing date, which is an internal attribute, should be determined. This is the date the payment needs to be processed by before posting. It comprises the following steps:

- [Define Participating Calendars](#)
- [Validate Payment Value Date](#)
- [Calculate Processing Date & Dr Value Date](#)
- [Validate Processing Date](#)
- [Cut-off Assessment](#)

**Value date constraints**

MOP Earliest | Business date | MOP Latest | MOP Extension

**Value date determination**

For every candidate MOP perform this evaluation

**Get calendars**

Business rule: Calendar selection
Defines the list of participating calendars.

**Validate Value date**

Value date constraints.
Ensures the value date is between the earliest and extension.
Between earliest and latest – value date okay. Passed latest and before extension, go to schedule queue. Passed extension and before earliest go to repair.
If value date is a working day pass validation. If not, advance to the next working day

**Adjust value date**

**Calculate processing & Dr date**

Processing day = Value day – currency soonest value date & (upon system parameter VALUE DATE METHOD value) also MOP latest attribute is taken into account

**Validate processing date**

Processing date must be a working day

If calculated processing date < local office business date, adjust processing date for today.

Processing date adjusted

Processing date okay

**Recalculate Value date**

After cut-off

Processing date = Office business date

Assessment of clearing/treasury & processing cut-off rules

**Assess cut-off rules**

Processing date > Office business date

Before cut-off

**End**

### 2.4.1 Define Participating Calendars

- Assess Calendar Selection business rule to allow a selection of the relevant participating calendars.

- The system default selection is the list of all participating calendars. The business rule action allows an exclusion or inclusion of specific (or some) calendars from the list. In this rule, all matching rules are selected.

- Calendar list:

| # | Calendar Name |
|---|---|
| 1. | Local office |
| 2. | MOP |

| # | Calendar Name |
|---|---|
| 3. | Debit currency |
| 4. | Credit currency |
| 5. | Country (of receiver) |
| 6. | Customer (receiver) |

- The list of actions (calendar inclusion/exclusion):

| Rule Action Name |
|---|
| Exclude Country Calendar |
| Exclude Credit Currency Calendar |
| Exclude Credit Customer Calendar |
| Exclude Debit Currency Calendar |
| Exclude Mop Calendar |
| Exclude Office Calendar |
| Include Country Calendar |
| Include Credit Currency Calendar |
| Include Credit Customer Calendar |
| Include Debit Currency Calendar |
| Include Mop Calendar |
| Include Office Calendar |

The system concatenates all defined calendars into one virtual calendar. This calendar takes effect in the business date calculation.

### 2.4.2  Validate Payment Value Date

1. If the payment value date >= local office business date:

   a. If the payment value date < MOP attribute extension, ensure the payment value date is a business date for the concatenated calendar. If the payment value date is a non-working day, advance the payment value date to the next working day.

   b. If the payment value date > MOP attribute extension, stop evaluation and set the payment to repair.

2. If the payment value date < local office business date:

   a. If the payment value date < MOP attribute earliest, set the payment value date to the earliest value date.

   b. If the payment value date > MOP attribute earliest, ensure the payment value date is a working day. If it is a non-working day, adjust it to the next working day.

### 2.4.3  Calculate Processing Date & Dr Value Date

1. Set Soonest value date (Soonest std vd) attribute. Soonest value date = the value of the participating customer overrides soonest value date (D_STANDARD_VD). If not empty, then soonest value date is known and should be taken into account as received. This skips the derivation phase below. If received empty, then value should be derived. Continue to next step.

   a. If there is no currency conversion involved, set soonest value date = 0 and exit service.

b. If there is currency conversion in payment or where there is no conversion but system parameter ALWAYS_INCL_CCY_SOONEST is set to Yes, derive the soonest value date as follows:

   i. Define the relevant participating customer in conversion (i.e. either debit or credit customer) and check whether the customer is set up for expedited soonest value date (CUSTOMRS.FX_EXPEDITE = 1).

   ii. Find a matching soonest value date profile from:

      o Exchange rate info for the specific payment currency pairs

      o Currency preferences (referring to the "other" currency with base currency)

2. Calculate processing date:

   a. VALUE_DATE_METHOD set to LATEST:

   b. With system parameter VALUE_DATE_METHOD set to LATEST the debit value date is defined by the soonest value date (working days) before the instruction value date and the processing date is the same as the debit value date.

**Processing date = value date –soonest value date**

Dr date = Processing date

   c. VALUE_DATE_METHOD set to  EARLIEST_PD

   i. With system parameter set to EARLIEST_PD, the debit value date is defined by the soonest value date (working days) before the instruction value date and the processing date is defined by the MOP latest value date (this may cause situations where a message is sent out of the bank with future debit and credit value date).

**Processing date = value date – Maximum of (MOP latest & soonest value date)**

Dr date = value date –soonest value date

   d. VALUE_DATE_METHOD set to EARLIEST_DR :

   i. With system parameter set to EARLIEST_DR, the debit value date is defined by the soonest value date (working days) before the instruction value date and may be changed if the MOP latest value date enables sending the message in advance. In this case, the debit value date is adjusted to the MOP latest MOP value date (no earlier than TODAY). The processing date is defined by the MOP latest value date as well.

**Processing date = value date – Maximum of (MOP latest & soonest value date)**

Dr date = Processing date

### 2.4.4  Validate Processing Date

Processing date must be greater than or equal to the office business date.

1. If < TODAY, then set the processing date for TODAY and recalculate the new credit value date.

2. Must be a working day:

   a. If a holiday then move forward to the next working day.

   b. Reevaluate value date if processing date was adjusted.

### 2.4.5 Cut-off Assessment

1.  Processing date is performed for TODAY processing date only.

2.  If passed Cut-off time, advance processing date (for processing Cut-off) or credit value date (for clearing and treasury Cut-off) & recalculate the value date.

3.  If processing date > business date, the Cut-off rules are not assessed and the payment is warehoused in the Scheduled queue

4.  The following logic applies for all Cut-off assessments:

    a.  Assess the relevant Cut-off business rule to retrieve a Cut-off profile.

        i.   Cut-off profile includes interim Cut-off time and final Cut-off time.

        ii.  It is also possible to define different times per specific dates.

    b.  If rule is not found, take the default rule that is defined in the Static Data as follows:

        i.   Default processing Cut-off rule over the local office profile.

        ii.  Default clearing Cut-off rule over the MOP profile.

        iii. Default treasury Cut-off rule over the currency profile.

    c.  If a rule is found (or if taken from the default profile) check server local office time with the interim and final Cut-off time.

        i.   If before interim Cut-off time, then set the relevant cut-off status to 'Before'.

        ii.  If after interim and before final, set the relevant cut-off time to 'XXX' and assess the missed Cut-off business rules.

             o  If a matching rule is found, set payment status to Repair and prompt the user (would you like to override). User action may be:

                ▪  Override (allow processing) – set cut-off status to 'XXX'

                ▪  Not override – set Cut-off status to 'XXX'

             o  If a matching rule not found, the interim cut-off is considered as passed Cut-off and will be set to 'XXX'.

        iii. If after final Cut-off, set the Cut-off status to 'After'.

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**Note:** System parameter REPAIR_AFTER_CUTOFF specifies whether the system can move the value date when Cut-off time is passed. This is done when the payment was captured via a feeding system and the bank/FI is obligated for the feeding value date and considers the passed Cut-off time a bank/FI issue.

# 3 Manual Handling

## 3.1 Automated Error Handling

If GPP is not able to derive a MOP for the payment at hand, the payment is dropped to Repair for manual handling. Error messages are displayed in the error pane of the message.

Following manual handling (either correcting the payment or static data setup), the user must submit the payment for processing. GPP will then execute the MOP selection process again.

## 3.2 Pre define the Preferred MOP

When manually handling a payment, the user can either request that a specific MOP be assigned to a payment or allow GPP to determine the MOP for the payment at hand by invoking the MOP selection process.

If the user selects a specific MOP for the payment (selects the MOP from the drop-down list, where all MOPs appearing is this list are the MOPs whose profile is checked for manual selection by a User) then GPP only performs MOP validation. If validation fails then the payment is dropped to Repair with

an error message indicating the reason for validation failure. If validation is successful, processing continues on the payment with the requested MOP.

## 3.3  Interim Cut-off Time Handling

When the missed cut-off rule found (i.e. passed interim cut-off time and before final cut-off time) the payment is routed to repair queue and the operator has to define whether the payment can continue processing (i.e. considered as if it is before final cut-off time) or actually passed cut-off.

# 4  System Configuration and Business Setup

The list of available MOPs is defined by D+H. If a new MOP is required, please contact D+H. All provided MOPs are setup on the global level office (from which an office based MOP can be copied and set).

The list of provided MOPs is:

| MOP | Description |
|---|---|
| BOOK | In-house payments |
| DRAFT | Draft |
| EBA | Direct payment |
| EURO1 | EBA EURO1 |
| SWIFT | SWIFT |
| STEP1 | EBA STEP1 |
| XCT | EBA STEP2 XCT |
| SCT | EBA STEP2 SCT |

## 4.1  Business Setup

### 4.1.1  System Parameters

Specify whether the default global offices values are okay and if not specify a local office system parameters entries.

| Name | Description |
|---|---|
| ALWAYS_INCL_CCY_SOONEST | Refer to the currency soonest attribute even when no need for currency conversion. Default is No |
| REPAIR_AFTER_CUTOFF | If payment has passed Cut-off time, payment is sent to repair rather than forwarding the value date so that the payment is sent to SCHEDULE. This system parameter is different to standard GPP functionality. Default is No |

### 4.1.2  Profiles

These are the details of the required setup in GPP profiles for the Method of Payment.

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**Note:** For a detailed description of all the fields in the profiles, see GPP Online Help.

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#### 4.1.2.1  Office

The Offices profile identifies the main bank and all subsidiary banks and branches within a GPP SP installation. A single GPP SP installation can serve a number of institutions or branches.

These are the specific fields in the Offices profile that must be defined for MOP processing.

| Field Name | Description |
|---|---|
| Base currency | Code for the base currency that this office uses. The list is derived from Profile ➜ Global ➜ Currencies Info. This attribute is used in the Statuses and Filters tree to show the total message count and the corresponding base currency amount. |
| Business date | Business date of the office. Automatically populated based on the default office business date. This date is updated automatically by End-of-Day tasks. |
| Next business date | States the next calculated business date for the office. |
| Calendar | National/regional holiday calendar to use at this office, selected from a drop-down list. The list is derived from Profile ➜ Schedule ➜ Calendars. |
| Default Cut-off name | Processing cut-off time for the office. No payment for the office is processed after this time. The list is derived from Profile ➜ Cut-off Times. |

#### 4.1.2.2    Parties

The Parties profile maintains the customer data. Customers can be financial institutions with which the office has a relationship or a private (non-financial) customer of the bank. The Parties profile defines bank information within the SWIFT or similar payment network. In this context, a Party includes any financial institution in the payment network, including your own financial institution.

These are the specific fields in the Main panel of the Parties profile that must be defined for MOP processing.

| Field Name | Description |
|---|---|
| Party Name | Name of the party |
| BIC/BEI | ISO 9362 (also known as BIC code or SWIFT code) is a standard format of Bank Identifier Codes approved by the International Organization for Standardization. It is the unique identification code of a particular bank. |
| ABA | The American Bankers Association (ABA) is a free-trade and professional association that promotes and advocates issues important to the banking industry in the United States. ABA codes are assigned to American banks |
| Clearing Participant ID | Additional optional identification code for the clearing house. Registration code that identifies a financial institution that is engaged in trading securities. |
| Calendar | Enables a calendar to be assigned to a party for payment value date calculations when the party is the payment receiver. Clicking ⊙ opens a list of national/regional holiday calendars. The list is derived from Profiles ➜ Schedule ➜ Calendars. |
| Base currency | Specifies the party base currency. |
| Memberships Button | Opens the Memberships profile Data Search window for accessing the relevant party's membership information. |
| Bank Routing Button | Opens the Bank Routing profile Data Search window for accessing the relevant party's Bank routing information. |

These are the specific fields in the Processing panel of the Parties profile that must be defined for MOP processing.

| Field Name | Description |
|---|---|
| Override serial payments with direct/cover | If selected, overrides the Transfer Method profile default settings. Setting this flag always sends both direct and cover, rather than serial.<br><br>Serial payments may still be sent if the Beneficiary Band does not have SWIFT RMA keys. |
| Expedited FX settlement | If selected, overrides the currency profile Soonest Value Date attribute with Next Day Value. For example: if AUD is a spot currency for a U.S. office and the customer has the Expedited FX Settlement selected (checked), then for that customer the currency attribute is Next Day Value. |
| Prohibit Rolled VALUE DATE forward | Determines whether or not the maturity date (settlement date) on collections received from a Creditor or Indirect Participant, should be rolled forward to the earliest available settlement date.<br><br>• If the check box is unchecked then the settlement date will be rolled forward to the next available working day.<br>• If the check box is checked then the settlement date will not be rolled forward and the payment will be rejected with the following error. |

### 4.1.2.3   Bank Routing

Bank Routing Profiles are also known as Standard settlement instructions (SSI). It is a directory that sets up, for each bank/FI, a list of agents that holds its foreign currency accounts. The bank route is associated with a party in the system (i.e. BIC11 level).

The business practice may define a higher level of bank routing that applies for all the banks/branches below that level. For example, it is possible to have a bank route for bank BANKGB22 (region level) and to state that all branches below it (example: BANKGB22ABC and BANKGB22DEF) share the same configuration.

Ensure the SSI information is setup under this profile. You may use profile update task to perform this task by a service.

These are the specific fields in the Bank Routing profile that must be defined for MOP processing.

| Field Name | Description |
|---|---|
| Destination Bank | The destination bank code for the message. |
| Name | Name of the bank. Populated automatically based on the Destination Bank selection. |
| Currency Code | Select the required currency code. If not selected, routing operates for all currencies. |
| Route Level | Banks should setup all bank routes and specify the route levels as follows: Metro for BIC 8 setup, Country for BIC 6 setup, Full for BIC 11 setup. |
| BIC | The Bank BIC. Populated automatically based on the Destination Bank selection. |
| Message Type | Select an option to associate a message type with an agent. |
| Agent | The agent of the destination bank. |
| Agent Name | The name of the agent. Populated automatically based on the Agent selection |
| Transfer Method | Select from three options:<br>Serial: Direct message/transfer funds via a third bank<br>Cover: Direct cover message transfer from bank to bank, with funds transfer via a third bank |

| Field Name | Description |
| --- | --- |
|  | Transfer method profile: Sending serial payments or direct and cover messages to chosen countries for a given currency, as specified in Transfer method profile |

### 4.1.2.4 Memberships

Most clearing houses require the payment receiver and sender to be a member. The Membership profile defines whether the MOP requires membership and a list of parties that are members for a certain clearing house.

Define all the required memberships.

These are the specific fields in the Membership profile that must be defined for MOP processing.

| Field Name | Description |
| --- | --- |
| MOP | MOP in which membership is being registered. |
| Member Type | Allows linking an associate member bank against a settlement bank with ID of type Sort Codes. |
|  | Note: When the MOP Sender/Receiver type is BIC and the NCC type is SC, then Member IDs may either be Sort Codes or BICs, but the Member if-Associate (in other words, the Member ID of the Member via which as associate is a member) must always be a BIC. |
| Member ID | Member ID for the MOP selected from the Parties Data Search window. After selection, value of BIC/BEI, ABA or CP ID, is shown based on the Member Type. |
| Main BIC | If selected, indicates that when membership check using BIC-11 fails, the system executes the check again, looking for an entry where the first 8 characters of the BIC are the same and the entry is flagged as a Main BIC entry. |
| Type of Membership | Three types of membership:<br>• Full member: Indicates full membership in the MOP, and Member field is disabled<br>• Associate: Indicates associate membership in the MOP, that is, the member via which this bank is a member of the MOP. When selected, Member drop-down list is enabled<br>• RTGS BIC: For future use |
| Member/City | Member/City selected from the Parties Data Search window. This field is disabled if Full Member is selected from Type of Membership. |
| Valid from/to | Effective start and expiry date of membership. |
| RTGS BIC | Indicates that the party is a member of RTGS |

### 4.1.2.5 Method of Payment

The Method of Payment profile is provided to support the wide variety of payment methods. A MOP profile is defined for each method of payment.

The profile includes several parameters that allow the MOP to be configured to conform to the characteristics of the payment channel, and how the bank utilizes the specific channel, for example, whether membership is required, minimum and maximum transfer amounts, whether to check Cut-off times, or the acceptable greatest prior or future value date allowable.

Every payment is assigned a "debit" ("original" or "incoming") MOP to indicate how the payment was received. Additionally, every payment within GPP SP is assigned a "credit" ("current" or "outgoing") MOP which identifies how the payment will be affected.

**Note:** A new MOP cannot be created. It is possible to save an existing MOP as a new office-based MOP when the MOP SWIFT is provided and each bank sets the MOP profile for SWIFT per its local office.

Create local office MOPs.

These are the specific fields in the General panel of the MOP profile that must be defined for MOP processing.

| Field Name | Description |
|---|---|
| MOP | The name of the MOP. In GPP, creation of new MOP name is not allowed. The user can save an existing MOP per office and set it accordingly. |
| Description | A short description of the MOP. |
| MOP Down | If selected, this flag indicates to GPP that the MOP is not available. |
| | If selected, this MOP will not be selected or validated. |
| | If cleared, GPP will resume using the MOP. |
| Calendar | If the MOP operates under a specific calendar, select a calendar from the list and assign it to the MOP. |
| | If no calendar is assigned, the default calendar for the office is used. |
| | The calendars are displayed from the Profiles ➔ Schedule ➔ Calendars menu. |
| MOP Business Date | The current business day for the MOP. |
| | The business date can be changed manually or by an end-of-day task that advances the MOP business date to the next valid business date for the MOP. |
| Advance to day after holiday | If selected, advances the MOP Business Date if it falls on a holiday. |
| Roll forward at start of day | If selected, rolls the MOP Business Date at SOD task. |
| Default cut-off name | Specifies the default cut-off time for the MOP. A list of all the default clearing cut-off times is shown from Profiles ➔ Cut-off Times. |
| Earliest value date | The earliest value date attribute specifies the number of business dates prior to the MOP business date, where payments value date are accepted. For an incoming payment with a back-dated value date, GPP acts as follows: |
| | If original instruction value date = MOP earliest (i.e. MOP business date – earliest value date attribute) ➔ accept payment value date as received. |
| | If original instruction value date < MOP earliest ➔ set original value date to the earliest value date point. |
| | Example: Today, Jan 15 |
| | The MOP BOOK is set for earliest value date as -5 |
| | For incoming payments that bear the original instruction value date as |
| | Jan 12: Jan 12 will be the value date |
| | Jan 10: Jan 10 will be the value date |
| | Jan 8: Jan 10 will be the value date |
| | Note that negative figures are expected for the above example. |
| Latest value date | A number relative to the MOP business date that defines the greatest future value date for a payment that is accepted by the MOP. |
| | (0 = today, 1 = next business date, and so on.) |
| | Example, if the MOP latest value date is set to 3 and the current business date is Jan 10 then the MOP will send payments that are of Jan 10, Jan 11, Jan 12 & Jan 13. |

| Field Name | Description |
|---|---|
| | Note that positive figures are expected |
| Value date extension | A number relative to the "Latest value date" that defines a value date extension. Payments with value dates between the latest value date and the value date extension will be validated for the particular MOP and then sent to the Schedule queue. (0 = today, 1 = next business date, and so on). |
| Currency | When the MOP is for a specific currency, select the 3-character code for the currency. If left blank, all currencies are valid for the MOP. |
| Min. amount | The minimum amount (in base currency) of a payment that this MOP will accept. |
| Max. amount | The maximum amount (base currency) of a payment that this MOP will accept. |
| Settlement account exists | If selected, indicates that a settlement account has been defined for the MOP. Initially, the field is disabled. Once the operator defines a settlement account for the MOP via the Identifiers Profile, the 'Settlement account exists' flag (of that MOP) will be checked without enabling it. |
| Allowed for non-accounting messages | If selected, indicates that the MOP can be selected for non-accounting messages. |
| Membership required | If selected, indicates that membership validations are required for the MOP. |
| Country entry point | If selected, requires MOP STEP2 XCT where set up of a country base representative is enough to confirm the required membership. |
| Check main BIC in membership | Required for the TARGET2 MOP. Checks the main BIC only for a valid membership |
| RMA check Required | The system checks if the payment's Processing Date is within the range of the Start Date or the End Date of the RMA record. If it falls within the range, the MOP is valid. If it doesn't, the MOP is invalid. |
| Membership check level | Defines the membership check either on Metropolitan (BIC-8) or country (BIC-6) level. |
| Type | Select from the possible options: <br> • MOP - The intended receiver is set up as a member or associate of the MOP. <br> • Group - The intended receiver is set up as a member or associate of the Group. This checks membership in a group of MOPs <br> • MOPs in Group - The intended receiver is set up as a member or associate of any MOP that belongs to the Group <br> Note: Mandatory if Membership Required is selected. |
| Group | Allows a MOP to be added to a logic group. For example, each FED district is a distinct MOP, but a single group named FED is used as the Group. <br> Note: Mandatory if the 'Group' or 'MOPs in Group' option is selected in the Type drop-down list. |
| MOP can be selected by operator | If selected, the Method of Payment can be selected when the message is in the Repair or Create Status. |
| Send outgoing messages | If selected, indicates that an outgoing payment is required for this MOP. |
| Additional member type | An additional party identifier type that should be allowed for the Member type in the Membership profile. The drop-down provided includes NCC_TYPE_ISO of all entries in the COUNTRY_NCC table. |
| Allow force | If selected, indicates that payments with this MOP can be forced from the |

| Field Name | Description |
|---|---|
| from scheduled queue | Scheduled queue. |
| Draft currency | If selected, GPP SP will validate that the payment currency is a Draft Currency as set up in the currency profile. If the payment currency is not a Draft Currency then this MOP is not selected or validated for the message. When unchecked, no checking of Draft Currency occurs. |
| Identifiers Button | Opens the Identifiers profile Data Search window. |
| Party ID Enrichment Button | Opens the Party ID Enrichment profile Data Search window. |
| Allowed Backdate VD to Retain | If initial Value date < Business dt (back date value payments) <br> • If initial Value date < value stated in the "Allowed Back date value date" over the original MOP ☐ Set msg status to Repair |
| Allowed Backdated VD to Advance | • If initial Value date >= value stated in the "Allowed Back dated value date to advance" over the original MOP → advance the initial Value date to the original MOP 'Allowed backdated VD to retain' time. <br> If initial Value date > Business dt → continue processing |

These are the specific fields in the Processing panel of the MOP profile that must be defined for MOP processing.

| Field Name | Description |
|---|---|
| General Section | |
| Outgoing only | If selected, this MOP may only be used for outgoing messages. |
| Inter-office | If selected, defines a MOP that moves funds between offices (i.e. message is not sent out). |
| Supports priority payments | If selected, indicates that the MOP supports EUR priority payments, that is, a SWIFT based scheme that supports the tag23B SPRI codeword. <br> When the check box is not selected & codeword sent in payment = SPRI, then the codeword on the outgoing payment is changed to CRED. |
| Value date override allowed | Relevant when payment value date is greater than MOP value date extension. <br> If selected, the payment is sent to Repair. The operator can override (value date remains unchanged) and the payment is sent to 'Release Q'. <br> If clear, the payment is sent to Repair and the operator must amend the value date. |
| Generate References | If selected, indicates whether a unique reference should be generated for the MOP |
| Algorithm | Indicates the algorithm to be used for the UTR generation. Mandatory if 'Generate Reference' field is checked and disabled if unchecked. Dropdown list of algorithm names, Possible values: <br> UTR – 16 characters reference based on System ID, date and sequence number. <br> UTR_S – 9 digits reference based on a unique sequence number |
| Validate reference in confirmation | If selected, GPP verifies that the UTR in the response matches the UTR in the payment. If the UTR does not match the payment will be routed to the Rejected queue. |

| Field Name | Description |
|---|---|
| Enrich party identifier | If selected, indicates that the identifier in hand for the first credit chain, if not of the type specified in the Sender/receiver type field, should be used to derive the correct identifier of type specified in the Sender/receiver type field. The derivation process will use the Party Identifier Enrichment profile. |
| Split payment over max | If selected, indicates that GPP SP should split payments above the maximum amount, rather than invalidating the MOP or selecting a different MOP. |
| Eligible for virtual account processing | If selected, indicates if this MOP is eligible for virtual account processing. The check box is not selected by default. |
| Bulking profile | Where MOP requires the messages to be sent in a bulk (group). This field enables to define a bulking profile attributes by pointing to a bulking profile ID. Where applicable, the same bulking profile can be associated to multiple MOPs. |
| Outward return days | Specifies the number of days allowed for an outward/outgoing return message. |
| Direct/Cover Release | Determines whether the Direct should be processed dependently or independently from the Cover and the point in the flow where Direct payment generation takes place. |
| Messaging Section | |
| FIN copy service | If the MOP is a SWIFT FIN-copy based system, this field identifies the FIN service code. The code maps to block 3, field 103 of a SWIFT message. |
| Sender/Receiver Type | Specifies the identification code type used for the Sender and Receiver of the message, for example, BICs for SWIFT, ABAs for FED messages, etc. |
| Sender ID | The ID of the sender institution. Used if the MOP requires the institution to use a different ID than the regular one. For example, in the Australian RTGS, banks use different BICs than the ones they use for international payments. |
| Receiver ID | The ID of the Receiver of messages using this MOP. Used in MOPs like TARGET, where the receiver is always the BIC that the central bank has set-up for the purpose of TARGET messaging. |
| Communication preferences | Specifies whether the outgoing payment should be waiting for SWIFT acknowledgement (ACK) and whether the payment should wait for confirmation (012) before continue processing. Where the following possibilities are covered: None (default selection) – Do not wait for ACK or confirmation and continue processing (if a NAK or Rejection is received the system acts accordingly) Wait for ACK – payments wait for ACK in a wait ACK queue before continue processing Wait for confirmation – payments wait for Confirmation in a wait confirmation queue before continue processing |
| Accounting Section | |
| Clearing suspense account: Office | The clearing suspense office account details: Account office Account number Account currency: Auto-populated for the account selected Account owner: Specifies the following values concatenated for the party which account belongs to. Read Only. |
| Return of funds account: Office | The return of funds account office details: Account office Account number Account currency: Auto-populated for the account selected |

| Field Name | Description |
|---|---|
| | Account owner: Specifies the following values concatenated for the party which account belongs to. Read Only. |
| Settlement accounting | |
| Outgoing/Incoming | |

### 4.1.2.6   SWIFT RMA

The Relationship Management Application (RMA) is used for establishing a relationship between the parties exchanging traffic over the SWIFT network. It replaces the Bilateral Key Exchange (BKE) model used by SWIFT.

The RMA in GPP ensures that the Office, as one of the SWIFT operators, can maintain its business relationships with other SWIFT operators by providing full and/or selective control over the traffic it receives from them.

When defining an RMA profile in GPP:

- GPP derives the Correspondent from the relevant Office.
- The GPP user selects the Issuer from a list of options.

GPP maintains only those relationship requests issued by an Office to a Correspondent.

Define the office RMA entries

These are the specific fields on the SWIFT RMA profile that must be defined for MOP processing.

| Field Name | Description |
|---|---|
| Correspondent | The BIC-8 of the defined Office and populated automatically based on the Office. |
| Issuer | The BIC-8 of the counterparty as selected from a list. |
| Start Date | Start date of the relationship between issuer and correspondent. |
| End Date | End date of the relationship between issuer and correspondent. |
| Include message categories | Select to include specific message categories. |
| Include message types | Select to include message type to RMA based on categories selected. |
| Exclude message types | Select message type to RMA based on categories selected. |

### 4.1.2.7   Identifiers

MOP Identifiers are used to set up and view the party identifiers and settlement account information for a MOP (e.g., EBA settlement account). One or more identifier can be set up per MOP. In the case of clearing-type MOPs, the settlement account at the clearing is defined as an attribute of the MOP. For example:

- For MOP SWIFT: There will be an entry for each of the BICs that the Office uses on the SWIFT network. The identifiers for SWIFT will not have a settlement account.

- For MOP EBA: There will be an entry for each of the BICs that the Office uses to identify itself at EBA. Each of these entries will have a settlement account.

Set up office identifiers for every MOP.

These are the specific fields in the Identifiers profile that must be defined for MOP Processing.

| Field Name | Description |
|---|---|
| MOP | The MOP of the MOP profile for which an identifier is defined. |
| Identifier | Opens the Parties profile from which to select the appropriate identifier for the local bank in the MOP.<br>Note: Enabled after selection of MOP. |
| Default ID for MOP/Office | If selected, indicates that this identifier should automatically populate the local bank field in manually created transactions for this office. |
| Default Office for ID | If selected, ensures that if the same identifier is used across multiple offices, an incoming message destined to this identifier should be associated with the office of this entry. |
| Settlement Account Section | |
| Office | Office associated with the Settlement Account. |
| Account | Select the Settlement Account that the local bank uses at the MOP for payments exchanged with this MOP. |
| Currency | Populated automatically based on Account selection |
| Account owner info | Populated automatically based on Account selection |
| MOP Button | Selects all MOP associated identifiers |

### 4.1.2.8 Cut-off Times

The Cut-off Times profile defines the latest time for transactions to be processed for various MOPs and currencies for the office. It allows value date adjustments for transactions that are processed in other time zones.

- Create clearing, treasury and processing cut-off
- Assign a default processing cut-off to the local office
- Assign default treasury cut-off to the currency preferences profile
- Assign default clearing cut-off to the relevant clearinghouse MOPs

These are the specific fields in the Cut-off Times profile that must be defined for MOP processing.

| Field Name | Description |
|---|---|
| Cut-off name | Cut-off name |
| Cut-off type | Available types:<br>Clearing – Clearing House<br>Treasury – Bank Treasury<br>Processing – Bank Processing |
| Description | Description of the Cut-off Times profile |
| ☐ Default time | Disabled and selected by default. Uses times defined in the Times section of Cut-off Times profiles.<br>Disabled and cleared if an exception is defined for the Cut-off time so that different dates and times can be specified. |
| Time zone | Time zone for aligning cut-off times |

| Field Name | Description |
|---|---|
| Dates Section | |
| Exclude message types | Select message type to RMA based on categories selected. |
| Times Section | |
| Interim cut-off time | Interim cut-off time (in the time zone specified in the profile) |
| Final cut-off time | Final cut-off time (in the time zone specified in the profile) |
| Exception Button | Enables the creation of a Cut-off exception for a specific Cut-off time. This button is enabled only when updating a Cut-off Time profile that is flagged as 'Default time'. |

### 4.1.3  Business Rules

GPP uses these Business Rules in MOP Processing.

#### 4.1.3.1  MOP Selection

MOP Selection Rules are used to determine and assign a MOP for each payment.

The list of available actions for MOP Selection rules consists of all the active MOPs in the system.

The rule can be attached to Party and Office.

The service evaluates the MOP Selection Rules attached to the Receiver and the Office. All rules will be evaluated.

If a STOP action is defined, the service will stop evaluating the MOP selection rules from this point onward (both Customer and Office level).

The outcome of the evaluation process is a list of applicable MOPs that will be further validated in the next step.

Note: The MOP list may include the same MOP more than once. The list should be filtered to hold only one appearance per MOP. The MOP with the lower priority is removed.

Setup and attach MOPs as follows:

1. Create local office MOPs

2. Create MOP selection business rules to select the specified MOPs

3. Attach (pay attention to the attachment order) the list of MOP selection rules

Example of MOP selection rule attachment list

| Rule Type | Object | Object Name |
|---|---|---|
| MOP Selection | FD1SAFNDTUS2LXXX | D+H |

Rule Attachment Selection List

| Rule Name | Description |
|---|---|
| BOOK203TST | test 203 that parsed to 202 that will |
| SCT | For MOP selection service |
| RT_TARGT2 | When RT comes in first in Cdt chain |
| EBA | For MOP Selection |
| SWIFT | MOP Selection for office FD1 |
| TARGT2 | MOP Selection office FD1 |
| XCT | XCT MOP |
| BOOKFORBKPMT | BOOK for bank payment |
| BOOKFORCUSTPMT | MOP BOOK for customer paymento |

Text of the Selected Rule

| Text |
|---|
| [Cdtr BIC] = MELNGB2XXXX |

### 4.1.3.2 Cut-off Business Rules

Define all required cut-off selection and missed cut-off business rules (6 of them).

#### 4.1.3.2.1 Cut-off Selection

There are three types of Cut-off Selection Rules:

- Processing (for Low value payments)
- Clearing (MOP)
- Treasury (Currency)

The Cut-off rules are attached to Office.

The action of the Cut-off Selection rule is a Cut-off Time Profile (entry which is marked as default).

Rule action: The first valid rule found is used.

#### 4.1.3.2.2 Missed Cut-off

There are three types of Missed Cut-off Rules:

- Missed Treasury Cut-off
- Missed Clearing Cut-off
- Missed Processing Cut-off

The rules determine whether to send a payment that missed the cut-off times for manual override, allowing the user to process the payment on the same day. The rules are attached to the Office.

Rule action – Manual override. First valid rule is used.

### 4.1.3.3 Calendar Selection

The business rule defines the list of calendars that need to be taken into account when calculating the business dates in value date phase.

### 4.1.4 Statuses

#### 4.1.4.1 Schedule

| ID | Action | Available Action Buttons |
|----|--------|--------------------------|
| SCHEDULE | Messages with future processing dates waiting to be released on matured processing date | Send to Repair<br>Cancel |

#### 4.1.4.2 Repair

Here the operator is able to:

- Amend the payment & submit. The system reevaluates the payment details
- Cancel the payment

### 4.1.5 Entitlements

Ensure that entitlements are given and set for the relevant system users to access the relevant queues and profiles.

#### 4.1.5.1 Access Class Profiles

- Global: Country Preferences, Currency Preferences
- Routing: Bank Routing, Identifiers, Membership, Method of Payment, Party Identifier Enrichment, SWIFT RMA Cut-off Times

#### 4.1.5.2 Rule Type Level Profiles

- MOP Selection
- MOP Validation
- Processing Cut-off
- Missed Processing Cut-off

## 4.2 System Configuration

### 4.2.1 System Rules

#### 4.2.1.1 Message Type Selection Rule

This rule specifies the conditions in which the original MT is temporary set to a new MT (the rule's action).

- The rule requires a subtype to be chosen.
- The subtype list for this rule will be taken from MOP profile (Distinct list)
- The available rule action is a list of Message Types. This list is derived by joining between MSG_TYPES and MSG_TYPE_MOP tables, retrieving MT records for the MOP chosen as subtype.
- The rules will be attached to the Office

Rule action: First valid rule is returned

#### 4.2.1.2 MOP Validation

This rule specifies the conditions under which the MOP fails the validation. The MOP Validation rule is a system rule. The rules will be attached to the Office. All rules are evaluated. If a fitting rule is found, the evaluated MOP fails the validation and becomes invalid.

Rule action – Invalid MOP (system action)

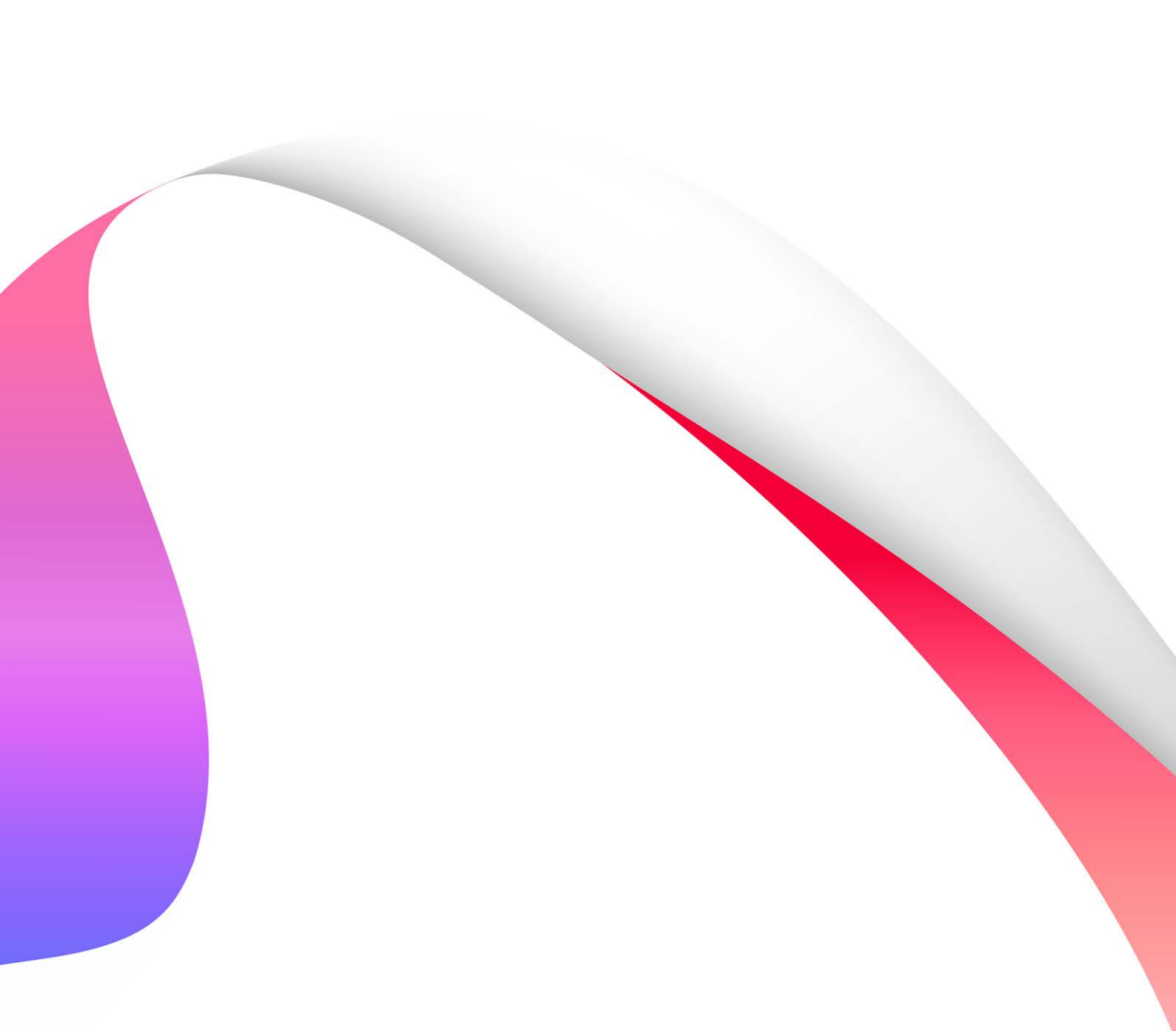# 5 Message Data

## 5.1 Message Attributes

### 5.1.1 MOP Related

| Field ID | Name | Description |
|---|---|---|
| D_AVAILABLE_MOPS | Available MOPs | Available method of payments |
| MF_MOP_SELECTION_STS | MOP selection sts | MOP selection status |
| MU_SET_CDT_MOP | User set cdt MOP sts | A monitor for user interaction to set the credit MOP |
| P_CDT_MOP | Cdt MOP | Credit method of payment (MOP) |

### 5.1.2 Value Date Related

| Field ID | Name | Description |
|---|---|---|
| P_ORG_INITG_PTY_CUST_CD | Orgnl initiating party cust cd | Original initiating party party code |
| P_OFFICE | Pmt office | Office |
| X_STTLM_CCY | Sttlm Ccy | Settlement (SWIFT tag 32A)-Currency |
| P_CDT_ACCT_CCY | Cdt acct ccy | Credit account currency |
| P_DBT_ACCT_CCY | Dbt acct ccy | Total debit account currency |
| F_CDT_CUST_COUNTRYCODE | Cdt pty ctry cd | Credit party country code |
| F_DBT_CUST_COUNTRYCODE | Dbt pty country cd | Debit party country code |
| MF_USED_EXPEDITE_VD | Used expedite value dt | Used expedite value date |
| MU_FORCE_STANDARD_VD | User force std value dt | User monitor. Forces standard soonest value date calculation |
| D_PD_MONTH_CALENDAR | Process dt month cal | Calendar days availability. 0 - unavailable, 1-available. Always set to 31 char. Long. First character is the first day of month |
| D_VD_MONTH_CALENDAR | Value dt month cal | Calendar days availability. 0 - unavailable, 1-available. Always set to 31 char. Long. First character is the first day of month |
| D_STANDARD_VD | Soonest std vd | Soonest standard value date. Calculated value date |
| D_MOP_VALID | Is MOP valid | Is MOP valid |

## Appendix A: Glossary

| Term | Description |
|------|-------------|
| Candidate MOP | An interim situation where the MOP (or list of MOPs) are examined (post MOP selection phase and prior to the final decision making point) |
| Clearing Cut Off Time | Is the cut off time set by the bank where they no longer accept to process messages from external sources i.e. SWIFT and FEEDER for the current business day. In general messages received after this cut off should have their processing date advanced to the next business day and then held for processing until this date. |
| Instruction Date | The date contained in field 32 of any incoming SWIFT messages or in any messages sent in from the feeder systems |
| MOP | Method of payment |
| MOP Earliest value date | The number of days before MOP business date that payments may be set. |
| MOP Extension | The number of days from MOP business date and forward that allows payment processing. Any value date that is great than Latest and below Extension will be processed and stored in the schedule queue. Any payment exceeding the extension will be sent to repair queue. |
| MOP latest value date | The number of days after MOP business date that payments may be set |
| MT | Message Type abbreviation |
| Processing Cut-off Time | An internal cut-off time that may be defined to ensure latest time of day to process the payment. |
| Processing Date | An internal attribute (i.e. not going out with the payment details) that indicates the time the payment needs to be processed (up until posting phase) so that the payment value date will be fulfilled. When, for example, the payment includes FX transaction for currency with soonest value date greater than zero the processing date would be before the value date |
| Soonest Value Date (of Currency) | The number of business days required to process a currency.<br><br>O/N Overnight - Same day value (0 days)<br><br>T/N Tomorrow/Next day value (1 day)<br><br>SPOT – Two business days value (2 days) |
| Treasury Cut Off Time | Treasury cut-off times are applied to Incoming, outgoing and internal messages. The function "treasury cut off time " refers to the cut off time that should be applied to transactions being paid in a currency that the branch does not have direct access to via a clearing system. The treasury cut off time is the time at which the treasury department closes their position in a particular currency. |
| SSI | Standard Settlement Instruction See SWIFT SSI Directory for Commercial Payments |

**FINASTRA**