FINASTRA

Global PAYplus

Building Correspondent Chain

Business Guide

Version Control

Version	Date	Summary of Changes
1.0		Document Created
2.0		Added section Own Correspondent Bank Selection
3.0	May 2015	Document Restructured
4.0	November 2015	Document Updated for Rebranding
5.0	August 2018	Document rebranded to Finastra template

Table of Contents

1 Introduction

1.1 Overview

Building a correspondent chain is an automated procedure determined by Global PAYplus (GPP) according to industry guidelines. It is performed after the Debit and Credit parties are identified, in cases where the Method of Payment has failed (i.e. funds cannot be transferred through a clearing system). A correspondent needs to be set and a Method of Payment should be assessed again for the defined correspondent.

The mechanism used to build the correspondent chain identifies an alternative party through which to effect a payment if GPP is unable to pay through the original 1st in credit chain party. The system builds a correspondent chain starting with the original 1st in credit chain party, going through the different levels of routing until it finds an agent through which the payment can be effected.

1.2 Target Audience

This document describes the Building Correspondent Chain 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

2.1 Workflow

```
                                    Start
                                      │
                                      ▼
                          ┌──────────────────────┐
                          │  Identify 1st in Chain │
                          └──────────────────────┘
                                      │
                                      ▼
                          ┌──────────────────────┐
                          │     Load Customer     │
                          └──────────────────────┘
                                      │
                                      ▼
                          ┌──────────────────────┐
                          │   Account Derivation  │
                          └──────────────────────┘
                                      │
                                      ▼
                          ┌──────────────────────┐
                          │     MOP Selection     │
                          └──────────────────────┘
                                      │
                                      ◇────── Success ──────►  Transfer Method Identification
                                      │                                    │
                                     Fail                                  ◇
                                      ▼                            Fail ◄──┴──► Success
                          ┌──────────────────────┐                   │            │
                          │ Decision on Routing  │              Manual Queue   Continue Processing
                          │       Level          │
                          └──────────────────────┘
```

Routing level = null

Routing level = 1

Routing level = 2

Routing level = 3

Receiver's Correspondent

Receiver's country ccy <> payment ccy

Receiver's country ccy = payment ccy

Country Correspondent

Currency Correspondent

Manual Queue

Continue Processing

Success

Fail

Success

Fail

Success

Fail

Before sending payment to Schedule

Generate Transaction ◄── Cover ── ◇ ── Serial ──► Continue Processing

Posting
Formatting out
Transmission

2.2 Details

GPP builds the correspondent chain when a MOP cannot be determined for the first party in the receiving chain, i.e. no account relationship or common clearing method is found for the party.

1. Find correspondent (level 0, 1, 2 and 3 in this order):

    a. Routing level 0: Receiver's (their) Correspondent

    b. Routing level 1: Sender's (our) country Correspondent

    c. Routing level 2: Sender's currency Correspondent

    d. Routing level 3: Correspondent not found. Manual user action required.

2. Define the transfer method.

3. For Direct and cover:

    a. Convert the payment to 202COV

    b. Generate direct

4. Amend first in chain in the following order:

    a. X_INSTD_AGT (Receiver) fields

    b. P_CORRESPONDENT

    c. X_INTRMY_AGT1 (SWIFT intermediary agent tag 56) fields

    d. X_CDTR_AGT (SWIFT beneficiary bank tag 57) fields

    e. X_CDTR (SWIFT final beneficiary tag 58/9) fields

2.2.1 Level 0: Receiver Correspondent

In cases where the outgoing payment is denominated in a foreign currency for the receiving institution, the system must identify the receiver currency correspondent, i.e. 'their' correspondent, for the first in credit chain. Example: If a payment is sent in AUD to a US bank, then the AUD correspondent must be fetched from the Bank Routing profile (the profile that holds the SSI directory).

GPP is configured to assess the Bank Routing profile when the first in credit chain cannot be reached, i.e. no accounting relationship with the first in credit chain or clearing house membership is found. If a correspondent bank is found, it is added as a new first in credit chain party, attempts to derive an account and perform MOP Selection starts all over again.

Note: Bank routing invocation is done once. If the second MOP selection fails, the Bank Routing profile is not assessed a second time.

Find the first in credit chain correspondent bank/FI in the 'Bank routing' profile with the following criteria:

- BANK_ROUT.DESTINATION = BIC of 1st in chain

- BANK_ROUT.CURRENCY = Payment currency

- BANK_ROUT.MSG_TYPE = Payment's message type

Note: The destination bank can be set up under three different routing levels (GPP searches in the following order: Full, Metro, Country level entries).
- Full (BIC 11 level)
- Metro (BIC 8 level)
- Country (BIC 6 level)

The order of search (office level first and, if not found, global office level):

- 1st in chain BIC, Instruction Currency, Message Type

- 1st in chain BIC, Instruction Currency

- 1st in chain BIC

2.2.2 Level 1: Sender's Country Correspondent

- Find the country code of the current first in chain.

- If the payment currency is the same as the receiver country's base currency (setup in the country info profile, currency attribute).

- Example, if the payment currency is EUR and it is going to Greece, then the country info for Greece must also set EUR as its base currency.

- Look for a default correspondent entry in Country Preferences profile for the processing office.

- If more than one correspondent is found, select one randomly.

- If a country correspondent is found, the system adds it to the chain and attempts to derive an account and perform a MOP Selection.

- If not found, GPP continues to the next routing level.

2.2.3 Level 2: Sender's Currency Correspondent

- Find the currency code from the payment settlement currency.

- Look for a default correspondent entry in the Currency Preferences profile for the processing office.
  - If more than one correspondent is found, select one randomly.

- If a currency correspondent is found, GPP adds it to the chain and attempts to derive an account and perform a MOP Selection.

- If not found, set the routing level to 3 and set message status to 'Repair' (with a proper error #40141).

2.2.4 Transfer Method

The Transfer Method (P_TRANSFER_METHOD) may be set as Cover (For Direct and Cover) or Serial.

- Transfer method definition can be derived from:
  - Manual handling
  - Bank Route profile
  - Transfer Method profile
  - Override serial flag in Customer Profile

- Manual transfer method selection:

  The user can manually select the transfer method in the message page from a drop-down box with values of Cover or Serial (as a result the MU_TRANSFER_METHOD is set to F). GPP tries to send the payment through the selected transfer method. If transfer method does not concur with system constrains, then the message is routed to Repair status for manual handling with the relevant error.

- Automatic transfer method selection:

  The order of parties to be examined:

  - Field 57
  - Field 56
  - Correspondent
  - Receiver

For each party being inspected, GPP determines the transfer method as follows:

- If the inspected party cannot be identified by a BIC (e.g., option D), move to next party.

- If the inspected party is the closest party to us (equals the derived 1st in chain), then the transfer method is Serial.

- If it is not closest to us, but the next party was derived from the Bank Routing profile, and a routing method is provided in that entry of the Bank Routing profile (Transfer method radio button on Serial or Cover), then this will be the method attempted.

- If inspected party was derived from Bank Routing and a routing method is provided in that entry of the Bank Routing profile (Transfer method radio button on Serial or Cover), then this will be the method attempted.

- If the next party in the chain was not derived from the Bank Routing table (e.g., original payment arrived with SWIFT tag 56 & 57), or it was derived from the Bank Routing profile but no method was provided in that entry (Transfer method radio button on Transfer Method Profile), derive the method from the Transfer Method Profile in the following order:

  › By currency (of the payment) and country (of the party being inspected)

  › By currency only (i.e. an entry with the currency but with no country)

  › By country only (i.e. an entry with the country but with no currency)

- If the selected transfer method is Serial, the service will further check the debit customer preferences by looking at the 'Override serial payments with Direct/Cover' flag in the debit party profile:

  › If flagged, the Serial transfer method will be overridden and set to Cover.

  › If not flagged, the transfer method will remain Serial.

- Determine if a SWIFT RMA entry exists with the payment's receiver. If the receiver has no RMA entry, move to the next party (closest to creditor) and redo the transfer method logic again.

Note: Assume Bank A sends payment to Bank B, where C is Bank B's correspondent, and D is Bank A's correspondent. Assume Transfer method is set to Direct and Cover.
- Without RMA entry between A and B, the direct is sent to Bank C.
- Without RMA entry between A and C, the payment is sent to D as Serial.
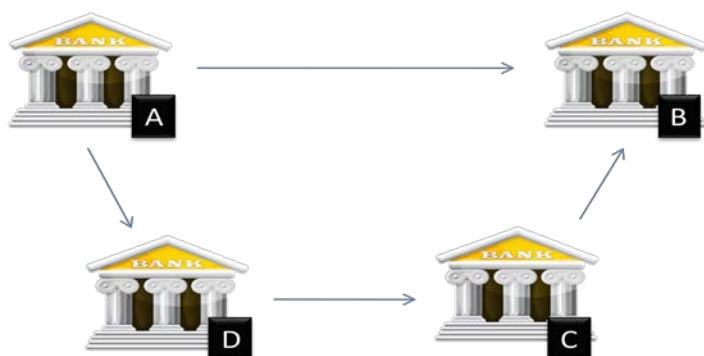
2.2.5 Payment Transformation

For transfer method: 'Cover', converts incoming MT 103 into MT 202COV.

2.2.6 Generate Direct

Perform this stage if P_TRANSFER_METHOD = 'C' or where MF_DIRECT_COVER_GENERATED <> 'G'.

1. Invoke Generate Transaction Selection rules (with RELATION_TYPE = Cover^Direct) to define the Generate Transaction profile.

2. The Generate Transaction profile defines the new message:

   a. Message type

   b. Message sub type (where applicable)

   c. Default attribute enrichment (namely 'Copy XML from') field that may be copied from XML or orig XML fields

3. Link the payments (relationship type is cover^ Direct).

   Note: Payments that are warehoused (scheduled queue) do not go through the generation and transformation. Payments that are sent out postpone the generation until after posting is completed.

4. Transaction Generation Mapping Selection system rules are assessed at the mapping out phase and include the enrichment of the outgoing payment.

2.3 Example

Assumptions: Processing office is FNDT US (FNDTUS2LXXX)

2.3.1.1 One Credit Party

Incoming payment details:

- MT 103
- From Banco Comercial Portugues (BCOMPTPLXXX)
- To credit Bank of America securities limited (BOFAGB2USBL)

Outgoing payment details:

- Enrichment of the sending agent (BCOMPTPLXXX) in debtor agent field.
- Making BOFAGB2USBL the payment receiver (assuming BOFAGB2USBL is first in chain, an RMA entry is found, and BOFAGB2USBL holds an account with FNDTUS2LXXX).
- This is a serial payment (i.e. no other alternative).

Original	Outgoing
{1:F01FNDTUS2LAXXX8571371521}{2:O1031 036090925BCOMPTPLAXXX02182191590909 251136N}{3:{108:0553763607}}{4: :20:BR_BBKwithAcct_1 :23B:CRED :32A:090504EUR1500, :33B:EUR1500, :50K:ALUMIL MONTENEGRO CIJEVNA BB 81000 PODGORICA MONTENEGRO :57A:BOFAGB2USBL :59:/55552147 Mr, Smith 21 10 Low dev st. Birmingham :70:3494 :71A:OUR -}{5:{CHK:4E875776D0B2}}	1:F01FNDTUS2LAXXX0001000001}{2:I103BOFA GB2UASBLN}{3:{108:0553763607}}{4: :20:BR_BBKwithAcct_2 :23B:CRED :32A:090504EUR1500, :33B:EUR1500, :50K:ALUMIL MONTENEGRO CIJEVNA BB 81000 PODGORICA MONTENEGRO :52A:BCOMPTPLXXX :59:/55552147 Mr, Smith 21 10 Low dev st. Birmingham :70:3494 :71A:OUR -}{5:{CHK:4E875776D0B2}}

2.3.1.2 Two Credit Parties
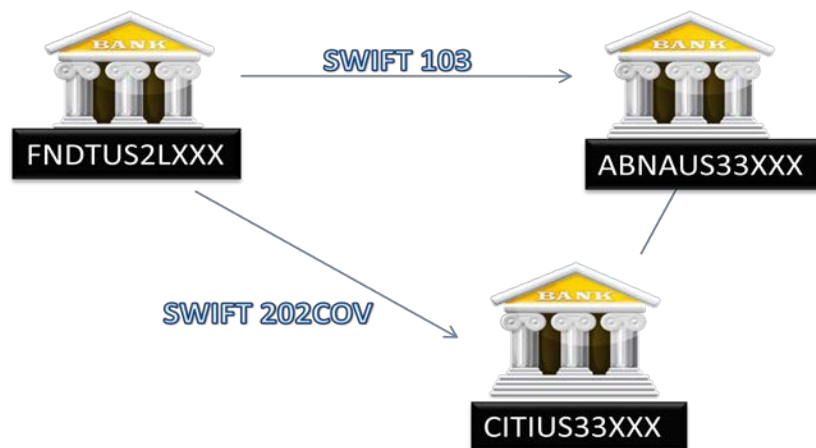
Incoming payment details:

- MT 103

- from ABEL Noser (ABENUS31XXX)

- to credit ABN AMRO BANK N.V. (ABNAUS33XXX)

- for 2,000 USD

Outgoing payment details for serial:

- Enrichment of the sending agent (ABENUS31XXX) in the debtor agent field

- Finding ABNAUS33XXX correspondent for USD as CITIBANK N.A. (CITIUS33XXX)

- First in chain and payment receiver is CITIUS33XXX (assume an RMA entry is found and an accounting relationship exists).

Outgoing payment details for direct and cover:

- Direct – same as the above

- Enrichment of the sending agent (ABENUS31XXX) in the debtor agent field

- Finding ABNAUS33XXX correspondent for USD as CITIBANK N.A. (CITIUS33XXX)

- First in chain and payment receiver is CITIUS33XXX (assume an RMA entry is found and an accounting relationship exists)

Original	Outgoing
{1:F01FNDTUS2LAXXX8571371521}{2:O10310 36090925ABENUS31AXXX0218219159090925 1136N}{3:{108:0553763607}}{4: :20:BR_Agent_S_01 :23B:CRED :32A:090504USD2000, :33B:USD2000, :50K:ALUMIL MONTENEGRO CIJEVNA BB 81000 PODGORICA MONTENEGRO :57A:ABNAUS33XXX :59:/55552147 55552147 Mr, Smith 21 10 Low dev st. London :70:3494 :71A:OUR -}{5:{CHK:4E875776D0B2}}	**SERIAL** 1:F01FNDTUS2LAXXX0001000001}{2:I103CITIUS 33AXXXN}{3:{108:0553763607}}{4: :20:BR_Agent_S_01 :23B:CRED :32A:090504USD2000, :33B:USD2000, :50K:ALUMIL MONTENEGRO CIJEVNA BB 81000 PODGORICA MONTENEGRO :52A:ABENUS31XXX :57A:ABNAUS33XXX :59:/55552147 55552147 Mr, Smith 21 10 Low dev st. London :70:3494 :71A:OUR -}{5:{CHK:4E875776D0B2}
	< **DIRECT & COVER** **Cover** **{1:F01FNDTUS2LAXXX0001000001}{2:I202CITIUS33AXXX }{3:{119:COV}}{4:** **:20:** MID of the generated direct 103 **:21:BR_Agent_C_05** **:32A:090504USD2000,** **:52A:FNDTUS2LXXX** **:58A:ABNAUS33XXX** Direct **:50K:ALUMIL MONTENEGRO** **:52A:ABENUS33XXX** **:59:/55552147 Mr, Smith** **:70:3494** **:33B:USD2000,** **-}**

2.3.1.3 Three Credit Parties
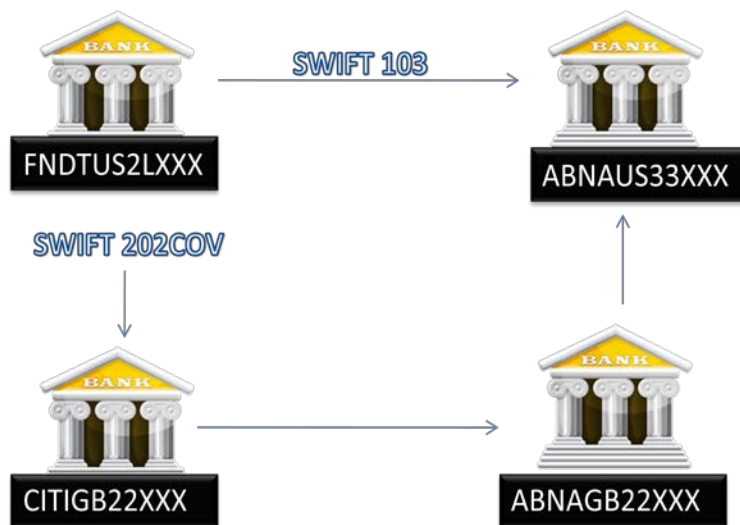
Incoming payment details:

- MT 103
- from Banque dupuy, de parseval (BDUPFR2SAXXX)
- to credit ABN AMRO Bank N.V. (ABNAUS33XXX)
- for 7,000 GBP

Outgoing payment details for serial:

- Find first in chain (ABN Amro correspondent for GBP) ABNAGB22XXX
- Cannot reach ABNAGB22XXX (MOP selection fails)
- Selecting sender correspondent CITIGB22XXX
- Sending the payment to CITIGB22XXX to credit ABNAGB22XXX to credit ABNAUS33XXX

Outgoing payment details for direct and cover:

- Direct
  - Find RMA entry with closest party to beneficiary ABNAUS33XXX (if found a direct message sent to it) with
  - Field 53 and sender's correspondent CITIGB22XXX
  - Field 54 with receiver's correspondent ABNAGB22XXX
- Cover
  - MT 202 COV
  - Receiver: our correspondent CITIGB22XXX
  - To credit receiver correspondent ABNAGB22XXX

Original	Outgoing

- {1:F01FNDTUS2LAXXX8571371521}{2:O1031 036090925BDUPFR2SAXXX021821915909092 51136N}{3:{108:0553763607}}{4:
 	
:20:BR_Agent_S_01
 	
:23B:CRED
 	
:32A:090504GBP7000,
 	
   :50K:ALUMIL MONTENEGRO
 	
CIJEVNA BB
 	
81000 PODGORICA
 	
MONTENEGRO
 	
:57A: ABNAUS33XXX
 	
:59:/ 32323232
 	
   Mr Customer 3
 	
:70:3494
 	
:71A:OUR
 	
-}{5:{CHK:4E875776D0B2}}
	Cover 1:F01FNDTUS2LAXXX0001000001}{2:I202CITIG B22AXXX }{3:{119:COV}}{4:
	
	:20:8_BR_C_08
	
	:21:8_BR_C_08
	
	:32A:090504BMD6909,09
	
	:52A:FNDTUS2LXXX
	
	:57A: ABNAGB22XXX
	
	:58A: ABNAUS33XXX
	
	Direct
	
	:33B:BMD7000,
	
	:50K:ALUMIL MONTENEGRO
	
	:52A:BDUPFR2SXXX
	
	:59:/32323232

3   Manual Handling (N/A)

4   System Configuration and Business Setup

4.1   System Parameters

Name	Description
OVER_USER_TRAN SF_METHOD	Indicates the system behavior in case it cannot follow the user preferred transfer method. If equal to Yes, then override it and continue STP processing else route the payment to Repair.

4.2   Profiles

4.2.1   Parties

Specifies the debit party preferences for payment Transfer Method

This table describes the Parties profile fields.

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. Serial payments may still be sent if the Beneficiary Band does not have SWIFT RMA keys.

4.2.2   Bank Routing

Bank Routing Profiles are also known as Standard settlement instructions (SSI). It is a directory that sets up, for each bank or FI, a list of agents that hold 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 or 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 (example: BANKGB22ABC and BANKGB22DEF) share the same configuration.

This table describes the Bank Routing profile fields.

Field Name	Description
Destination Bank	Select the destination bank party code of the first in credit chain.
Name	Displays the 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	Select the 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	Displays the Bank BIC. Populated automatically based on the Destination Bank selection.
Message Type	Select an option to associate a message type with an agent. If empty the routing is set for all message types.
Agent	Select the agent of the destination bank.
Agent Name	Displays the name of the agent. Populated automatically based on the Agent selection.
Transfer Method	Select from three options: • Serial: Default selection. Direct message/transfer funds via a third bank • Cover: Direct cover message transfer from bank to bank, with funds transfer via a third bank • Transfer method profile: Sending serial payments or direct and cover messages to chosen countries for a given currency, as specified in Transfer method profile

4.2.3 Transfer Method

The Transfer Method profile allows GPP to choose whether to send serial payments or direct and cover messages in a chosen currency, depending on the destination country. For example, USD payments sent to an account with an institution in the US must be sent serially, while USD payments sent to Japan must be sent by the direct and cover method.

This table describes the Transfer Method profile fields.

Field Name	Description
Country Code	The country code of the destination bank. At least one of the country or currency fields must be set.
Currency	The payment currency. At least one of the country or currency fields must be set.
Method	Select the transfer method: • Cover: For direct cover transfer from bank to bank, with funds transferred via a third bank • Serial: For direct message/funds transfer, via a third bank

4.2.4 Country Preferences

The Country Preferences profile contains business-related country information used by GPP to validate messages when this information is required for a MOP, or to get additional information, such as the default correspondent for the country.

This table describes the relevant field of the Country Preferences profile.

Field Name	Description
Default Correspondent BIC	The Bank's default currency correspondent for the specified currency. More than one correspondent can be defined. If so, GPP selects the correspondent randomly.

4.2.5 Currency Preferences

The Currencies Preferences profile is used to manage business-specific data relating to currencies defined in the system and used by GPP. GPP enables users to receive and transfer funds in a variety of currencies. However, all foreign currency transactions must be converted to the base currency to enable GPP to perform security checks, limits, and comparisons.

This table describes the relevant field in the Currency Preferences profile.

Field Name	Description
Default Correspondent	The Bank's default currency correspondent for the specified currency. More than one correspondent can be defined. If so, GPP selects the correspondent randomly.

4.3 Business Rules

4.3.1 Own Correspondent Bank Selection

Description: The usage of the Own Correspondent Bank Selection rule is added to allow a dynamic selection of the own bank default correspondent for a payment based on various payment attributes.

The rule is evaluated as part of the MOP Selection and Bank Routing following the beneficiary's correspondent determination.

The rule is attached to the Local Office and evaluated according to its attachment order. Once a matching rule is found, the Own Correspondent Bank (BIC), which should be configured as an action of the rule, is selected for the payment.

Rule Attachment: The Own Correspondent Bank Selection rule should be attached to Local Office.

Usage: The purpose of the new rule is to allow adding a correspondent bank after the MOP selection failed and after a Bank Routing profile was examined.

Rule Action: Parties (from the Parties profile).

4.4 System Rules

4.4.1 Payment Transformation

The selection of a system rule defines the proper enrichment for payment transformation and converts the payment from a 103 to a 202COV. If the original payment is a 202, then no conversion is required.

Transaction generation mapping selection rules

These rules allow an additional set of required manipulations. They are attached to the generate transaction profile.

4.5 Recommended Setup

4.5.1 Upload

Ensure that SSI are loaded into the Bank Routing profile.

Note: A global office level upload is recommended since the BICplusIBAN upload creates the parties profile at the global office level as well.

4.5.2 Payment Transformation

- Convert an incoming MT103 into an outgoing MT202 cover
- Condition set: Payment transformation conditions for 103 to 202COV

Field Name For Enrichment	Mapped Form	Value
Msg class	Fixed	'OSN'
Msg tp	Fixed	SWIFT_202COV
Msg stp	Fixed	COV
End to end ID	Direct (own) payment	Instr ID
Dbtr agt BIC	Direct (own) payment	Office pty BIC
Cdt MOP	Fixed	SWIFT
Cov dbtr acct ID	Direct (own) payment	Orgnl dbtr acct ID
Cov dbtr acct IBAN	Direct (own) payment	Orgnl dbtr acct IBAN
Cov Dbtr BIC	Direct (own) payment	Orgnl dbtr BIC
Cov dbtr nm	Direct (own) payment	Orgnl dbtr nm
Cov dbtr adrline	Direct (own) payment	Orgnl dbtr adrline
Cov cdtr acct ID	Direct (own) payment	Cdtr acct ID
Cov cdtr acct IBAN	Direct (own) payment	Cdtr acct IBAN
Cov Cdtr BIC	Direct (own) payment	Cdtr BIC
Cov Cdtr nm	Direct (own) payment	Cdtr nm
Cov cdtr adrline	Direct (own) payment	Orgnl cdtr adrline
Cov dbtr agt BIC	Direct (own) payment	Orgnl dbtr agt BIC, Orgnl instg agt BIC
Cov dbtr agt BIC	Direct (own) payment	Cov dbtr agt BIC, Office pty BIC
Cov Unstructured rmt info	Direct (own) payment	Unstructured rmt info

For different number of parties in credit chain, additional mapping is required.

Example: MT103 to MT202COV transformation - Creditor Agent addressable, Required manipulation for 57 addressable.

4.5.3 Generate Transaction Selection

There is one rule in this step:

- 103 generation

4.5.4 Generate New Message

1. Access the Generate Transaction profile (generate the Transaction Profile with SWIFT 103 generation).
2. Define message type and mapping rules, i.e. data manipulation type.
3. Define the method of default fields (copying from XML which is actually the 103 we had before payment transformation had occurred).

4.5.5 Main Generation Mapping Rules

4.5.5.1 Direct Message Generation

Profile Settings:

- Type: Transaction generation mapping rule
- Subtype: Cover^Direct
- Name: DIRECTGEN
- Description: Direct generation – generic

Data Manipulation Set

Field/Function	Operator	Value/Field/Function
LMF(Direct,[Pmt office])	setVal	LMF(Cover,[Pmt office])
LMF(Direct,[Department])	setVal	LMF(Cover,[Department])
LMF(Direct,[Sttlm amt])	setVal	LMF(Cover,[Sttlm amt])
LMF(Direct,[Sttlm Ccy])	setVal	LMF(Cover,[Sttlm Ccy])
LMF(Direct,[Msg class])	setVal	OPI
LMF(Direct,[Raw msg tp],0)	setVal	LMF(Cover,[Raw msg tp],0)
LMF(Direct,[Dbt pty cust tp],0)	setVal	LMF(Cover,[Dbt pty cust tp],0)
LMF(Direct,[Base amt])	setVal	LMF(Cover,[Base amt])
LMF(Direct,[Dbtr agt BIC])	setVal	NVL([Orgnl dbtr agt Bic],[Orgnl Instg agt BIC])
LMF(Direct,[Instg rmbrsmnt agt BIC])	setVal	LMF(Cover,[First In Cdt Chain BIC])
LMF(Direct,[Instr ID X])	setVal	LMF(Cover,[End To End ID])
LMF(Direct,[Cdt MOP])	setVal	SWIFT
LMF(Direct,[Instg agt BIC])	setVal	[Office Cust Swift ID]
LMF(Direct,[Instd agt BIC])	setVal	LMF(Cover,[Direct message receiver])
LMF(Cover,[Instr ID X],0)	setVal	LMF(Direct,[MID],0)
LMF(Direct,[Ttl Fee deducted from pmt amt],0)	setVal	LMF(Cover,[Ttl Fee deducted from pmt amt],0)

Copy information from the cover payment.

The following list of attributes are unique manipulations.

Field Name For Enrichment	Mapped Form	Value
Msg class	Fixed	OPI
Dbtr agt BIC	Direct (own) payment	Orgnl dbtr agt BIC, Orgnl Instg agt BIC

Field Name For Enrichment	Mapped Form	Value
Cdt MOP	Fixed	SWIFT
Instg rmbrsmnt agt BIC	Cover payment	First In Cdt Chain BIC
Instg agt BIC	Direct (own) payment	Office pty BIC
Instr ID	Direct (own) payment	MID

4.5.5.2 Transaction Generation Mapping

1. The relevant messages are generated (but not yet formatted).

2. Assessment of the Transaction Generation Mapping Selection Rules at the end of processing.

3. Data Manipulation performed for each of the rules found.

Example of Transaction Generation Mapping Profile:

- Type: Generate transaction selection

- Sub type: Cover^Direct

- Name: DIRECT

- Description: Generate Direct

Action Details:

- If there is a match then: SET

- … then: GENERATEDIRECT

Conditions Details

AND/OR	(	Field/Function	Operator	Value/Field/Function	)
		[Orgnl msg types cust pmt]	Is	TRUE	

4.5.5.2.1 Direct Generation

1. In the rule, if 'Orgnl msg types cust pmt' is true (i.e. it is a customer payment),

2. Then perform mapping: GENERATEDIRECT

   – Set in the direct message in [Instd rmbrsmnt agt BIC] the value of [Cdtr agt BIC] from the Cover message.

Profile Settings:

- Type: Generate transaction selection

- Sub type: Cover^Direct

- Name: DIRECT

- Description: Generate Direct

Action Details

- If there is a match then: SET

- … then: GENERATEDIRECT

Conditions Details

AND/OR	(	Field/Function	Operator	Value/Field/Function	)
		[Orgnl msg types cust pmt]	Is	TRUE	

4.5.5.2.2 Parties Enrichment

1. If the number of parties in the cover payment is 3 and 'Direct msg receiver indx' = 3

Profile Settings:

- Type: Transaction generation mapping selection

- Name: DIRECT3PTYCDTRAGTADDR

- Description: Generate Direct – 3 parties Creditor Agent addressable

Action Details

- If there is a match then: SET

- … then: DIRECT3PTYCDTRAGTADDR

Conditions Details

AND/OR	(	Field/Function	Operator	Value/Field/Function	)
		LMF(Cover,[Nb of crd parties])	=	3	
AND		LMF(Cover,[Direct message receiver indx])	=	3	

- – Then perform mapping: DIRECT3PTYCDTRAGTADDR
  - › In the Data Manipulation, set in the direct message in [Instd rmbrsmnt agt BIC] the value of [Cdtr agt BIC] from the Cover message.

Profile Settings:

- Type: Transaction generation mapping rule

- Subtype: Cover^Direct

- Name: DIRECT3PTYCDTRAGTADDR

- Description: Generate Direct – 3 parties Creditor Agent addressable

Data Manipulation Set

Field/Function	Operator	Value/Field/Function
LMF(Direct,[Instd rmbrsmnt agt BIC])	setVal	LMF(Cover,[Cdtr agt BIC])

2. If the number of parties in the cover payment is 4 and 'Direct msg receiver indx' = 3

Profile Settings:

- Type: Transaction generation mapping selection

- Name: DIRECT4PTYCDTRAGTADDR

- Description: Generate Direct – 4 parties Creditor Agent addressable

Action Details:

- If there is a match then: SET

- … then: DIRECT4PTYCDTRAGTADDR

Conditions Details

AND/OR	(	Field/Function	Operator	Value/Field/Function	)
		LMF(Cover,[Nb of crd parties])	=	4	
AND		LMF(Cover,[Direct message receiver indx])	=	3	

  – Then perform mapping: DIRECT4PTYCDTRAGTADDR
    › Set in the direct message in [Instd rmbrsmnt agt BIC] the value of [Intrmy agt BIC] from the Cover message.
    › Set in the direct message in [Thrd rmbrsmnt agt BIC] the value of [Cdtr agt BIC] from the Cover message.

Profile Settings:

- Type: Transaction generation mapping rule
- Subtype: Cover^Direct
- Name: DIRECT4PTYCDTRAGTADDR
- Description: Generate Direct – 4 parties Creditor Agent addressable

Data Manipulation Set

Field/Function	Operator	Value/Field/Function
LMF(Direct,[Instd rmbrsmnt agt BIC])	setVal	LMF(Cover,[Intrmy agt BIC])
LMF(Direct,[Thrd rmbrsmnt agt BIC])	setVal	LMF(Cover,[Cdtr agt BIC])

3. If the number of parties in the cover payment is 4 and 'Direct msg receiver indx' = 2

Profile Settings

- Type: Transaction generation mapping selection rules
- Name: DIRECT4PTYINTAGTADDR
- Description: Generate Direct – 4 parties Intermediary Agent addressable

Action Details

- If there is a match then: SET
- … then: DIRECT4PTYINTAGTADDR

Conditions Details

AND/OR	(	Field/Function	Operator	Value/Field/Function	)
		LMF(Cover,[Nb of crd parties])	=	4	
AND		LMF(Cover,[Direct message receiver indx])	=	2	

  – Then perform mapping: 'DIRECT4PTYINTAGTADDR'.
    › Set in the direct message in [Instd rmbrsmnt agt BIC] the value of [Cdtr agt BIC] from the Cover message.

Profile Settings

- Type: Transaction generation mapping selection rules

- Name: DIRECT3PTYINTAGTADDR

- Description: Generate Direct – 3 parties Intermediary Agent addressable

Action Details

- If there is a match then: SET

- … then: DIRECT3PTYINTAGTADDR

Conditions Details

AND/OR	(	Field/Function	Operator	Value/Field/Function	)
	(	LMF(Cover,[Nb of crd parties])	=	3	
AND		LMF(Cover,[Direct message receiver indx])	=	2	)
OR	(	LMF(Cover,[Nb of crd parties])	=	4	
AND	(	LMF(Cover,[Direct message receiver indx])	=	2	
OR		LMF(Cover,[Direct message receiver indx])	=	1	))

5 Message Data

5.1 Message Attributes

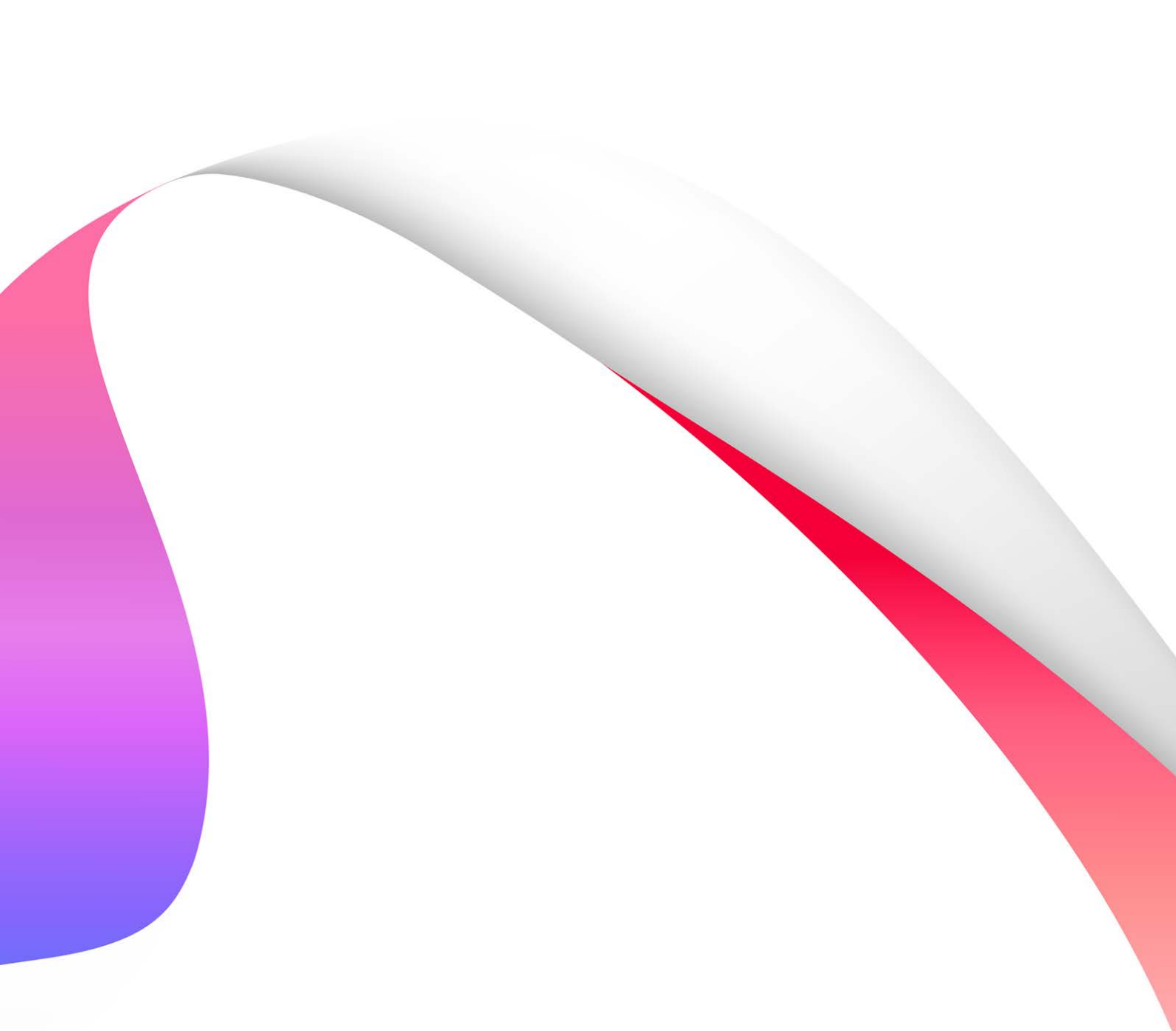| Field ID	Name	Description
P_CORRESPON DENT	Correspondent	Holds the correspondent information in case the credit chain is full and where direct and cover is required
MF_DIRECT_CO VER_GENERAT ED	Monitor flow Direct cover generated	Flow monitor: Direct and Cover message generated
X_INSTD_AGT_ BIC_2AND	Instd agt BIC	Instructed agent (SWIFT Receiver) BIC
MU_TRANSFER _METHOD	Transfer method sts	User monitor where transfer method is determined manually by the user. Where a user forces transfer method, the value is F.
P_TRANSFER_ METHOD	Transfer method	Transfer method. Either 'Cover' or 'Serial'
D_DIRECT_REC EIVER	Direct msg receiver	Derived field. Direct message receiver
D_DIRECT_REC EIVER_INDEX	Direct msg receiver indx	Monitor that holds the direct message receiver index number. If the direct receiver is also the message receiver, then this index is set to 0. If the direct receiver is populated as the correspondent, then index set to 1. If the direct receiver is set to intermediary agent then index 3 and if direct receiver is set as creditor agent then set index to 4. Monitor index is 35 (start count from 0)
D_CREDIT_PAR TIES_NM	Nb of cdt pty	Monitor. Location 34 (start count from 0). Count the number of parties in the credit chain. In the direct and cover maximum 4 parties (correspondent would be the receiver of the cover). Serial maximum number of parties: 3

5.2 Errors

Code	Description	Notes
40141	Correspondent chain build failed	
40143	Cannot send Serial method due to number of parties	Manual handling required.
40157	User had selected manually a cover method which we cannot follow since the inspected party is the closest party to us	Manual handling required.

5.3 Audit Trail (N/A)

Appendix A: Glossary

Term	Description
Direct/Cover method	Term used to describe a split in messaging where the Direct (MT103) is used to notify funds transfer to the beneficiary and the Cover (MT202/MT202COV/MT910) is the actual funds settlement.
MOP	Method of payment
MT	Message Type abbreviation
Serial method	In the Serial method, one financial institution transmits the funds transfer instructions (i.e., a SWIFT MT103 message) to the next financial institution in the overall "payment chain." Each institution in the communication chain receives the same level of detail about the transaction at each step.
SSI	Standard Settlement Instruction. See SWIFT SSI Directory for Commercial Payments.
Fi	Financial Institution

FINASTRA