Solutions

SWIFT for Corporates

Standards MT Migration Guide

MT Migration 2009

Version 1.0

This document provides guidance for the November 2009 mandatory migration from the MT 103, Customer Credit Transfer, to the MT 101, Request for Transfer, and from the MT 950, Statement Message, to the MT 940, Customer Statement Message, on SCORE (Standardised Corporate Environment).

22 January 2009

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Preface

Background

In September 2006, the Board approved “FIN message routing rules for the new corporate access model” (ER1004), which had been developed with the support of the Corporate Access Group. The guiding principle for defining the FIN matrix for the new SCORE model was to foster standardisation by

1. selecting message types (MT) suitable for corporate to financial institution usage, and
2. phasing their activation based on market demand and availability of usage guidelines.

The first release of SCORE was launched in January 2007. Given extensive usage of MT 101 and MT 103 at the time in MA-CUG between corporates and banks – both for the same purpose (i.e. credit transfer initiation), ER1004 proposed to activate both MTs in SCORE. Community feedback however indicated a preference to converge towards a single MT for credit transfer initiation, i.e. MT 101, because this standard offers more corporate specific functionalities.

In view of this, the Board approved "SCORE – Fine-tuning the FIN message routing rules” (ER1012) in December 2006, which proposed to refine the SCORE FIN matrix by removing the MT 103 and the MT 950 from SCORE, leaving the MT 101 and the MT 940 for payment instructions and account reporting in a corporate to bank environment. Restricting to the single correct message for each function will increase standardisation of both banks’ and corporates’ applications.

Purpose of this document

This document provides guidance for the November 2009 mandatory migration

1. from the MT 103, Customer Credit Transfer, to the MT 101, Request for Transfer, and
2. from the MT 950, Statement Message, to the MT 940, Customer Statement Message.

It explains the differences in functionality between both types of messages and suggests an approach on how to ease the migration.

Note Participants in the SCORE service must switch to the MT 101 and MT 940, in case that would not have been done yet. Where messages are exchanged between a corporate and a financial institution in an MA-CUG, adherence to these rules is recommended as well, but must not be assumed.

This guide is a migration guide. It is not a standards handbook, nor an implementation guide. The detailed description of the MT standards can be obtained from the SWIFT User Handbooks, Category Volumes. Additional rules and guidelines that have been agreed in the SCORE environment can be found in the “SWIFT for Corporates - MT implementation guide”.

Document structure

This guide is structured as follows:

- Section 1: differences between MT 101 and MT 103
- Section 2: specific corporate functionality in MT 101
- Section **3**: how to handle MT 103 specific information in an MT 101
- Section 4: differences between MT 940 and MT 950
- Section 5: specific corporate functionality in MT 940
- Section 6**:** how to handle MT 950 specific information in an MT 940

Wherever possible, business scenarios and examples are provided to best illustrate how the standards must be used.

1 Differences between MT 101 and MT 103

1.1 Scope and usage

The MT 101 is always sent to the institution servicing the account of the debtor of the transaction (except when used in relay). Whilst the MT 101 was originally developed to “just” forward a corporate instruction between banks, the SCORE MT implementation guidelines allow it now to be used from a corporate to its bank as well.

The MT 103 is subsequently sent by the institution servicing the account of the debtor to the next party in the chain. It is a pure inter-bank customer credit transfer message.

A further difference is the multiplicity. The MT 103 contains a single transaction, whilst the MT 101 is a multiple message, ie, can contain one or more transactions.

This difference in scope and usage is also reflected in the format and content of both messages: the MT 101 supports functionality that is typical for a payment request from an instructing party, whilst the MT 103 provides its users with functionality that is typically and only required in an interbank scenario. Chapters 2 and 5 in this guide provide more detail.

1.2 Scenarios

1.2.1 MT 101 Request for Transfer

The account servicing bank can be the receiver of the message (see direct scenario), or can be a party further in the payment chain (see relay scenario):

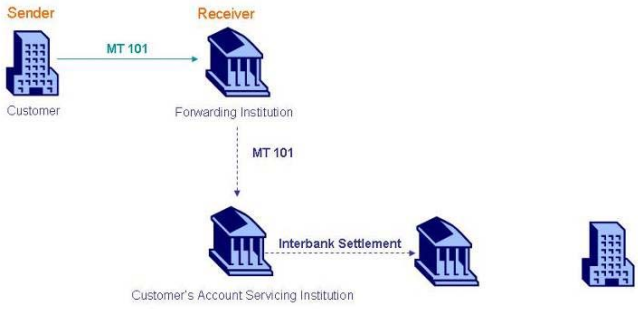
Direct scenario

A customer orders its bank to instruct a payment from its account with that bank:

The receiving bank debits the account and initiates a credit transfer (in its books or by forwarding an MT102/103 or local credit transfer message).

Relay scenario

A customer orders its bank to instruct a payment from its account with a second bank:



The receiving bank forwards the MT 101 to the account servicing institution. This institution will debit the customer’s account and initiate a credit transfer (in its books or by forwarding an MT102/103 or local credit transfer message).

1.2.2 MT 103 Single Customer Credit Transfer

Interbank settlement

The interbank settlement of a customer credit transfer is typically done with an MT 103 or a domestic equivalent message. The MT 103 supports a number of interbank settlement scenarios (nostro-account, loro-account, RTGS, netting and clearing system, cover, ...). It is not the goal of this guide to explain the details around these settlement scenarios.

1.3 Content

The below table compares the MT 101 with the MT 103. It identifies the differences and links for each individual difference to a detailed explanation.

		MT 101		MT 103		Remarks
20	Sender's Reference	16x	M	16x	M	Identical
21R	*Customer Specified Reference*	*16x*	*O*	Not present		Specific corporate functionality: see chapter 2.1
28D	*Message Index/Total*	*5n/5n*	*M*	Not present		Specific corporate functionality: see chapter 2.2
50a	*Instructing Party*	*C or L*	*O*	Not present		Specific corporate functionality: see chapter 2.3
50a	Ordering Customer			*A,* F, or *K*	M	Specific corporate functionality: see chapter 2.4 (A conditional rule mandates the ordering customer in the MT 101 in either sequence A or sequence B.)
50a	Ordering Customer	F, *G, or H*	O			
52a	*Ordering Institution*	Not present		*A or D*	O	Specific bank functionality: see chapter 3.1
52a	*Account Servicing Institution*	*A or C*	O	Not present		Specific corporate functionality: see chapter 2.5
51A	Sending Institution	[/1!a][/34x] 4!a2!a2!c[3!c]	O	[/1!a][/34x] 4!a2!a2!c[3!c]	O	Identical
30	*Requested Execution Date*	*6!n*	*M*	Not present		Specific corporate functionality: see chapter 2.6
25	*Authorisation*	*35x*	*O*	Not present		Specific corporate functionality: see chapter 2.7
-----> Mandatory Repetitive Sequence B Transaction Details for MT 101						Specific corporate functionality: see chapter 2.1
21	Transaction Reference	16x	M	Not present		Only present in the MT 101 due to the multiple character of the message. Used to identify the individual transaction in a batch.
21F	*F/X Deal Reference*	*16x*	*O*	Not present		Specific corporate functionality: see chapter 2.8

----->						
13C	*Time Indication*	Not present		*/8c/4!n1!x4!n*	*O*	Specific bank functionality: see chapter 3.2
-----|						
23B	*Bank Operation Code*	Not present		*4!c*	*M*	Specific bank functionality: see chapter 3.3
----->						
23E	Instruction Code	4!c[/30x]	O	4!c[/30x]	O	Whilst the structure and name of this field is identical in both messages, its *content and usage* differs. The specific corporate functionality is explained in chapter 2.9. The specific bank functionality is explained in chapter 3.4.
-----|						
26T	*Transaction Type Code*	Not present		*3!c*	*O*	Specific bank functionality: see chapter 3.5
32A	*Value Date/*Currency/*Interbank Settled Amount*	Not present		6!n3!a15d	M	Specific bank functionality: see chapter 3.6
32B	Currency/*Transaction Amount*	3!a15d	M	Not present		Specific corporate functionality: see chapter 2.10
50a	*Instructing Party*	*C or L*	*O*	Not present		Specific corporate functionality: see chapter 2.3
50a	Ordering Customer			*A,* F, or *K*	M	Specific corporate functionality: see chapter 2.4 (A conditional rule mandates the ordering customer in the MT 101 in either sequence A or sequence B.)
50a	Ordering Customer	F, *G, or H*	O			
52a	*Ordering Institution*	Not present		*A or D*	O	Specific bank functionality: see chapter 3.1
52a	*Account Servicing Institution*	*A or C*	O	Not present		Specific corporate functionality: see chapter 2.5
53a	*Sender's Correspondent*	Not present		*A, B, or D*	*O*	Specific bank functionality: see chapter 3.7
54a	*Receiver's Correspondent*	Not present		*A, B, or D*	*O*	
55a	*Third Reimbursement Institution*	Not present		*A, B, or D*	*O*	
56a	Intermediary	A, C, or D	O	A, C, or D	O	This field is identical in both messages, except for the code *//RT*: see chapter 3.8.

57a	Account With Institution			A, *B,* C, or D	O	Although the MT 103 has an additional format option for this field, its usage is identical in both messages, except for the code *//RT*: see chapter 3.8.
57a	Account With Institution	A, C, or D	O			
59a	Beneficiary	No letter option or A	M	No letter option or A	M	Identical
70	Remittance Information	4*35x	O	4*35x	O	Identical
77B	Regulatory Reporting	3*35x	O	3*35x	O	Identical
33B	Currency/*Instructed* Amount			3!a15d	O	Specific bank functionality: see chapter 3.9
33B	Currency/*Original Ordered* Amount	3!a15d	O			Specific corporate functionality: see chapter 2.10
71A	Details of Charges	3!a	M	3!a	M	Identical
25A	*Charges Account*	*/34x*	*O*	Not present		Specific corporate functionality: see chapter 2.11
36	Exchange Rate	12d	O	12d	O	Although format and name of the field are identical, the *interpretation* in a corporate or interbank space is slightly different. For the specific corporate functionality: see chapter 2.8. The bank functionality is explained in chapter 3.10.
----->						
71F	*Sender's Charges*	Not present		*3!a15d*	*O*	Specific bank functionality: see chapter 3.11
-----|						
71G	*Receiver's Charges*	Not present		*3!a15d*	*O*	Specific bank functionality: see chapter 3.11
72	*Sender to Receiver Information*	Not present		*6*35x*	*O*	Specific bank functionality: see chapter 3.12
77T	*Envelope Contents*	Not present		*9000z*	*O*	Specific bank functionality: see chapter 3.13
-----| End of Sequence B Transaction Details for MT 101						

2 Specific corporate functionality in MT 101

This chapter explains item per item the specific corporate functionality in the MT 101, Request for Transfer message. None of this functionality is available in the MT 103, Single Customer Credit Transfer.

Each of the features is clarified with a real MT 101 business example. Except for chapters 2.3 and 2.5, the scenario for which this example is given is always the same. It is a 'direct scenario' where the head office is the account owner and sends the MT 101 message on its own behalf, as illustrated below:

2.1 Possibility to combine multiple transactions in a single message, potentially resulting into a single debit (field 21R)

Compared to the MT103, the MT 101 is a multiple message. It allows for requesting multiple credit transfers. When multiple transactions are batched into a single MT 101 message, it is possible to request a single debit entry on the account. Furthermore, when the size limitation to 10K of the SWIFTNet FIN messaging service is too limiting, it is possible to chain MT 101 messages together (see chapter 2.2).

Batching multiple transactions together is only possible when all transactions are in the same currency and need to be executed on the same date.

When the Instructing Party (see chapter 2.3), the Ordering Customer (and his account – see chapter 2.4) and/or the Account Servicing Institution (see chapter 2.5) are identical for all individual transactions in the batch, they only have to be mentioned once in the generic sequence A of the MT 101. If one of these parties differs in one or more of the transactions, the party has to be identified in each single transaction in the repetitive sequence B of the MT 101.

When a field 21R, Customer Specified Reference, is present, the ordering customer requests a single debit entry for the sum of the amounts of all transactions, even if these transactions are chained in several messages. If the field is not used, all debit items are posted individually, ie, one debit entry per transaction.

Example single payment

Narrative

PlantOil has concentrated its treasury cash management functions in its head office, PlantOil Company (PLATUS33) in Los Angeles, California. Plantoil Company wants 118,982.05 USD to be paid to Wung Lu Manufacturing at BBBBCNBJ (account number 60648929889) in Beijing, China. As the transaction is in USD, PlantOil sends the MT 101 to its USD bank, AAAAUS33. Its account to be debited with AAAAUS33 is 1234567891.

The resulting SWIFT message is:

Explanation	Format
Header	
Sender	PLATUS33
Message Type	101
Receiver	AAAAUS33

Message text	
Sequence A General Information	
Sender's Reference	:20:PLANT-12345
Message Index/Total	:28D:1/1
Ordering Customer	:50G:/1234567891 PLATUS33
Requested Execution Date	:30:090929
Repetitive Sequence B - Transaction Details	
Transaction Reference	:21:TR1-PL
Currency/Transaction amount	:32B:USD118982,05
Account With Institution	:57A:BBBBCNBJ
Beneficiary	:59:/60648929889 WUNG LU MANUFACTURING 23 XIAN MEN WAI AVE BEIJING
Details of charges	:71A:SHA

Example multiple payment

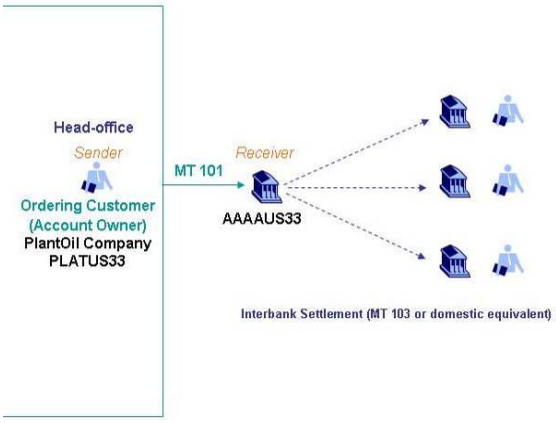
Narrative

PlantOil has concentrated its treasury cash management functions in its head office, PlantOil Company (PLATUS33) in Los Angeles, California. As the transactions are in USD, PlantOil sends the MT 101 to its USD bank, AAAAUS33. Its account to be debited with AAAAUS33 is 1234567891

Payment details

- 1st transaction for 118,982.05 USD to Wung Lu Manufacturing at BBBBCNBJ (account number 60648929889) in Beijing, China.
- 2nd transaction for 50,000 USD, to Tristan Recording Studios at CCCCGB2L (account 0010499) in London, GB.
- 3rd transaction for 377,250 USD, to River Paper Company at DDDDUS33 (account number 26351-38947) in San Francisco, CA, US.

Information flow



Scenario 1, resulting in a single debit entry

PlantOil would like to see 1 batched entry on its account for the different transactions.

The resulting SWIFT message is:

Explanation	Format
Header	
Sender	PLATUS33
Message Type	101
Receiver	AAAAUS33
Message text	
Sequence A General Information	
Sender's Reference	:20:PLANT-12345
Customer Specified Reference*	***:21R:PLTOL101-56***
Message Index/Total	:28D:1/1
Ordering Customer	:50G:/1234567891 PLATUS33
Requested Execution Date	:30:090929
Repetitive Sequence B - Transaction Details 1	
Transaction Reference	:21:TR1-PL
Currency/Transaction amount	:32B:USD118982,05
Account With Institution	:57A:BBBBCNBJ
Beneficiary	:59:/60648929889 WUNG LU MANUFACTURING 23 XIAN MEN WAI AVE BEIJING
Details of charges	:71A:SHA
Repetitive Sequence B - Transaction Details 2	
Transaction Reference	:21:TR2-PL
Currency/Transaction amount	:32B:USD50000,
Account With Institution	:57A:CCCCGB2L
Beneficiary	:59:/0010499 TRISTAN RECORDING STUDIOS 35 SURREY ROAD GB-BROMLEY, KENT
Details of charges	:71A:SHA
Repetitive Sequence B - Transaction Details 3	
Transaction Reference	:21:TR3-PL
Currency/Transaction amount	:32B:USD377250,
Account With Institution	:57A:DDDDUS33
Beneficiary	:59:/26351-38947 RIVER PAPER COMPANY 37498 STONE ROAD US - SAN RAMON, CA
Details of charges	:71A:SHA

Note * = field 21R, Customer Specified Reference, is used to indicate that the customer requests a single debit entry (batch booking) for all the transactions contained in the MT 101.

Scenario 2, resulting in individual debit entries for each transaction

PlantOil would like to see separate entries on its account for the different transactions.

The resulting SWIFT message is:

Explanation	Format
Header	
Sender	PLATUS33
Message Type	101
Receiver	AAAAUS33
Message text	
Sequence A General Information	
Sender's Reference	:20:PLANT-12345
Message Index/Total	:28D:1/1
Ordering Customer	:50G:/1234567891 PLATUS33
Requested Execution Date	:30:090929
Repetitive Sequence B - Transaction Details 1	
Transaction Reference	:21:TR1-PL
Currency/Transaction amount	:32B:USD118982,05
Account With Institution	:57A:BBBBCNBJ
Beneficiary	:59:/60648929889 WUNG LU MANUFACTURING 23 XIAN MEN WAI AVE BEIJING
Details of charges	:71A:SHA
Repetitive Sequence B - Transaction Details 2	
Transaction Reference	:21:TR2-PL
Currency/Transaction amount	:32B:USD50000,
Account With Institution	:57A:CCCCGB2L
Beneficiary	:59:/0010499 TRISTAN RECORDING STUDIOS 35 SURREY ROAD GB-BROMLEY, KENT
Details of charges	:71A:SHA
Repetitive Sequence B - Transaction Details 3	
Transaction Reference	:21:TR3-PL
Currency/Transaction amount	:32B:USD377250,
Account With Institution	:57A:DDDDUS33
Beneficiary	:59:/26351-38947 RIVER PAPER COMPANY 37498 STONE ROAD US - SAN RAMON, CA
Details of charges	:71A:SHA

Note	The absence of field 21R, Customer Specified Reference, indicates that the customer requests separate debit entries (individual bookings) for all the transactions contained in the MT 101.

2.2 Possibility to chain multiple messages (field 28D)

The MT 101 allows to chain several messages together in order to work around the SWIFTNet FIN message size limitation of 10K. By using field 28D, Message Index/Total, the sender can indicate that a message is part of a chain and should be processed as such. The Message Index and the Total allow the receiver to control the presence and the sequence of each single transaction in the series of chained messages.

If several messages are chained together, all information in the generic sequence A must be repeated and be identical for all messages of the chain (even the Sender's Reference!)

If several messages are chained, and a Customer Specified Reference is present to request a single debit entry (see chapter 2.1), all transactions of all chained messages must be in the same currency.

For a single message, which is not part of a chain, field 28D, Message Index/Total, equals "1/1".

Example

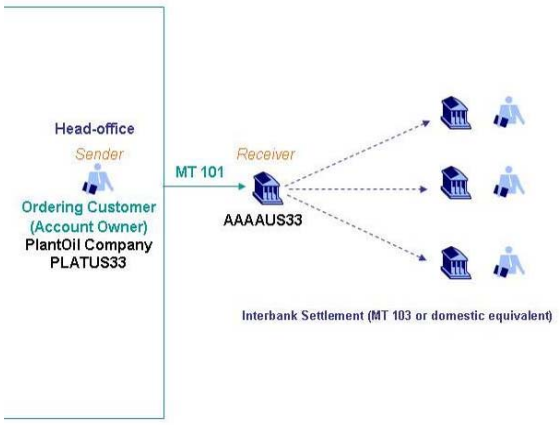
Narrative

PlantOil has concentrated its treasury cash management functions in its head office, PlantOil Company (PLATUS33) in Los Angeles, California. As the transactions are in USD, PlantOil sends (the) MT 101(s) to its USD bank, AAAAUS33. Its account to be debited with AAAAUS33 is 1234567891.

Payment details

- 1st transaction for 1,000 USD to Wung Lu Manufacturing at BBBBCNBJ (account number 60648929889) in Beijing, China.
- 2nd transaction for 2,000 USD, to Tristan Recording Studios at CCCCGB2L (account 0010499) in London, GB.
- ....
- nth transaction for 34,000 USD, to River Paper Company at DDDDUS33 (account number 26351-38947) in San Francisco, CA, US.

Information flow



Scenario 1, where all n transactions fit into one single MT 101

The resulting SWIFT message is:

Explanation	Format
Header	
Sender	PLATUS33
Message Type	101
Receiver	AAAAUS33
Message text	
Sequence A General Information	
Sender's Reference	:20:PLANT-12345
Message Index/Total*	***:28D:1/1***
Ordering Customer**	:50G:/1234567891 PLATUS33
Requested Execution Date	:30:090929
Repetitive Sequence B - Transaction Details 1	
Transaction Reference	:21:TR1-PL
Currency/Transaction amount	:32B:USD1000,
Account With Institution	:57A:BBBBCNBJ
Beneficiary	:59:/60648929889 WUNG LU MANUFACTURING 23 XIAN MEN WAI AVE BEIJING
Details of charges	:71A:SHA
Repetitive Sequence B - Transaction Details 2	
Transaction Reference	:21:TR2-PL
Currency/Transaction amount	:32B:USD2000,
Account With Institution	:57A:CCCCGB2L
Beneficiary	:59:/0010499 TRISTAN RECORDING STUDIOS 35 SURREY ROAD GB-BROMLEY, KENT
Details of charges	:71A:SHA
...	
Repetitive Sequence B - Transaction Details ***n***	
Transaction Reference	:21:TR***n***-PL
Currency/Transaction amount	:32B:USD34000,
Account With Institution	:57A:DDDDUS33
Beneficiary	:59:/26351-38947 RIVER PAPER COMPANY 37498 STONE ROAD US - SAN RAMON, CA
Details of charges	:71A:SHA

Note * = field 28D, Message Index/Total, indicates that the MT 101 is not part of a chain of messages.

Scenario 2, where all n transactions do not fit into one single MT 101

The number of transactions (n) is too large to fit into one single MT 101 and requires x messages.

The resulting SWIFT message **1** is:

Explanation	Format
Header	
Sender	PLATUS33
Message Type	101
Receiver	AAAAUS33
Message text	
Sequence A General Information	
Sender's Reference **	***:20:PLANT-12345***
Message Index/Total *	***:28D:1/x***
Ordering Customer	:50G:/1234567891 PLATUS33
Requested Execution Date	:30:090929
Repetitive Sequence B - Transaction Details 1	
Transaction Reference	:21:TR1-PL
Currency/Transaction amount	:32B:USD1000,
Account With Institution	:57A:BBBBCNBJ
Beneficiary	:59:/60648929889 WUNG LU MANUFACTURING 23 XIAN MEN WAI AVE BEIJING
Details of charges	:71A:SHA
Repetitive Sequence B - Transaction Details 2	
Transaction Reference	:21:TR2-PL
Currency/Transaction amount	:32B:USD2000,
Account With Institution	:57A:CCCCGB2L
Beneficiary	:59:/0010499 TRISTAN RECORDING STUDIOS 35 SURREY ROAD GB-BROMLEY, KENT
Details of charges	:71A:SHA
....	

...

The resulting SWIFT message **x** is:

Explanation	Format
Header	
Sender	PLATUS33
Message Type	101
Receiver	AAAAUS33

Message text	
Sequence A General Information	
Sender's Reference **	***:20:PLANT-12345***
Message Index/Total *	***:28D:x/x***
Ordering Customer **	:50G:/1234567891 PLATUS33
Requested Execution Date **	:30:090929
...	
Repetitive Sequence B - Transaction Details ***n***	
Transaction Reference	:21:TR***n***-PL
Currency/Transaction amount	:32B:USD34000,
Account With Institution	:57A:DDDDUS33
Beneficiary	:59:/26351-38947 RIVER PAPER COMPANY 37498 STONE ROAD US - SAN RAMON, CA
Details of charges	:71A:SHA

Note * = field 28D, Message Index/Total, indicates the position of the MT 101 in the chain of x MT 101 messages.

Note ** = field 20, Sender's Reference, as well as any other field in sequence A, must be the same for all messages that are part of the chain.

2.3 Possibility to identify an instructing party (field 50a, Instructing Party)

Besides the Ordering Customer, who is always the owner of the account to be debited, the MT 101 allows to identify an additional party that instructs the payment. Identification of this additional party may be important for the beneficiary customer of the transaction, in order to identify the commercial counterparty it has been dealing with.

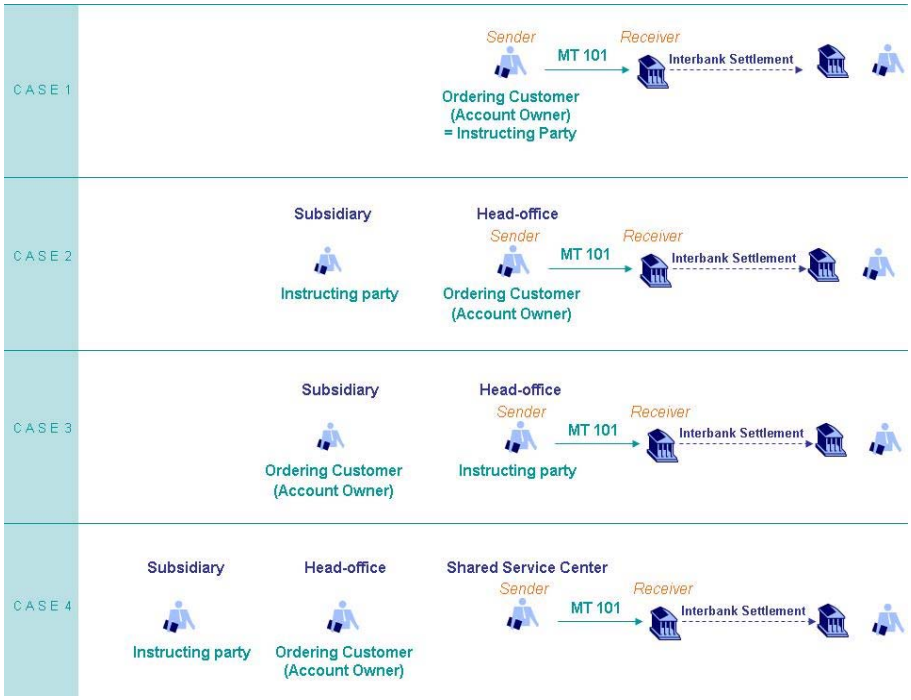
Typically, the instructing party is used to identify a subsidiary on whose behalf the account owning head-office is requesting the payment. Or vice versa, the instructing party identifies the head-office, who requests the payment on behalf of the account owning subsidiary. The actual sender of the MT 101 might still be another entity.

Whether the MT 101 is sent by the account owner (Ordering Customer) or by another party authorised to order the debit of the ordering customer's account (Instructing Party), agreements between the customer parties and the receiving bank must be in place.

If in a corporate to bank environment, the instructing party is the sender of the message, it is preferably identified with its BEI in field 50C, Instructing Party.

If the ordering customer is also the instructing party, it must not be repeated in this field.

The following diagram shows which customer parties can be identified:



Note	In case 2 and 3, the actor 'head-office' can be one and the same as 'payments factory' or 'shared service centre'. The roles illustrated in the diagram also apply to the relay scenario (see chapter 2.1). The different scenarios are illustrated in the Business Examples section of the "SWIFT for Corporates – Standards MT Message Implementation Guide".

Example 1, Head office paying from own account on behalf of its subsidiary

Narrative

PlantOil has concentrated its treasury cash management functions in its head office, PlantOil Company (PLATUS33) in Los Angeles, California. All wire transfer transactions ordered by PlantOil's subsidiaries – such as PlantOilAxim, PlantOilProductions – are sent by PlantOil Company to its various banks, where PlantOil Company owns master concentration accounts.

On behalf of PlantOilAxim, Plantoil Company wants 118,982.05 USD to be paid to Wung Lu Manufacturing at BBBBCNBJ (account number 60648929889) in Beijing, China. As the transaction is in USD, PlantOil sends the MT 101 to its USD bank, AAAAUS33. Its account to be debited with AAAAUS33 is 1234567891.

The resulting SWIFT message is:

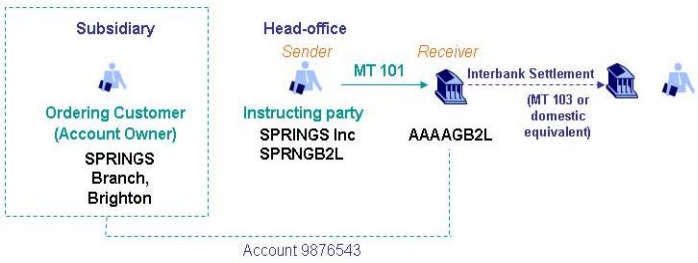
Explanation	**Format**
Header	
Sender*	***PLATUS33***

Message Type	101
Receiver	AAAAUS33
Message text	
Sequence A General Information	
Sender's Reference	:20:PLANT-12345
Message Index/Total	:28D:1/1
Instructing Party	***:50L: PLANTOIL AXIM***
Ordering Customer*	:50G:/1234567891 ***PLATUS33***
Requested Execution Date	:30:090929
Repetitive Sequence B - Transaction Details 1	
Transaction Reference	:21:TR1-PL
Currency/Transaction amount	:32B:USD118982,05
Account With Institution	:57A:BBBBCNBJ
Beneficiary	:59:/60648929889 WUNG LU MANUFACTURING 23 XIAN MEN WAI AVE BEIJING
Remittance Information	:70:/INST/PLANTOIL AXIM
Details of charges	:71A:SHA

Note * The head office sends the message and is also the account owner (Ordering Customer)

Note ** PLATUS33 can also repeat the instructing party, PlantOil Axim, preceded by code /INST/ in field 70 - as it is not possible to transport the dedicated Instructing Party field in the interbank clearing and settlement part of the chain. As PlantOil Axim is the original receiver of the invoice, this information may be useful to allow reconciliation by the beneficiary customer.

Example 2, Head office paying from a subsidiary account



Narrative

Springs Inc head office (SPRNGB2L) wants to pay an invoice in GBP from its subsidiary's account. Both Springs Inc head office and Springs branch have accounts at the same bank (AAAAGB2L). Springs Inc head office is authorised to make payments from the accounts of its subsidiaries.

Springs Inc head office sends the MT 101 to AAAAGB2L, asking it to debit the account of Springs Brighton branch (9876543).

The resulting SWIFT message is:

Explanation	**Format**

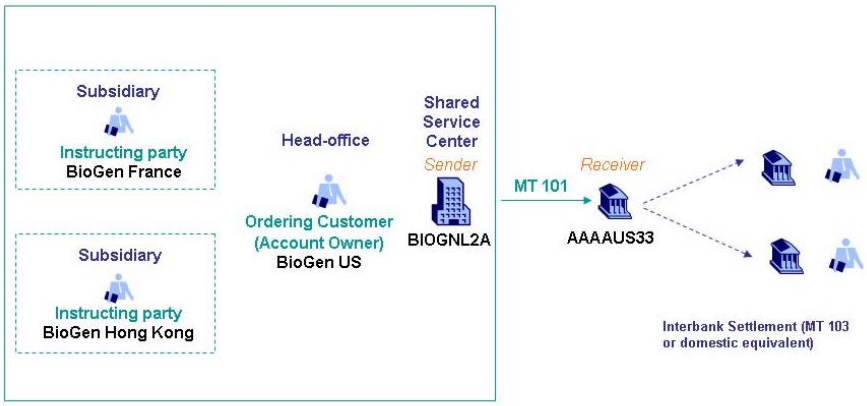
Header	
Sender*	***SPRNGB2L***
Message Type	101
Receiver	AAAAGB2L
Message text	
Sequence A General Information	
Sender's Reference	:20:SPRING-01
Message Index/Total	:28D:1/1
Instructing party*	***:50C:SPRNGB2L***
Ordering Customer	:50H:/9876543 ***SPRINGS BRANCH*** ***LEICESTER AVENUE*** ***GB-BRIGHTON***
Requested Execution Date	:30:090929
Repetitive Sequence B - Transaction Details 1	
Transaction Reference	:21:SPRING-01
Currency/Transaction amount	:32B:GBP1000,
Account With Institution	:57A:CCCCGB2L
Beneficiary	:59:/GB1111111 THOMPSON FACTORY GB-LIVERPOOL
Remittance Information	:70:/INST/SPRNGB2L
Details of charges	:71A:SHA

Note * The head office sends the message and is also the instructing party.

Note ** Springs Inc can also repeat itself, the instructing party, preceded by code /INST/ in this field - as it is not always possible to transport the dedicated Instructing Party field in the interbank clearing and settlement part of the chain. As Springs Inc was the receiver of the original invoice, this information may be useful to allow reconciliation by the beneficiary customer.

Example 3, Shared service centre sending the payment instruction

A shared service centre or payments factory sends the MT 101 message; it is not the account owner, nor the instructing party of the payment transactions as illustrated in the following diagram:



Narrative

BioGen head office has concentrated its treasury cash management functions. It concentrates all payments from its branches, BioGen France and BioGen Hong Kong, and owns master concentration accounts at various banks across the world. In order to send its payment instructions, it uses its shared service centre, BIOGNL2A. Appropriate agreements have been put in place between BioGen head office, BIOGNL2A and the banks servicing the accounts for BioGen.

As the transactions are in USD, BIOGNL2A will send the MT 101 to BioGen head office's USD bank, AAAAUS33, using BioGen account: 12345.

Payment details:

- On behalf of BioGen France, for 30,000 USD to El Puerto Productions, Mexico, that has account 11111 at BBBBMXMM.
- On behalf of BioGen Hong Kong, for 20,000 USD, to BioWorld, New Jersey, US, that has account 22222 at CCCCUS33.

The resulting SWIFT message is:

Explanation	Format
Header	
Sender*	***BIOGNL2A***
Message Type	101
Receiver	AAAAUS33
Message text	
Sequence A General Information	
Sender's Reference	:20:BIO-123
Message Index/Total	:28D:1/1
Ordering Customer*	:50H:/12345 ***BIOGEN US*** ***CA-SAN FRANCISCO***
Requested Execution Date	:30:090929
Repetitive Sequence B - Transaction Details 1	
Transaction Reference	:21:TR1-BIOG
Currency/Transaction amount	:32B:USD30000,
Instructing Party*	***:50L:BIOGEN FRANCE***

Account With Institution	:57A:BBBBMXMM
Beneficiary	:59:/11111 EL PUERTO PRODUCTIONS AVENIDA CORAL MEXICO
Details of charges	:71A:SHA
Repetitive Sequence B - Transaction Details 2	
Transaction Reference	:21:TR2-BIOG
Currency/Transaction amount	:32B:USD20000,
Instructing Party *	***:50L: BIOGEN HONG KONG***
Account With Institution	:57A:CCCCUS33
Beneficiary	:59:/22222 BIOWORLD US-NEW JERSEY,NJ
Details of charges	:71A:SHA

Note * The payments factory BIOGNL2A instructs payments from the account of the head office BIOGEN US (Ordering Customer) on behalf of both subsidiaries.

2.4 Identification of the ordering customer's account (field 50a, Ordering Customer)

For the ordering customer's account, there are two corporate specific functionalities in the MT 101, which the MT 103 does not cater for:

1. The identification of the ordering customer's account is mandatory in the MT 101. When requested to make a credit transfer, it is key for the servicing institution to be instructed which account needs to be debited. When an inter-bank MT 103 payment instruction is sent to the next party in the transaction chain, the ordering customer has not necessarily been using an account. The transfer might have been initiated by a cash deposit at the counter. In those cases, there is no account number to identify the customer.
2. Because the MT 101 is a multiple message, it is possible to identify different accounts from which these transactions are to be debited. If that is the case, the field 50a, Ordering Customer, has to be repeated in each sequence B, with the relevant account number for each of the transactions. The field 50a, Ordering Customer in the generic sequence A is not to be used in this scenario.

If in a corporate to bank environment, the ordering customer is also the sender of the message, it is preferably identified with its BEI in field 50G, Ordering Customer.

Example

Narrative

PlantOil Company (PLATUS33) in Los Angeles, California sends two USD transactions in an MT 101 to its USD bank, AAAAUS33. Both transactions are to be debited from different accounts with AAAAUS33.

Payment details

- 1st transaction for 118,982.05 USD to Wung Lu Manufacturing at BBBBCNBJ (account number 60648929889) in Beijing, China is to be debited from account 12345.
- 2nd transaction for 50,000 USD, to Tristan Recording Studios at CCCCGB2L (account 0010499) in London, GB is to be debited from account 67890.

The resulting SWIFT message is:

Explanation	Format
Header	
Sender	PLATUS33
Message Type	101
Receiver	AAAAUS33
Message text	
Sequence A General Information	
Sender's Reference	:20:PLANT-12345
Message Index/Total	:28D:1/1
Requested Execution Date	:30:090929
Repetitive Sequence B - Transaction Details 1	
Transaction Reference	:21:TR1-PL
Currency/Transaction amount	:32B:USD118982,05
Ordering Customer*	:50G:/***12345*** PLATUS33
Account With Institution	:57A:BBBBCNBJ
Beneficiary	:59:/60648929889 WUNG LU MANUFACTURING 23 XIAN MEN WAI AVE BEIJING
Details of charges	:71A:SHA
Repetitive Sequence B - Transaction Details 2	
Transaction Reference	:21:TR2-PL
Currency/Transaction amount	:32B:USD50000,
Ordering Customer*	:50G:/***67890*** PLATUS33
Account With Institution	:57A:CCCCGB2L
Beneficiary	:59:/0010499 TRISTAN RECORDING STUDIOS 35 SURREY ROAD GB-BROMLEY, KENT
Details of charges	:71A:SHA

Note *.As 2 different account numbers belonging to PlantOil Company have to be used, the ordering customer is identified in each of the transaction details sequences with the relevant account number to be debited.

2.5 Possibility to identify an institution, servicing the ordering customer's account, other than the receiver (field 52a)

The sender of the MT 101 is never the account servicing institution, whether the message is used in corporate to bank (direct or relay) scenario or in an inter-bank (relay) scenario. The institution servicing the account of the ordering customer is by default the receiver of the MT 101. If this is not the case though (eg, the first MT 101 message in a relay scenario), the MT 101 offers the possibility to identify in field 52a, Account Servicing Institution, another institution where the account is serviced.

In the majority of cases, in the corporate to bank environment, the receiver of the MT 101 is also the institution servicing the account for the sending/ordering parties of the MT 101. In this case, field 52a is not needed. If however, in a 'relay' scenario (see chapter 2.1), the corporate is sending the MT 101 to its concentrating bank, which offers a multi-bank service and will forward the MT 101 to the account servicing bank of the corporate, then this institution needs to be identified in field 52a. This account servicing Institution may be a branch or the head-office of the receiver, but in a relay scenario, it is often a complete different institution. The necessary agreements always have to be in place between ordering customer, account servicing institution and receiving institution to debit the account. The identification should in any case be meaningful to the receiver, hence the limited number of format possibilities for this field.

The field 52a, Ordering Institution, in the MT 103 has a complete different meaning. The field 52a in the MT 103 identifies the account servicing institution of the ordering customer through which the credit transfer has originally been instructed. It is the first financial institution in the credit transfer chain and is identified in the transaction in case a payment has to be returned.

Example

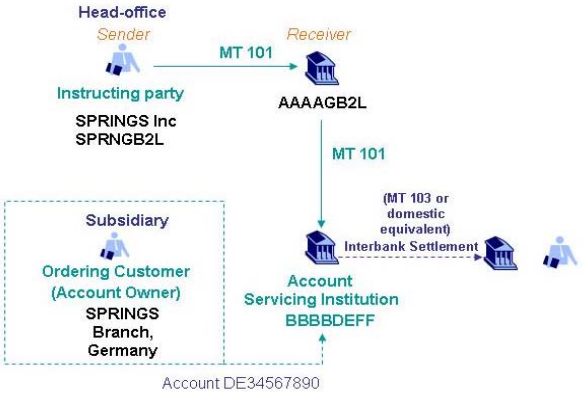
Narrative

Springs Inc head office (SPRNGB2L) is centralising all payments, and is authorised to use the accounts of its branches. All instructions are given to Springs Inc's main banker AAAAGB2L, who takes care of forwarding the instructions to the different account servicing institutions.

A payment in euros is to be made. Springs Inc's branch in Germany owns a EUR account (DE34567890) with BBBBDEFF.

In this case, Springs Inc would send an MT 101 to AAAAGB2L and **request** AAAAGB2L to **forward** the MT 101 to the German bank (BBBBDEFF).

Information flow



The resulting SWIFT message is:

Explanation	Format
Header	
Sender	SPRNGB2L
Message Type	101
Receiver	AAAAGB2L
Message text	
Sequence A General Information	
Sender's Reference	:20:SPRING-01
Message Index/Total	:28D:1/1
Instructing party*	:50C:SPRNGB2L

Ordering Customer*	:50H:/DE34567890 SPRINGS BRANCH ZEIL 5 DE-FRANKFURT
Account Servicing Institution*	***:52A:BBBBDEFF***
Requested Execution Date	:30:090929
Repetitive Sequence B - Transaction Details 1	
Transaction Reference	:21:SPRING-01
Currency/Transaction amount	:32B:EUR1000,
Account With Institution	:57A:DDDDDEFF
Beneficiary	:59:/DE12345678912345678912 MULLER DE-FRANKFURT
Details of charges	:71A:SHA

Note *. Upon receipt of this MT 101, AAAAGB2L will forward the same MT 101 to BBBBDEFF. Upon receipt of the second MT 101, BBBBDEFF will debit the account of Springs Branch, Frankfurt, and execute the payment.

2.6 Identification of the requested execution date (field 30)

Field 30 of the MT 101, Request for Transfer, contains the date that the ordering customer (or the instructing party) is requesting the payment to be executed, ie, debited from ordering customer's account. Any other date (value date, beneficiary's credit date, etc...) is subject to customer to bank agreements and service levels.

In case the MT 101 is batching multiple instructions together, the same requested execution date applies to all instructions. A different execution date requires a new MT 101 message.

The similar date in the MT 103 (in field 32A) specifies the inter-bank value date, which is always defined between a sending institution and the next party in the transaction chain, be it a correspondent bank or a clearing system.

2.7 Possibility to provide an electronic signature (field 25)

Account servicing institutions often require ordering customers to provide additional security features on their payment instructions. The field 25, Authorisation, in the MT 101 allows for providing for instance an electronic signature.

2.8 Identification of an exchange rate and an F/X deal (field 21F)

Only when the Transaction Amount (field 32B) and the Instructed Amount (field 33B) are both present and different from 0, the Ordering Customer/Instructing Party is allowed, even obliged, to provide the Exchange Rate (field 36) and the F/X Deal Reference (field 21F).

In all other situations, it is forbidden to provide an Exchange Rate (field 36).

An F/X Deal (field 21F), without the Exchange Rate, may further be mentioned if:

1. the customer instructs the payment of an equivalent amount by means of the code EQUI in field 23E (see chapter 2.10), or
2. a Transaction Amount (field 32B) is given without Instructed Amount (field 33B) or Exchange Rate (field 36).

Compared to the MT103, where no F/X deal can be identified, the exchange rate in an MT 101 is still to be applied by the bank. An exchange rate in an MT 103 has been applied to the transaction already and is provided for information and transparency purposes only.

Example of a transaction with an instructed amount

Narrative

OneCapital has to pay an invoice of 10,000,000 JPY to the account of Harizumo Manufacturing at BBBBJPJT (account number 60648929889) in Tokyo, Japan. They pay from their USD account 1234567891 with CHASUS33. They agree with their account servicing institution, CHASUS33, on an exchange rate of 107.833, resulting in an amount of 92,735.99 USD that will be debited from their USD account (not taking into account possible charges) and reflected in the statement sent to them. This amount is therefore included as original ordered amount. The amount and currency to be paid is quoted in transaction amount in the MT 101. The reference for this F/X Deal is 2736ONCE44.

The resulting SWIFT message is:

Explanation	Format
Header	
Sender	ONECUS44
Message Type	101
Receiver	CHASUS33
Message text	
Sequence A General Information	
Sender's Reference	:20:AA87999BM
Message Index/Total	:28D:1/1
Ordering Customer	:50G:/1234567891 ONECUS44
Requested Execution Date	:30:090123
Repetitive Sequence B - Transaction Details 1	
Transaction Reference	:21:TR1-ONECAP/4475
F/X Deal Reference	***:21F: 2736ONEC44***
Currency/Transaction amount	:32B:JPY10000000,
Account With Institution	:57A:BBBBJPJT
Beneficiary	:59:/60648929889 Harizumo Manufacturing
Currency/Original Ordered Amount	***:33B: USD92735,99***
Details of charges	:71A:SHA
Exchange Rate	***:36:107,833***

2.9 Possibility to provide corporate-specific instructions (codes in field 23E)

The field 23E, Instruction Code, allows customers to provide in a structured and STP-able manner the most common instructions to the receiver of the MT 101, Request for Transfer. Although the field 23E is also present in the inter-bank MT 103, the available instruction codes are often different in both messages. The following codes are only present in the MT 101:

Instruction Code	MT 101	MT 103	Remarks
CMSW	X		Cash Management instruction on the ordering customer's account. When these codes are used, cash management agreements between corporate and bank apply, which may justify a zero transaction amount in field 32B.
CMTO	X		
CMZB	X		
EQUI	X		This code request for the transfer of an amount, equivalent to the value specified in field 33B, Original Ordered Amount. It mandates the Transaction Amount in field 32B to be zero (see chapter 2.10)
NETS	X		This code requests for routing through a netting system. It therefore only triggers a routing decision by the next party in the transaction; it does not impact the content of the next message; it does not have an equivalent code in the MT 103.
OTHR	X		This code can be used to provide any additional bilaterally agreed information
PHON	X	X	Is translated into PHOB(!) in the MT 103
RTGS	X		This code requests for routing through a RTGS, and therefore may trigger a routing decision by the next party in the transaction. If the request is honoured, the bank may use the codes //RT or //FW in the consecutive MT 103 to forward the instruction to the right RTGS participant.
URGP	X		As specified in the MT Implementation Guide for corporates, a bank must be able to accept the code "URGP" to indicate a payment with a priority of urgent, however the specific usage and interpretation of this and the other instruction codes depends on the agreement between the sender and receiver.

Example of a transaction with an equivalent amount

Narrative

OneCapital has to pay 10,000,000 USD to the account of Harizumo Manufacturing at BBBBJPJT (account number 60648929889) in Tokyo, Japan. Harizumo wants to receive the money in Japanese Yen. OneCapital pays from their USD account 1234567891 with CHASUS33.

The resulting SWIFT message is:

Explanation	Format
Header	
Sender	ONECUS44
Message Type	101

Receiver	CHASUS33
Message text	
Sequence A General Information	
Sender's Reference	:20:AA87999BM
Message Index/Total	:28D:1/1
Ordering Customer	:50G:/1234567891 ONECUS44
Requested Execution Date	:30:090123
Repetitive Sequence B - Transaction Details 1	
Transaction Reference	:21:TR1-ONECAP/4475
Instruction Code*	***:23E:EQUI***
Currency/Transaction amount	:32B:JYP0,
Account With Institution	:57A:BBBBJPJT
Beneficiary	:59:/ 60648929889 Harizumo Manufacturing
Currency/Original Ordered Amount*	***:33B:USD10000000,***
Details of charges	:71A:SHA

Example of a zero-balancing transaction

Narrative

PlantOil has concentrated its treasury cash management functions in its head office, PlantOil Company (PLATUS33) in Los Angeles, California. At the end of a day, Plantoil Company wants to top its account 1234567891 with its bank AAAAUS33 to a pre-agreed threshold. The concentrating account, to be credited, is 60648929889.

The resulting SWIFT message is:

Explanation	**Format**
Header	
Sender	PLATUS33
Message Type	101
Receiver	AAAAUS33
Message text	
Sequence A General Information	
Sender's Reference	:20:PLANT-12345
Message Index/Total	:28D:1/1
Ordering Customer	:50G:/1234567891 PLATUS33
Requested Execution Date	:30:090929
Repetitive Sequence B - Transaction Details	
Transaction Reference	:21:TR1-PL
Instruction Code*	***:23E:CMTO/USD1000000***
Currency/Transaction amount	:32B:USD0,

Beneficiary	:59A:/60648929889 PLATUS33
Details of charges	:71A:SHA

Note * The receiver of this message will top the account to 1MIO USD, ie, transfer everything above this threshold from account 1234567891 to 60648929889.

2.10 Different ways to instruct an amount (fields 32B and 33B)

The MT 101 caters for two scenarios, which are typical in a corporate to bank environment:

1. Cash management instructions: by specifying the relevant Instruction Code in field 23E (CMSW, CMTO, CMZB), a corporate can request to sweep, top or zero balance its account. In that case, pre-agreed service levels may apply and the corporate does not necessarily have to specify the amount.
2. Equivalent amount: by specifying the Instruction Code EQUI in field 23E, a corporate can request to pay the equivalent of the Original Ordered Amount in field 33B, in the Currency specified in field 32B. In that case, the Transaction Amount in field 32B has to equal 0 (zero). The currency codes in both amount fields always have to differ.
3. EQUI is not to be used to pay an invoice in a different currency than the currency of the account. In that scenario, the currency and amount of the invoice is just to be mentioned as instructed amount. The bank will convert the amount into the currency of the account before debiting the account. If pre-agreed between the corporate and the bank, the instruction may contain the currency and amount to be debited from the account in field 33B. In so, the instruction must also specify the exchange rate used (in field 36) and the related F/X deal (in field 21F). If the instruction does not contain the currency and amount, it may still refer to a pre-agreed F/X deal in field 21F.

Note Note: Users need to be aware that any amount specified in field 32B, Transaction Amount, is subject for deduction of charges throughout the banking chain. Depending on the charging method code, specified in field 71A, these charges might be born by the ordering customer (potentially on a dedicated account – see chapter 2.11) and/or by the beneficiary customer.

Example of a zero balancing transaction

See example 2 in chapter 2.9

Example of a transaction with an equivalent amount

See example 1 in chapter 2.9

Example of a transaction in a currency different from the currency of the account

See example in chapter 2.8

Example of a transaction in a currency different from the currency of the account

Narrative

OneCapital has to pay an invoice of 10,000,000 JPY to the account of Harizumo Manufacturing at BBBBJPJT (account number 60648929889) in Tokyo, Japan. They pay from their USD account 1234567891 with CHASUS33. They agree with their account servicing institution, CHASUS33, on a fixed exchange rate. The reference for this F/X Deal is 2736ONCE44.

The resulting SWIFT message is:

Explanation	Format
Header	
Sender	ONECUS44

Message Type	101
Receiver	CHASUS33
Message text	
Sequence A General Information	
Sender's Reference	:20:AA87999BM
Message Index/Total	:28D:1/1
Ordering Customer	:50G:/1234567891 ONECUS44
Requested Execution Date	:30:090123
Repetitive Sequence B - Transaction Details 1	
Transaction Reference	:21:TR1-ONECAP/4475
F/X Deal Reference	***:21F: 2736ONEC44***
Currency/Transaction amount	:32B:JPY10000000,
Account With Institution	:57A:BBBBJPJT
Beneficiary	:59:/60648929889 Harizumo Manufacturing
Details of charges	:71A:SHA

2.11 Possibility to identify a separate charges account (field 25A)

The MT 101 offers corporates the possibility to identify a separate account number to be used to apply any transaction charges. When used, this account should be different from the debit account of the ordering customer, specified in field 50a, Ordering Customer.

Example

Narrative

PlantOil has concentrated its treasury cash management functions in its head office, PlantOil Company (PLATUS33) in Los Angeles, California. Plantoil Company wants 118,982.05 USD to be paid to Wung Lu Manufacturing at BBBBCNBJ (account number 60648929889) in Beijing, China. As the transaction is in USD, PlantOil sends the MT 101 to its USD bank, AAAAUS33. Its account to be debited with AAAAUS33 is 1234567891. Any charges have to be taken from the dedicated charges account 987654321.

The resulting SWIFT message is:

Explanation	**Format**
Header	
Sender	PLATUS33
Message Type	101
Receiver	AAAAUS33
Message text	
Sequence A General Information	
Sender's Reference	:20:PLANT-12345
Message Index/Total	:28D:1/1
Ordering Customer	:50G:/1234567891 PLATUS33
Requested Execution Date	:30:090929

Repetitive Sequence B - Transaction Details	
Transaction Reference	:21:TR1-PL
Currency/Transaction amount	:32B:USD118982,05
Account With Institution	:57A:BBBBCNBJ
Beneficiary	:59:/60648929889 WUNG LU MANUFACTURING 23 XIAN MEN WAI AVE BEIJING
Details of charges	:71A:SHA
Charges Account	***:25A:/987654321***

3 How to handle MT 103 specific information in an MT 101

For applications that migrate from the MT 103 to the MT 101, this chapter explains whether and how to specify information that can be provided in an MT 103, and for which there is no dedicated field in the MT 101. It also explains why certain information of the MT103 would be absolutely redundant or misleading in a corporate to bank environment.

3.1 Ordering Institution (field 52a)

Since field 52a, ordering institution, in the MT 103 identifies the institution that services the account of the ordering customer (in case that is different from the sender of the message), there is no need to have this information in an MT 101. The receiver of the MT 101 (the second MT 101 in case of a relay scenario) is always the “ordering institution” and will be reflected as such in the inter-bank chain.

3.2 Time indications (field 13C)

The time indications in the MT 103 are very specifically used for the settlement of TARGET2 and CLS instructions. Therefore, there is no need to have this information in an MT 101.

3.3 Pre-signed service level agreements (field 23B)

The service levels identified in the MT 103 are agreements that are centrally registered by SWIFT and that are contractually and multilaterally binding all subscribers to the service level. The identification of the service level in the MT103 is necessary to identify which service level applies to the individual instruction. Since there is only one type of service level agreement for corporate to bank services, there is no need to have this information in an MT 101.

3.4 Bank specific instructions (codes in field 23E)

The Instruction Code allows customers to provide in a structured and STP-able manner the most common instructions to the receiver of the MT 103. Although the Instruction Code field is also present in the corporate-to-bank MT 101, it goes without saying that the available codes are often different in both messages. The following codes are typical for interbank usage:

Instruction Code	MT 101	MT 103	Remarks
HOLD		X	Request the funds to be kept at the counter of the beneficiary’s bank until the beneficiary claims them with a valid identification. There is no equivalent code in the MT 101.
PHOB		X	Requests to advise the beneficiary by phone. Requesting to contact the beneficiary is done in the MT 101 by the code PHON in field 23E.
PHOI		X	Requests to advise the intermediary bank by phone. It is not necessary for a corporate to instruct its bank to contact one of the banks in the transaction chain.
PHON	X	X	Requests to advise the beneficiary’s bank by phone. It is not necessary for a corporate to instruct its bank to contact one of the banks in the transaction chain. The meaning of the code PHON in the MT 101 is identical to the meaning of the code PHOB in the MT 103

SDVA		X	Offering Same Day Value is part of a service that a bank may offer to specific customers for pre-defined instructions and fulfill pre-agreed conditions (eg, intracompany payments identified by the code INTC in the field 23E of the MT 101). It is therefore not expected that a corporate may request for Same Day Value per individual payment instruction.
TELB		X	Requests to advise the beneficiary. Requesting to contact the beneficiary is done in the MT 101 by the code PHON in field 23E.
TELE		X	Requests to advise the beneficiary's bank. It is not necessary for a corporate to instruct its bank to contact one of the banks in the transaction chain.
TELI		X	Requests to advise the intermediary bank. It is not necessary for a corporate to instruct its bank to contact one of the banks in the transaction chain.

3.5 Regulatory reporting codes (field 26T)

Some regulators offer their financial institution community a series of codes that can be used to do their regulatory reporting. When a corporate is requested to provide information for the regulators, the free format field 77B, which is available in both the MT 101 and MT 103, is to be used.

3.6 Value date (field 32A)

The value date provided in an MT 103 is the effective value date that has been applied, or will be applied to an amount of money that is exchanged between both banks. This is different from a request for transfer, where any date would be a "requested" date, be it a requested execution date like in the MT 101, or a requested debit value date like some banks offer as part of their service level. Therefore, there is no need to have interbank value date information in the MT 101.

3.7 Correspondent banks (fields 53a, 54a and 55a)

International payments can be made in two different ways:

- Serial: each party in the payment transaction chain executes the payment instruction, ie, posts an entry for the previous or the next party in the transaction chain in its books, before forwarding the payment instruction to the next party in the chain until it reaches the beneficiary. The MT 101 allows for specifying such an additional party in the field 56a, Intermediary Institution. There are no "correspondent banks" present in a serial scenario.
- Cover: the ordering customer's bank instructs the beneficiary's bank to credit the beneficiary, and informs this bank that their account with a correspondent will be covered to do this credit transfer. This scenario is mostly used for payments in currencies different from the currencies in the ordering or beneficiary's countries. The correspondent banks through which the cover payment is made are located abroad.

Which of both scenarios is used however, is the choice of the ordering customer's bank and depends on currencies, availability of liquidity, bank relationships, etc... Therefore, there is no need to be able to identify correspondent cover banks in an MT 101.

3.8 Routing through an RTGS (codes in fields 56a and 57a)

The code //RT is available in an MT 103 to request a specific party in the chain to route a payment through an RTGS system, most often an institution that offers as direct member of that RTGS system its services to other banks.

A corporate can request a payment to be made through an RTGS system by using the code RTGS in field 23E of the MT 101.

3.9 Transparency about the instructed amount (field 33B)

Compared to the “Original Ordered Amount” in the MT 101, the “Instructed Amount” in the MT 103 is purely for information purposes towards the beneficiary customer. Some jurisdictions require the financial institutions to be transparent about the instructed amount, the applied exchange rate and the charges that have been taken along the transaction chain. In an MT 101, the Original Ordered Amount might be present for more than just information, eg, for the ordering of an equivalent amount (see chapter 2.10).

3.10 Applied exchange rate (field 36)

Compared to the “Exchange Rate” in the MT 101, the “Exchange Rate” in the MT 103 is purely for information purposes towards the beneficiary customer. Some jurisdictions require the financial institutions to be transparent about the instructed amount, the applied exchange rate and the charges that have been taken along the transaction chain. In an MT101, the Exchange Rate might be present for more than just information (see chapter 2.9).

3.11 Charges information (fields 71F and 71G)

Except for the instruction which charge method to use, there is no charges information available in the MT 101. The “Sender’s Charges” in the MT 103 are purely for information purposes towards the beneficiary customer. Some jurisdictions require the financial institutions to be transparent about the instructed amount, the applied exchange rate and the charges that have been taken along the transaction chain. The “Receiver’s Charges” inform the receiving bank of the amount of money that has been added by the sending bank to the transaction amount, in order for the receiver to execute the payment instruction.

3.12 Free format information to the receiver (field 72)

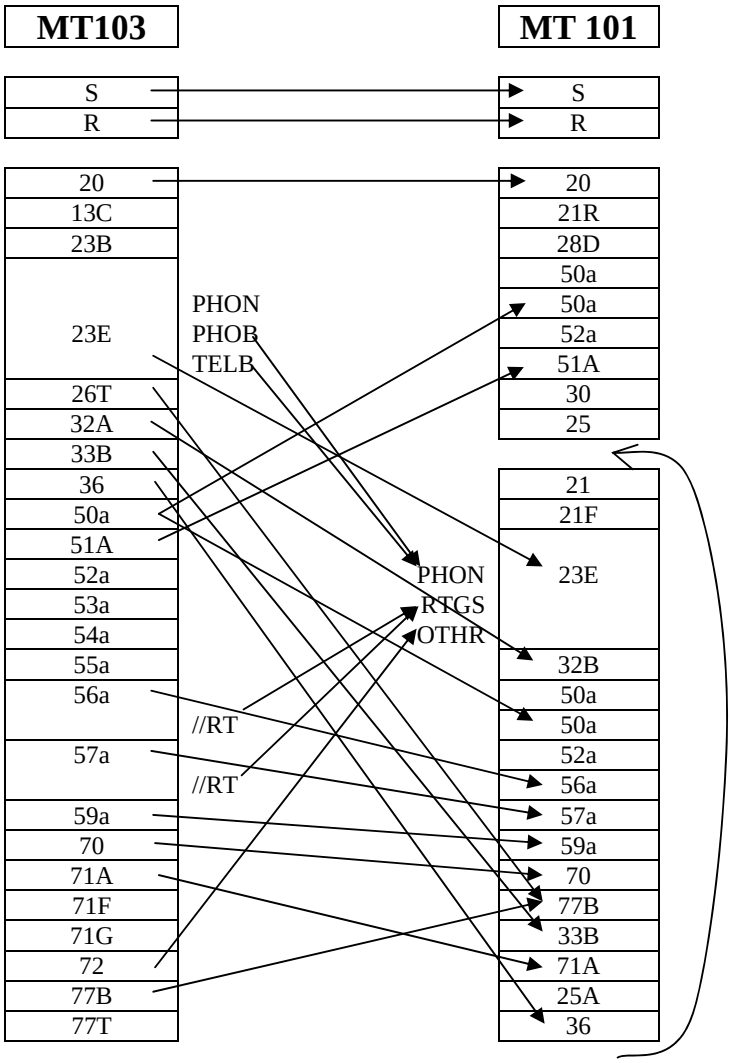
Whilst free format fields are present in most messages, it is well known that their use is hampering Straight Through Processing. Free format fields require bilateral and/or multilateral agreements. Newer standards therefore foresee dedicated fields for the most commonly used functionality of the free format fields. The most commonly used functionality of field 72 has a dedicated code or field in the MT 101. Any other bilaterally agreed instruction can follow the code OTHR in field 23E in the MT 101.

Should there be any other requirement to transport a specific item of information, feel free to contact the corporate representative at your nearest regional SWIFT office.

3.13 Large remittance information (field 77T)

An optional block of 9Kbyte of free format remittance information is available in one specific variant of the MT 103 message. This option is not used a lot in practice, because such amount of remittance information can hardly pass any domestic clearing system. Therefore, the block has never been offered in an MT 101, Request for Transfer. Adding this functionality to an international payment transaction chain would require financial institutions and clearing systems to make so many changes that they preferred to consider this service as part of the payment standard in XML (ISO 20022).

3.14 The resulting MT 103 to MT 101 conversion table



4 Differences between MT 940 and MT 950

4.1 Scope and usage

In the bank-to-corporate environment, the 'relay' scenario is supported by the MT 940: the forwarding institution forwards the MT 940 from the account servicing financial institution to the corporate (the account owner, or the party authorised by the account owner to receive the information).

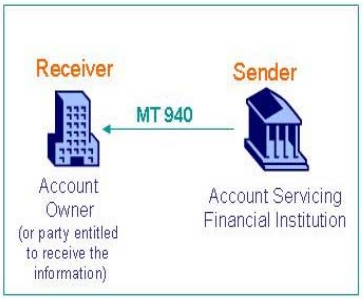
In a bank-to-corporate environment however, the MT 940 is also to be used instead of the MT 950 **directly** between the account servicing financial institution and the corporate (the account owner, or the party authorised by the account owner to receive the information).

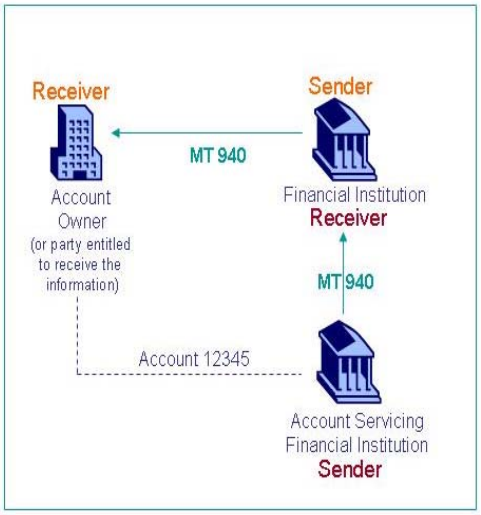
In practice, this usage has been integrated already in a number of market practices. For instance, the SEPA guidelines describe how to transport information about a SEPA transfer in an account statement to the beneficiary. The guidelines specify to structure the free format fields of the MT 940, because the MT 950 does not allow for including this information.

4.2 Scenarios

4.2.1 MT 940 Customer Statement

As the MT 950 Statement message does not allow to transport the additional information that typically needs to be reported on the entries of customer statements, the MT 940 is recommended to be used in all situations as statement message towards corporate customers, be it in a direct or a relay scenario.





4.2.2 MT 950 Statement

The MT 950, because of the limited possibilities to add additional information to the entries, is only to be used for inter-bank reporting on nostro-vostro and clearing systems' accounts.

4.3 Content

The below table compares the MT 940 with the MT 950. It identifies the differences and links for each individual difference to a detailed explanation.

		MT 940		MT 950		Remarks
20	Transaction Reference Number	16x	M	16x	M	Identical
21	*Related Reference*	*16x*	*O*	Not present		Specific functionality: see chapter 5.1
25	Account Identification	35x	M	35x	M	Identical
28C	Statement Number/Sequence Number	5n[/5n]	M	5n[/5n]	M	Identical
60a	Opening Balance	F or M	M	F or M	M	Identical
----->						
61	Statement Line	6!n[4!n]2a[1!a]15d1!a3!c16x[//16x][34x]	O	6!n[4!n]2a[1!a]15d1!a3!c16x[//16x][34x]	O	Identical
86	*Information to Account Owner*	*6*65x*	*O*	Not present		Specific functionality: see chapter 5.2
-----|						
62a	Closing Balance (Booked Funds)	F or M	M	F or M	M	Identical
64	Closing Available Balance (Available Funds)	1!a6!n3!a15d	O	1!a6!n3!a15d	O	Identical
----->						
65	*Forward Available Balance*	*1!a6!n3!a15d*	*O*	Not present		Specific functionality: see chapter 5.3
-----|						
86	*Information to Account Owner*	*6*65x*	*O*	Not present		Specific functionality: see chapter 5.4

5 Specific corporate functionality in MT 940

Since there is no new functionality in the MT 940 that typically relates to the migration from the MT 950 to the MT 940, we refer for business examples on the correct use of the fields of the MT 940 in a corporate environment to the SWIFT User Handbook as well as the SWIFT for corporate - MT Implementation Guide.

5.1 Possibility to reply to an ad-hoc request for a statement (field 21)

Whilst the MT 920, Request Message, is used very little in the corporate environment so far, the MT 940 allows for referring to such a message when the MT 940 is sent, ad hoc, on request of the account owner.

5.2 Possibility to specify additional information with each entry (field 86, 1st occurrence)

Compared to the MT 950, the MT 940 allows for providing additional information for each entry on the account statement in a field 86 that is repeated together with each entry line. Typically in a corporate environment, this field will contain remittance information used to reconcile an incoming credit item with the related invoice. Remittance information is to be preceded by the code /REMI/.

Besides the detailed description how to specify the remittance information, the User Handbook explains how to identify the following additional information in this entry:

- original currency and amount,
- charges deducted from the transaction amount,
- exchange rate applied to the transaction,
- identification of the customer, ordering the transaction,
- free format information, formatted as in the payment instruction that resulted in the entry.

5.3 Possibility to specify forward available balances (field 65)

When taking into account the differences between value date and booking date for the individual entries, the resulting balances on the account often differ. The MT 940 offers the possibility to specify, besides the end-of-day booked balance, a forward available balance per day.

5.4 Possibility to specify a generic block of additional information (field 86, 2nd occurrence)

Compared to the MT 950, the MT 940 allows for providing a generic block of additional information for the whole statement.

The MT implementation guidelines for SCORE contain a recommendation how in a relay scenario, a forwarding bank should include the BIC of the account servicing institution in this field 86 using the code **/ORSD**/.

6 How to handle MT 950 specific information in an MT 940

Unlike for the migration from the MT 103 to the MT 101, there is no need to have a chapter for the migration MT 950 to the MT 940.

Since the MT 950, Statement Message, is a complete subset of the MT940, customer Statement Message, there is no functionality in the MT 950 for which a workaround needs to be provided. Everything an MT 950 can report, can be reported in the same way in an MT 940.

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