

SWIFT MT Messages

MT 101 (Request for transfer) -

1. Is a request to transfer a customer's money held in an account at a bank.
2. Can be sent by a bank or by the customer itself if it is a member of Swift
3. A single MT 101 can also contain multiple debit instructions. The debit instructions can be from a single debit account or from multiple debit accounts too

MT 102 (Multiple Customer Credit Transfer)

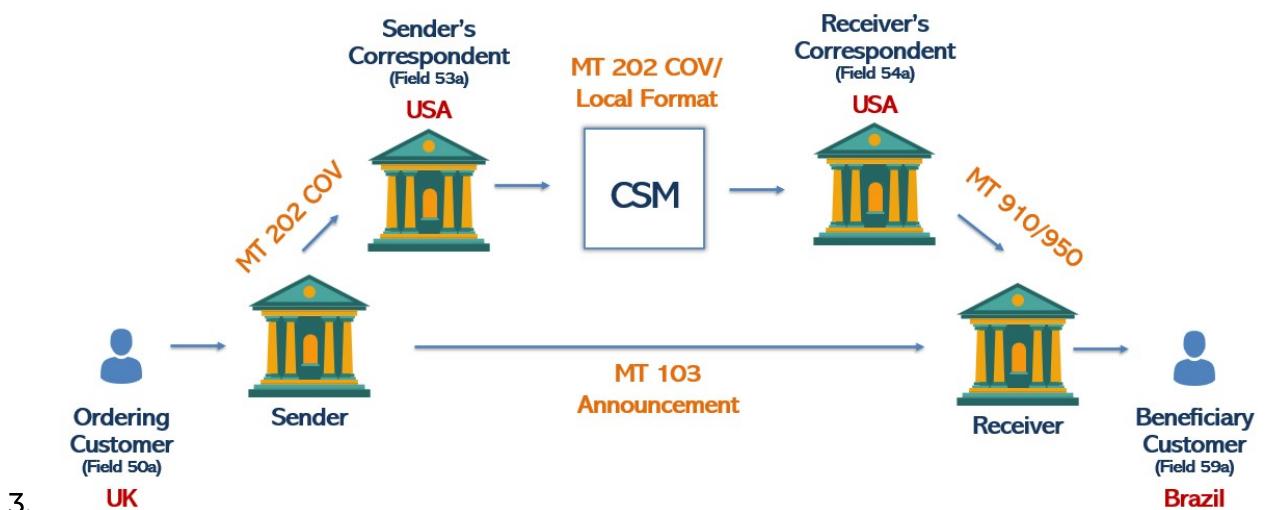
1. Unlike MT 101 this message *always* contains multiple payment instructions
2. The account debited here is not the customer's account but the bank's own account held with another bank

Cat 9 messages -

1. MT 900 (Confirmation of Debit) - sent to confirm a single debit transaction executed in an account, sent by an account servicing institution to an account owner
2. MT 910 (Confirmation of Credit) - sent to confirm a single credit transaction executed in an account, sent by an account servicing institution to an account owner
3. MT 940 (Customer Statement Message) - statement of transactions of a customer's account sent to the account holding bank
4. MT 950 (Statement message) - statement of transactions sent to a bank which is the account owner itself

MT 103 (Single Customer Credit Transfer)

1. Used when a customer orders a credit, sent by or on behalf of the bank of the ordering customer, directly or through correspondent, to the bank of the beneficiary customer, to convey a *single* fund transfer instruction
2. Two methods in which a MT 103 is used - Cover method and Serial method



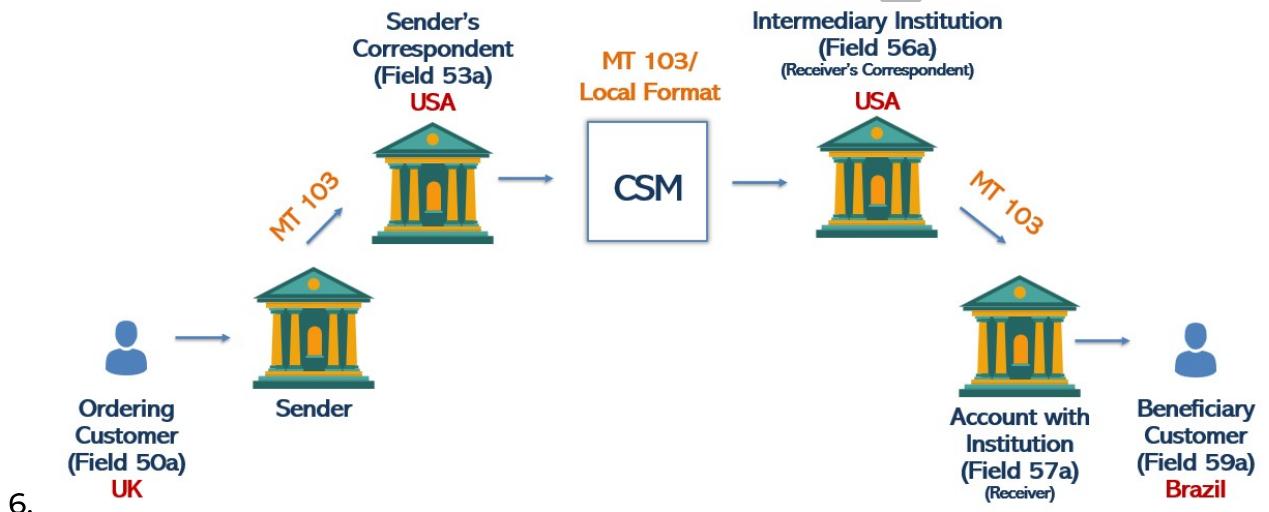
3. **UK**

4. Cover Method -

- a. two messages are generated by the originating bank -
 - i. a MT 103 message -
 1. acts as an announcement that the funds are coming
 2. sent from the originating bank directly to the ultimate beneficiary's bank
 3. this message actually does *not* move the funds
 4. just informs the beneficiary's bank that the funds for a particular beneficiary is on the way and provides the name of the correspondent banks through which the funds will be coming
 - ii. a MT 202Cov message-
 1. the message basis on which funds are moved
 2. the originating bank will debit the ordering customer's account and credit its nostro account with its correspondent. Simultaneously, it will generate a MT 202Cov and send it to its correspondent

- b. Next the sender's correspondent will move the funds to the receiver's correspondent settlement account and generate another MT 202Cov or any local message
- c. Next the receiver's correspondent will debit its settlement account and credit the nostro account of the receiver bank and then send a MT 910.
- d. The receiver bank, which is actually the bank of the ultimate beneficiary, will compare the MT 103 announcement received earlier with the MT 910 received and can transfer the fund to the beneficiary.

5. Serial Method -



6.

- a. only one type of message - MT 103 is generated which alone helps to move the fund
- b. The sender bank sends funds to its correspondent and simultaneously sends a MT103.
- c. The sender's correspondent debits the nostro account and transfers the funds to the intermediary institution which is the correspondent of the beneficiary bank most of the time. Simultaneously it sends a second MT 103 to the receiver's correspondent
- d. The intermediary institution on its turn, credits the account of the beneficiary's bank and sends a third MT 103
- e. finally the beneficiary's bank credits the beneficiary's account

7. Cover method benefit - Depending on several factors, when the beneficiary's bank receives the MT 103 announcement it may credit the beneficiary's account without waiting for the actual credit of the fund and receipt of the MT 910
8. Both serial and the cover payment ultimately does the same job
9. Serial or cover - which method will be used depends on the bank arrangements, charges involved and market practices
10. The MT 103 message used in both methods is ultimately the same, only its function differs - in cover as an announcement, in serial as the actual fund mover

Cat 2 Messages

1. Used for fund transfer between banks themselves to settle their own accounts and not for customer initiated transfers(except MT 202Cov and MT 205Cov which have underlying customer transaction)
2. MT 200 - Financial institution transfer for its own account
3. MT 201 - Multiple financial institution transfer for its own account
4. MT 202 - General financial institution transfer - used to transfer money to the account of another bank, MT 203 - same purpose as MT 202 but multiple transactions, MT 205 - same purpose as MT 202 but for domestic transfer only

| Messages | Single/ Multiple | Transfer to Account | Domestic/ Cross border |
|----------|------------------|---|------------------------|
| MT 200 | Single | Own Account (Same Currency) | Cross Border |
| MT 201 | Multiple | Own Account (Same Currency) | Cross Border |
| MT 202 | Single | Other Bank's Account (Maybe used for own account also) | Cross Border |
| MT 203 | Multiple | Other Bank's Account (Maybe used for own account also) | Cross Border |
| MT 205 | Single | Other Bank's Account | Domestic |

- ✓ MT 202COV is used along with MT 103 cover payment for cross border payments
- ✓ MT 205COV is used along with MT 103 cover payment for domestic payments
- ✓ MT 204 is used for direct debit transactions
- ✓ MT 210 Notice to Receive provides information, it is used by a bank to alert another that it is expecting some fund

Common Messages

1. can be used under any of the 9 categories
2. Example -
 - a. x92 - request for cancellation, when used under Cat 1 - MT 192 - used to cancel a MT 103 transaction

GPA (General Purpose Application) Messages

1. Used for administration and control of the FIN messages
2. Two types - Service message and System message
3. Service messages -
 - a. relate either to system commands or to acknowledgements
 - b. denoted by a 2 digit numbering scheme
 - c. Example - Service message 21 - for acknowledgement - ACK(Positive) and NACK (Negative)
4. System messages -
 - a. identified by 3 digit numbering scheme
 - b. FIN delivery monitoring messages fall under this category under the MT category 0
 - c. Examples - MT 010 : Non-Delivery Warning/Obsolescence Period, MT 011 : Delivery Notification