PAYMENTS CANADA

RULE H6

RULES PERTAINING TO THE INTER FINANCIAL INSTITUTION EXCHANGE OF BILL PAYMENT REMITTANCES FOR THE PURPOSE OF CLEARING AND SETTLEMENT

2026 CANADIAN PAYMENTS ASSOCIATION

This Rule is copyrighted by the Canadian Payments Association. All rights reserved, including the right of reproduction in whole or in part, without express written permission by the Canadian Payments Association.

Payments Canada is the operating brand name of the Canadian Payments Association (CPA). For legal purposes we continue to use “Canadian Payments Association” (or the Association) in these rules and in information related to rules, by-laws, and standards.

TABLE OF CONTENTS

IMPLEMENTED 4

AMENDMENTS PRE-NOVEMBER 2003 4

AMENDMENTS POST-NOVEMBER 2003 4

PART I: GENERAL RULES 6

SCOPE 6
REFERENCES 6
DEFINITIONS 6

PART A - GENERAL RULES FOR BILL PAYMENT REMITTANCE PROCESSING 8

CORPORATE CREDITOR AGREEMENTS 8
CONTENT OF CORPORATE CREDITOR AGREEMENTS 8
CORPORATE CREDITOR IDENTIFICATION NUMBER ("CCIN") - ISSUANCE 9
CORPORATE CREDITOR IDENTIFICATION NUMBER ("CCIN") - REVOCATION 9
NOTIFICATION OF CORPORATE CREDITOR AGREEMENTS 10
DIRECT CLEARERS - DUTY TO NOTIFY INDIRECT CLEARERS 10
RESPONSE TO NOTICE OF CORPORATE CREDITOR AGREEMENTS 11
TERMINATION OF OR SUBSTANTIVE CHANGE TO CORPORATE CREDITOR AGREEMENTS 11
PAYOR'S FI - PARTICIPATION 11
PAYOR'S FI - RESPONSIBILITIES 12
MEDIA USED AND CONVERSION 12
PAYEE'S FI - RESPONSIBILITIES 12
PAYEE'S FI - SETTLEMENT 12
PAYEE'S FI - VALUE TO CORPORATE CREDITOR 13
CLEARING AND SETTLEMENT OF DISHONOURED ITEMS 13

PART B - GENERAL RULES FOR THE EXCHANGE OF ELECTRONIC REMITTANCES 14

NATURE OF ELECTRONIC REMITTANCES 14
ROUTING OF ELECTRONIC REMITTANCES 14
LEAD TIME REQUIREMENTS 14
PAYMENT ACKNOWLEDGEMENTS 14
IRREVOCABILITY OF PAYMENT 14
RETURN OF REMITTANCES 14

UNIDENTIFIABLE ITEM 15
ACSS SETTLEMENT 15
CONTINGENCY PROCEDURES 15

PART C - GENERAL RULES FOR THE EXCHANGE OF PAPER-BASED REMITTANCES 15

ITEMS ACCEPTABLE FOR CLEARING 15
NOTIFICATION OF CHANGES TO THE CCIN TRUNCATED REMITTANCE LIST 16
DIRECT CLEARERS - DUTY TO NOTIFY INDIRECT CLEARERS 16
CONTENT OF REMITTANCES 16
PAYOR'S FI - DATE STAMP 17
ENCODING 17
RESPONSIBILITY FOR ENCODING ERRORS 17
EXCHANGE WINDOW FOR REMITTANCES 17
SEGREGATION OF REMITTANCES 17
MICROFILMING/IMAGING 17
EXCHANGE OF REMITTANCES 18
REJECTED PAPER-BASED REMITTANCES 18
RETURNED REMITTANCES 18
RETURN - REMITTANCES RECEIVED IN ERROR 19
SETTLEMENT 19
CONTINGENCY PROCEDURES 19

APPENDIX I - PAYMENT OPERATIONS CENTRE CONTACT INFORMATION 20

APPENDIX II - DIRECT CLEARER USE OF THE CORPORATE CREDITOR IDENTIFICATION NUMBER (CCIN) DATABASE 21

PART II: TECHNICAL RULES 23

APPENDIX I - CHARACTER ARRANGEMENT IN E-13B TYPE 47

APPENDIX II - PLACEMENT OF ENCODING LINES ON THE REMITTANCE 48

IMPLEMENTED

September 18, 1996

AMENDMENTS PRE-NOVEMBER 2003

November 25, 1996, January 27, 1997, April 7, 1997, July 14, 1997 February 12, 1998, May 11, 1998, June 18, 1998, December 7, 1998, February 1, 1999, July 6, 1999, October 7, 1999, March 22, 2001, June 10, 2001, June 28, 2001, November 29, 2001, and November 25, 2002.

AMENDMENTS POST-NOVEMBER 2003

1. Amendments to reflect consistency with the new CPA Payment Items and ACSS By-law, approved by the Board November 27, 2003, effective January 27, 2004.
2. Section 42(a) and Part I, Appendix II approved by the Board February 26, 2004, effective April 26, 2004.
3. Appendix IV, approved by the Board March 29, 2004, effective March 29, 2004.
4. Removal of definition "Item Trace Number", approved by the Board May 27, 2004, effective September 20, 2004.
5. Amendments to Part I Appendix II, effective October 7, 2004. Amendments to Part I sub-section 47. (a) (i) revised under the authority of the CPA President, effective December 6, 2004.
6. Amendment to Part I, Appendix II to update the designated point of contact information for National Bank of Canada, made under the authority of the CPA President, effective February 24, 2005.
7. Amendment to Part I, Appendix III, section 7 to allow for delivery of CCIN Output directly to Indirect Clearers and non-Member organizations, approved by the Board June 15, 2005, effective August 15, 2005.
8. Amendment to Part I, Appendix II, made under the authority of the CPA President, effective October 6, 2005.
9. Amendment to replace references to "General Manager" with "President", consequential to amendments to the *Canadian Payments Act* (Bill C-37) that came into effect on March 1, 2010.
10. Amendments to Part I, Appendix II, approved by the President, effective May 25, 2010.
11. Amendments to Part I, Appendix II, approved by the President, effective February 2, 2011.
12. Amendments to Part I, and its Appendix I to remove the CCIN Application Form, approved by the Board June 6, 2012, effective August 7, 2012.
13. Amendments to section 23 to accommodate for the use of Clearing Replacement Documents, approved by the Board March 29, 2012, effective October 1, 2012.

14. Amendments to Part I, Appendix II and Part I, Appendix IV, approved by the President, effective February 28, 2013.
15. Amendments to reflect the removal of certain default procedures, consequential to amendments to By-law No. 3 – Payment and ACSS, which came into effect on August 17, 2012. Approved by the Board October 3, 2013, effective December 2, 2013.
16. Amendments associated with the web enablement of the CCIN application. Approved by the board April 7, 2016, effective June 6, 2016.
17. Consequential amendments to accommodate the planned replacement of the LVTS with Lynx and the coordinated usage period for those systems, approved by the Board June 23, 2021, effective August 23, 2021.
18. Consequential amendments to accommodate the removal of LVTS and the removal of contact details in Appendices II and IV, approved by the Board May 13, 2022, effective November 21, 2022.
19. Amendments to update the description of paper-based Remittances to include Truncated Remittances, approved by the Board December 7, 2023, effective February 5, 2024.
20. Amendments to accommodate the ACSS clean-up exercise, approved by the Board February 27, 2025, effective April 28, 2025.
21. Amendments to accommodate the decommission of the Lynx Payment Message type in the MT Format. Approved by the Board September 18, 2025, effective November 24, 2025.
22. Amendments to correct a Settlement timeframe error. Approved by the Board May 28, 2026, effective July 27, 2026.

PART I: GENERAL RULES

Scope

1. a. This Rule governs Bill Payment Remittance Processing (as defined below), wherein Remittances are Exchanged as credit transfers between Financial Institutions (FIs). Part I outlines the general requirements for Bill Payment Remittance Processing, and certain additional requirements specific to the processing of electronic and paper-based Remittances respectively. Part II outlines the technical requirements for Bill Payment Remittance Processing.

   b. Nothing in this document is intended to require: any FI to participate in Bill Payment Remittance Processing as a Payor's FI or a Payee's FI for a particular Corporate Creditor; any entity to participate as a Corporate Creditor pursuant to this Rule; or any Corporate Creditor to allow a particular FI to collect its Remittances.

   c. Nothing in this document is intended to preclude the establishment of agency relationships for the performance of particular functions, provided that such agents are required by agreement to comply with any relevant provisions of this Rule.

References

2. In order to gain a thorough understanding of Bill Payment Remittance Processing procedures, it is necessary to read this Rule in conjunction with Standard 006, Rule E3 and other Association rules and standards applicable to paper-based and EDI Payment Items.

Definitions

3. In this Rule,

   a. "Batch Amount" means the total monetary amount, in Canadian funds, of all individual bill payments contained within an EDI Transaction Set within a given Transmission, or within a batch of paper-based Remittances;

   b. "Bill Payment Remittance Processing" is the service provided by Members pursuant to this Rule, which facilitates a Corporate Creditor having its Remittances accepted for payment at Member Branches. Bill Payment Remittance Processing includes the Exchange and reconciliation of these Remittances, and the calculation of the resulting amounts owing between Members;

   c. “CCIN Application” means a web-based user interface used by Members for the purpose of submitting CCIN applications on behalf of their Corporate Creditors, adding to or updating CCIN information, as well as viewing and obtaining the CCIN output and other related information.

   d. "Corporate Creditor " or "Payee" means any business, association, government or other entity which issues Invoices to its customers, and has entered into a Corporate Creditor Agreement with a Payee's FI;

e. "Corporate Creditor Agreement" is a written agreement between a Corporate Creditor and an FI, which designates that FI as the Payee's FI for the provision of Bill Payment Remittance Processing services in connection with Remittances using a particular CCIN, and sets out the terms and conditions for the provision of such services in accordance with Association rules and standards;

f. "Corporate Creditor Defined Data" means optional data belonging to the Corporate Creditor that is placed in the MICR line of a paper-based Remittance, or, in the EDI environment, within the remittance loop of an EDI Transaction Set;

g. "Corporate Creditor Identification Number" or "CCIN" means a nontransferable identification number, issued by the Association to a Corporate Creditor, that uniquely identifies the Corporate Creditor for the purpose of Bill Payment Remittance Processing;

h. "Credit Item Identifier" means the code appearing in the Transaction Code section of the MICR line which designates that the payment is a credit item rather than a debit Item. (This term applies only to the paper-based Remittance environment.)

i. “CCIN Truncated Remittance List” means the list of CCINs and their associated Corporate Creditors for which Members may create Truncated Remittances, and is maintained and distributed to Direct Clearers by the Association;

j. "Invoice" means a paper-based document issued by a Corporate Creditor to its customer as a request for payment. An Invoice generally consists of a Remittance and a Receipt;

k. "Optical Character Recognition (OCR) Encoding" means the application of OCR characters to a paper-based Remittance in accordance with Part II of this Rule;

l. "Originator" means the initiator of an EDI Payment Item. (Note: The Originator may be the Payor, a service provider acting on behalf of the Payor, or a FI.);

m. “Payee’s Corporate FI”, or “Payee’s FI”, means the FI designated by the Corporate Creditor in a Corporate Creditor Agreement to provide Bill Payment Remittance Processing services for it. (Note: Within the EDI environment, where the Payee’s FI is a Direct Clearer, it would be the Receiving Direct Participant.);

n. "Payment Date" means:

   i. the day on which the Payor makes a bill payment at a Payor's FI; or,

   ii. where extended hours or ABM processing is involved, the Business Day following the day on which the Payor makes a bill payment at a Payor's FI, provided the Payor is given notice of this additional day by its FI;

o. “Payment Trace Number" means a number which uniquely identifies each EDI Payment Item from the Payor's FI through to the Payee's FI;

p. "Payor" means a customer of a Corporate Creditor, or someone acting on their behalf, that makes a bill payment at a Payor's FI;

q. "Payor Identifier Number" means a number that the Corporate Creditor assigns to the account of the customer. This number may be selected as the Corporate Creditor Defined Data;

r. "Payor's FI" means any FI that has agreed, pursuant to this Rule, to collect and Exchange the Remittances of a Corporate Creditor. (Note: Within the EDI environment, where the Payor's FI is a Direct Clearer, it would be the Originating Direct Participant.);

s. "Receipt" means the portion of an Invoice that, if presented, is date-stamped by the Payor's FI at the time of payment, and that may be retained by the Payor as proof of payment;

t. "Receiver" means the beneficiary (Payee) of an EDI Payment Item;

u. "Remittance" means the portion of an Invoice that conforms to Part II of this Rule, or the electronic data, that is submitted to the Payor's FI by the Payor along with payment, and which itself becomes a credit item representing value when subsequently Exchanged by the Payor's FI;

v. "Remittance Amount" means the monetary amount, in Canadian dollars, submitted by the Payor in payment of an Invoice;

w. "Transmission" means the electronic conveyance of a Functional Group of one or more individual bill payment transactions;

x. “Truncated Remittance” means a printed form of an Image of a paper-based Remittance associated with a CCIN included on the CCIN Truncated Remittance List that meets the specifications outlined in Rule A10 which may be used in place of an original paper-based Remittance for the purpose of presentment in accordance with this Rule.

PART A - GENERAL RULES FOR BILL PAYMENT REMITTANCE PROCESSING

Part A of this Rule contains general rules applicable to the processing and Exchange of both electronic and paper-based Remittances.

Corporate Creditor Agreements

4. a. An FI wishing to act as a Payee's FI for a Corporate Creditor must ensure that the Corporate Creditor duly executes a Corporate Creditor Agreement.

   b. A separate Corporate Creditor Agreement may be entered into for each type of Remittance, or a single Corporate Creditor Agreement may be entered into for several types of Remittances, provided that, at all times, each type of Remittance is associated with only one CCIN.

Content of Corporate Creditor Agreements

5. The Corporate Creditor Agreement must contain provisions to the effect that:

a. the Corporate Creditor may not enter into any other Corporate Creditor Agreements for Remittances using the same CCIN while the agreement remains in force;

b. the Corporate Creditor must use the CCIN only in connection with the Remittance attached as a schedule to the Corporate Creditor Agreement, and may not use it for any other purpose which does, or is likely to, interfere with the processing of Remittances or other Payment Items;

c. the Corporate Creditor must, in all respects, comply with Association rules respecting Bill Payment Remittances including in particular, this Rule, and any Association standards that may be applicable;

d. the Corporate Creditor Agreement must specify the media agreed upon (paper-based and/or electronic) by the parties for the delivery of Remittances to the Corporate Creditor;

e. the Corporate Creditor must acknowledge and agree to deem its customer to have paid the Remittance Amount on the Payment Date;

f. the Corporate Creditor Agreement may not be terminated or substantially amended unless a minimum of 90 calendar days written notice is provided to the other party to the Agreement; and

g. If the CCIN is revoked by the Association pursuant to this Rule, the Corporate Creditor Agreement will be immediately terminated.

Corporate Creditor Identification Number ("CCIN") - Issuance

6. a. If a CCIN has not yet been issued in connection with the Remittance attached to the Corporate Creditor Agreement, the Payee's FI must, once the agreement has been duly executed by the parties, apply to the Association, on behalf of the Corporate Creditor, for a CCIN, via the CCIN Application.

   b. If a CCIN has already been issued in connection with the Remittance attached to the Corporate Creditor Agreement, the Payee's FI must update the CCIN elements to reflect the new agreement.

   c. A Corporate Creditor may be issued more than one CCIN provided that the CCINs are used in connection with separate types of Remittances, and are the subject of a Corporate Creditor Agreement pursuant to section 4.

7. The Association will issue a CCIN to the Payee’s FI via the CCIN Application.

Corporate Creditor Identification Number ("CCIN") - Revocation

8. If it has been demonstrated that a Corporate Creditor is using its CCIN for purposes other than Remittance processing and such use has or is likely to interfere with the processing of Remittances or other Payment Items, the Association will revoke the CCIN. Prior to revoking a CCIN, the Association will give written notice to the Payee's FI and the Corporate Creditor of the contravention of this Rule, and will provide the Corporate Creditor with a

period which is reasonable in the circumstances, within which to respond and bring its practices into compliance with this Rule.

Notification of Corporate Creditor Agreements

9. Once a new Corporate Creditor Agreement has been executed, and a CCIN issued by the Association, the Payee's FI, if it is a Direct Clearer, must:

   a. provide written notice of the new Corporate Creditor Agreement to the designated contacts of all other Direct Clearers (using the EDI Main Contact List) and the Association, including:

      i. the implementation date for the acceptance of the Remittances of the Corporate Creditor. (The implementation date must be at least 30 calendar days from the date of notice);

      ii. specification of the media (paper-based, electronic or both) to be used for the inter-FI Exchange of the Remittances of the Corporate Creditor; and

      iii. any other pertinent details.

      Note: If the Corporate Creditor Agreement requires that the Payee's FI deliver to the Corporate Creditor only electronic Remittances, the onus is on the Payee's FI to convert any paper-based Remittances it receives for that Corporate Creditor. Also see subsections 5(d) and 19(a).

   b. upon request, provide the designated contact of a Direct Clearer with a sample Invoice from the Corporate Creditor; and

   c. request that any Direct Clearer wishing to act as a Payor's FI for that Corporate Creditor communicate such agreement within 30 calendar days of its notification under subsection (a).

   If the Payee's FI is an Indirect Clearer, it must request that its Clearing Agent complete the procedures outlined in this section on its behalf.

Direct Clearers - Duty To Notify Indirect Clearers

10. Upon receiving notice of a new Corporate Creditor Agreement from a Payee's FI or its Clearing Agent pursuant to section 9, a Direct Clearer must, within 7 calendar days, forward to all Indirect Clearers for which it acts as Clearing Agent:

    a. a copy of the notice, the implementation date, and any pertinent details received about the Corporate Creditor Agreement;

    b. a sample Invoice (upon request); and

    c. a request that any Indirect Clearer wishing to act as a Payor's FI for the Corporate Creditor communicate such agreement to its Clearing Agent within 14 calendar days of its notification of the Corporate Creditor Agreement.

Response to Notice of Corporate Creditor Agreements

11. a. A Direct Clearer receiving a notice under section 9 must, if it wishes to act as a Payor's FI for that Corporate Creditor, confirm its agreement to the Payee's FI, or its Clearing Agent if the Payee's FI is an Indirect Clearer, within the timeframe indicated in subsection 9(c).

    b. An Indirect Clearer receiving notice under section 10 must, if it wishes to act as a Payor's FI for that Corporate Creditor, confirm its agreement to its Clearing Agent within the timeframe indicated in subsection 10(c).

    c. Where a Clearing Agent receives confirmation of the agreement of one of its Indirect Clearers pursuant to subsection (b), the Clearing Agent must in turn communicate the agreement to the Payee's FI, or its Clearing Agent if the Payee's FI is an Indirect Clearer, within 7 calendar days of receiving the notice from its Indirect Clearer.

12. Failure to respond within the prescribed time frames will be deemed to be nonacceptance of participation.

Termination of or Substantive Change to Corporate Creditor Agreements

13. Where a Corporate Creditor Agreement is to be terminated or substantially amended, and such amendment would affect the manner in which Payor's FIs collect or Exchange Remittances, the Payee's FI (or its Clearing Agent) must make the appropriate updates via the CCIN Application and notify all Direct Clearers at least 60 calendar days prior to the effective date of such termination or amendment. Direct Clearers must advise each of their Indirect Clearers acting as Payor's FI for that Corporate Creditor within 7 calendar days of receiving notice under this section.

Payor's FI - Participation

14. An FI may decline to act as a Payor's FI for any or all Corporate Creditors. However, if the FI has initially indicated its acceptance to act as a Payor's FI under section 11, or has initially declined to act as a Payor's FI, it must provide written notice of its intention to withdraw or participate to the Payee's FI, or if the Payor's FI is an Indirect Clearer, to its Clearing Agent, at least 60 calendar days in advance of the intended withdrawal or participation date.

15. If a Payee's FI has received notice from its Corporate Creditor that the Corporate Creditor does not wish to allow a particular FI to participate as a Payor's FI for the collection of its Remittances, the Payee's FI (or its Clearing Agent) must advise the affected FI(s) who must:

    a. if the notice is given prior to the implementation date, be prohibited from acting as Payor's FI for that Corporate Creditor; and

    b. if the notice is given after the implementation date, cease acting as Payor's FI for that Corporate Creditor 60 calendar days after receiving such notice.

Payor's FI - Responsibilities

16. If an FI has communicated its acceptance under section 11 to act as a Payor's FI for a particular Corporate Creditor, and if the FI has not received notice under section 15, it must, commencing on the implementation date, accept the Remittances of that Corporate Creditor at all of its Branches, and, as applicable, electronic access points and service access points.

17. The Payor's FI must accept the Remittance Amount presented by the Payor irrespective of the amount payable and/or due date specified on an Invoice.

18. The Payor's FI (or its Clearing Agent) must Exchange the Remittances collected from Payors no later than the next Business Day after Payment Date.

Media Used and Conversion

19. a. The Payor's FI may Exchange paper-based Remittances.

    Note: If the Corporate Creditor Agreement requires that the Payee's FI deliver to the Corporate Creditor only electronic Remittances, the onus is on the Payee's FI to convert any paper-based Remittances it receives for that Corporate Creditor.

    b. The Payor's FI may Exchange electronic Remittances if the Payee's FI has indicated that it will receive electronic Remittances.

    c. The Payor's FI may convert paper-based Remittances to electronic Remittances prior to Exchange if the Payee's FI has indicated that it will receive electronic Remittances.

    d. The Payor's FI must not convert electronic Remittances to a paper-based medium prior to Exchange.

Payee's FI - Responsibilities

20. The Payee's FI must receive the Remittances of its Corporate Creditor from a Payor's FI in the medium it specified in its notice given pursuant to subsection 9(a), and may only cease to do so upon the giving of proper notice under section 13 of this Rule and subject to the requirements in subsection 19(a).

Payee's FI - Settlement

21. Subject to paragraph 49(a)(ii) of this Rule for paper-based Remittances, the Payee's FI (or its Clearing Agent, if it is an Indirect Clearer) must, on the same day it receives Remittances from a Payor's FI, enter totals for those Remittances into the ACSS, specifying both total number and value of Remittances.

Payee's FI - Value to Corporate Creditor

22. On the day of Exchange between Direct Clearers, the Payee's FI must transfer to the Corporate Creditor the value of all Remittances received for that day.

Clearing and Settlement of Dishonoured Items

23. a. If the Payor's FI has accepted a Cheque from a Payor in payment of a Remittance and the Cheque is subsequently dishonoured by the Drawee, then the Payor's FI may return the dishonoured Cheque to the Payee's FI (or another FI the Corporate Creditor has designated for the return of dishonoured Items) for reimbursement provided that:

    i. the amount of the dishonoured Cheque corresponds to the Remittance Amount submitted by the Payor in payment of the Invoice;

    ii. the correct CCIN and the correct Payor Identifier Number appear in full and legible form on the reverse of the dishonoured Cheque;

    iii. the dishonoured Cheque is returned by the Payor's FI no later than the Business Day following receipt by the first organizational unit of the Payor's FI that is able to make or act upon a decision to return the dishonoured Cheque; and

    iv. the Cheque is returned pursuant to procedures outlined in Rule A4 or A10, with the reason for return specified as "Pursuant to Rule H6".

    b. If a dishonoured Cheque that does not meet the requirements in subsection (a) is received by the Payee's FI (or another FI the Corporate Creditor has designated for the return of dishonoured items), then the Payee's FI may not Exchange that Item again but may seek reimbursement from the Payor's FI outside the Association's rules

PART B - GENERAL RULES FOR THE EXCHANGE OF ELECTRONIC REMITTANCES

Part B of this Rule contains general rules applicable to the processing and Exchange of electronic Remittances only.

Nature of Electronic Remittances

24. An electronic Remittance must be an EDI Payment Item, and except where otherwise specified in this Rule, the processing and Exchange of electronic Remittances must be in accordance with Rule E3.

Routing of Electronic Remittances

25. The Payor's FI must sort and batch electronic Remittances by CCIN prior to sending a Transmission to the Payee's FI.

Lead Time Requirements

26. Payor's FIs must complete Transmission of electronic Remittances to Payee's FIs by 15:00 hours ET each Business Day.

Payment Acknowledgements

27. For all Transmissions of electronic Remittances completed by the Payor's FI, the Payee's FI is required to provide an Application Advice (824) as appropriate, and a Functional Acknowledgement (997) in accordance with Rule E3, as soon as practical after receipt of the Transmission and no later than 17:00 hours ET on the date of receipt of the Transmission. The Payor's FI is required to return a Functional Acknowledgement (997) in response to the Application Advice (824) no later than 10:00 hours ET the next Business Day.

Irrevocability of Payment

28. Electronic Remittances which have been Transmitted by the Payor's FI, and acknowledged and accepted by the Payee's FI (or its Clearing Agent), must be deemed to be irrevocable and irreversible, and may not be recalled or cancelled by the Payor's FI (or its Clearing Agent).

Return of Remittances

29. Subject to sections 28 and 30:

    a. the Payee's FI may not return electronic Remittances it has received from a Payor's FI; and

b. the Payor's FI may accept electronic Remittances returned outside of the Association rules only from the Payee's FI.

Unidentifiable Item

30. If a Corporate Creditor has returned to its Payee's FI an unidentifiable Remittance (i.e., where the Payor cannot be identified), the Payee's FI must contact the Payor's FI and attempt to identify the Payor. The Payee's FI may not, in any circumstances, return such Items to the Payor's FI in accordance with Rule A4, but must otherwise forward the unidentifiable Remittance, along with value, to the Payor's FI.

ACSS Settlement

31. Each Payee's FI, or its Clearing Agent, must initiate, in the National Electronic Settlement Region and using stream identifier "Y", a debit entry against each Payor's FI (or its Clearing Agent) from which it has received an EDI Payment Item, for Settlement in accordance with section 49. Each debit entry must specify the total number and value of individual bill payment transactions received from the Payor's FI (or its Clearing Agent) being debited and must be made by 05:00 hours ET on the Settlement Date.

Contingency Procedures

32. Contingency procedures and back-up facilities must conform to the requirements of Rule E3.

PART C - GENERAL RULES FOR THE EXCHANGE OF PAPER-BASED REMITTANCES

Part C of this Rule contains general rules applicable to the processing and Exchange of paper-based Remittances only.

Items Acceptable for Clearing

33. A paper-based Remittance meeting the specifications set out in Part II of this Rule, is an Item for the purpose of Clearing and Settlement, and the processing and Exchange of paper-based Remittances must be in accordance with the Association rules and standards.

    For greater clarity, any reference to paper-based Remittances refers to the original paper-based Remittance ("source document") or a Truncated Remittance. It is at the discretion of the Payor's FI to use Truncated Remittances, which may only be used for CCINs on the CCIN Truncated Remittance List and must be created in accordance with the requirements outlined in Rule A10.

Notification of Changes to the CCIN Truncated Remittance List

34. a. Where a CCIN is to be added, to the CCIN Truncated Remittance list, the Payee's FI, if it is a Direct Clearer, must provide written notice to the designated contacts of all other Direct Clearers (using the Image & Paper Contact List) and the Association, at least 30 calendar days in advance of the effective date, including the following:

    i. the implementation date for the acceptance of the Truncated Remittances; and

    ii. any other pertinent details.

    b. Where a CCIN is to be removed or amended on the CCIN Truncated Remittance list, the Payee's FI, if it is a Direct Clearer, must provide written notice to the designated contacts of all other Direct Clearers (using the Image & Paper Contact List) and the Association, at least 60 calendar days in advance of the effective date, including the following:

    i. the effective date the Corporate Creditor will no longer be accepting Truncated Remittances for the applicable CCIN; and

    ii. any other pertinent details.

    If the Payee's FI is an Indirect Clearer, it must request that its Clearing Agent complete the procedures outlined in this section on its behalf.

35. The Association will update the CCIN Truncated Remittance List accordingly and circulate it to Direct Clearers.

Direct Clearers - Duty to Notify Indirect Clearers

36. Upon receiving notice of a change to the CCIN Truncated Remittance List from a Payee's FI or its Clearing Agent pursuant to section 34, a Direct Clearer must, within 7 calendar days, forward to all Indirect Clearers for which it acts as a Clearing Agent a copy of the notice, including as applicable, the implementation date, the effective date of termination, and any other pertinent details received.

Content of Remittances

37. a. All paper-based Remittances must be MICR Encoded within the reserved area for MICR Encoding in accordance with Standard 006, and Part II of this Rule.

    b. Paper-based Remittances may also contain information within the area reserved for OCR Encoding in accordance with Part II of this Rule.

Payor's FI - Date Stamp

38. When accepting a paper-based Remittance and payment from a Payor, the Payor's FI must stamp the Remittance, and the Receipt if presented, with the Payment Date.

    For greater clarity, if a Truncated Remittance is being created, the source document must be stamped with the Payment Date prior to being Imaged.

Exchange at Regional Settlement Points

39. With respect to participation in the Exchange of paper-based Remittances:

    a. at each Regional Exchange Point, Direct Clearers which participate in the Exchange of Canadian dollar Payment Items may also Exchange paper-based Remittances; and

    b. each Direct Clearer that is a non-participant at a Regional Exchange Point wishing to have its paper-based Remittances Exchanged must arrange for its representative to do so on its behalf.

Encoding

40. All paper-based Remittances must be encoded as to amount prior to Exchange at the Regional Exchange Points.

Responsibility for Encoding Errors

41. The Member that initially MICR Encodes the amount on paper-based Remittances Exchanged, or that Exchanges paper-based Remittances already so encoded, must be responsible for the difference between the encoded amount and the actual value of the paper-based Remittance.

Exchange Window for Remittances

42. Batches of paper-based Remittances Exchanged pursuant to section 40 must be Exchanged no later than 12:30 hours local time on the Business Day following Payment Date.

Segregation of Remittances

43. Paper-based Remittances to be Exchanged must be prepared and segregated at the Direct Clearer level (both participating and non-participating). Outsorts at the Indirect Clearer or Corporate Creditor level are the responsibility of the receiving Direct Clearer.

Microfilming/Imaging

44. Prior to the Exchange of paper-based Remittances, each delivering Direct Clearer must:

    a. microfilm or Image all Remittances; or

b. when it has an equipment malfunction, make alternate arrangements with the receiving Direct Clearer.

Exchange of Remittances

45. At each Regional Exchange Point,

a. all participating Direct Clearers must agree upon a central location to Exchange paper-based Remittances and a specific daily Exchange time (no later than 12:30 hours local time);

b. all paper-based Remittances must be Exchanged in separate bundles of not more than 300 Remittances, securely packaged to preserve the order of the paper-based Remittances;

c. a totaled list of paper-based Remittances in the order of the contents, indicating the processing date and the delivering Direct Clearer, must accompany each bundle; and

d. a receiving Direct Clearer must give notice to the delivering Direct Clearer of any discrepancy between the bundles received and the supporting lists.

Rejected Paper-based Remittances

46.

a. Rejected paper-based Remittances may not be physically repaired.

b. Truncated Remittances may not be created from rejected paper-based Remittances.

c. Paper-based Remittances that are rejected by the Payor's FI must be Exchanged in accordance with section 46 and may, at the option of the Payor's FI, be bundled separately from machine-readable Remittances.

d. Where rejected paper-based Remittances are Exchanged in separate bundles from machine-readable Remittances, they must be physically identified with the word "REJECT" clearly marked on the Listing.

Returned Remittances

47.

a. Subject to section 48:

i. the Payee's FI may not return paper-based Remittances it has received from a Payor's FI in accordance with Rule A4; and

ii. the Payor's FI must accept paper-based Remittances returned outside of the Association rules only from the Payee's FI.

b. If a Corporate Creditor has identified a Truncated Remittance that is not Legible or Useable (as defined in Rule A10), the Payee's FI must contact the Payor's FI and attempt to obtain a new Truncated Remittance. The Payee's FI may not, in any circumstances, return such Items to the Payor's FI in accordance with Rule A4, but

must otherwise forward the unusable Truncated Remittance, along with value, to the Payor's FI.

Return - Remittances Received in Error

48. Where the Payee's FI has received from a Payor's FI paper-based Remittance not associated with a Corporate Creditor for which it acts, or otherwise routed in error, the Payee's FI must forward the Remittance, along with value, to the Payor's FI by means outside of the Association rules.

Settlement

49. a. i. Subject to paragraph (ii), Settlement for paper-based Remittances must be for value on the day of Exchange and provided for each Exchange date. At each Regional Exchange Point the receiving Direct Clearer must initiate a debit entry into the ACSS using stream type "F" against each delivering Direct Clearer. Each entry must reflect the total Remittance count and dollar value for the paper-based Remittances received from each Direct Clearer and the entries must be made as delivery number “Z9" no later than 16:00 hours ET.

ii. Any receiving Direct Clearer that misses the 16:00 hours ET cut-off time must hold over its stream “F” entries for that day to the next Business Day.

b. By 18:00 hours ET on the day of making the corresponding ACSS entry, each Direct Clearer must initiate a Lynx Payment Message in favour of each other Direct Clearer with whom it is in a net debit position for the amount as reported in the ACSS Stream Migration – Large Value Settlement Report generated by the ACSS after the 16:00 hours ET cut-off time (reference the institution and account information in the EDI Main Contact List). The Instruction ID element of the Payment Message in the Lynx MX Format, must be completed to refer to this Rule and the date of Settlement, as follows: “H6 (yy/mm/dd)”.

Contingency Procedures

50. Contingency procedures and back-up facilities must be in accordance with the requirements of Association rules and standards.

APPENDIX I - PAYMENT OPERATIONS CENTRE CONTACT INFORMATION

Hours of Availability

Payment Operations Centre - On hours support	By Phone or email from Sunday at 21:30 hours to Friday at 21:30 hours ET
Payment Operations Centre - Off hours support	Monitored voice mail only from Friday at 21:30 hours to Sunday at 21:30 hours ET

Telephone Number

1-800-263-8863

Email Address

POC@payments.ca

APPENDIX II - DIRECT CLEARER USE OF THE CORPORATE CREDITOR IDENTIFICATION NUMBER (CCIN) DATABASE

Introduction

1. This Appendix outlines the procedures applicable to the use of the Corporate Creditor Identification Number database for the Exchange of bill payment Remittances in accordance with Rule H6. Instructions related to the updating of information in the CCIN database can be found in the CCIN User Manual from the Payment Operations Centre.

Scope

2. This Appendix outlines the rights and responsibilities of Direct Clearers in subscribing to the CCIN system and how certain data from the CCIN database is to be used to facilitate the transfer of funds.

References

3. This Appendix must be read in conjunction with the CCIN User Manual and the CCIN Service Level Description.

Proprietary Nature

4. The Association has exclusive property of the CCIN database and owns the intellectual property rights in and to the CCIN.

Direct Clearer Subscription

5. A Direct Clearer wishing to subscribe to the CCIN must provide the Association with a point of contact and telephone number for operational support.

Direct Clearers as Sponsors

6. A Direct Clearer sponsoring an Indirect Clearer or non-Member organization for subscription to the CCIN output must enter into a signed, three-party agreement between the Association, the Direct Clearer and the organization it sponsors. The agreement form must be available to the Direct Clearer upon request from the Association.

Access to CCIN Output

7. The Association will provide Direct Clearers, sponsored Indirect Clearers, and sponsored non-Member organizations with access to the CCIN output via the CCIN Application, in accordance with the user roles and restrictions as described in the CCIN Service Level Description. CCIN output will be available for download by 12:00 hours ET on the immediately preceding Business Day.

Use of CCIN Output

8. For the purpose of updating routing information for Remittances, any changes to the CCIN output must be implemented by Direct Clearers after the Friday Exchange cut-off (e.g. 15:00 hours ET for electronic Remittances and 12:30 hours local time for paper-based Remittances) and prior to the next Exchange on the following Business Day.

Effective Date of CCIN

9. All information on CCIN output must be considered current and valid. All changes to and notifications concerning bill payment arrangements must be effective as of the implementation date for the acceptance of the Remittances of the Corporate Creditor, as communicated in accordance with subsection 9(a) of this Rule.

    Note: For greater clarity, for payment routing purposes, CCIN output will be in effect for the first Exchange each Monday, in accordance with section 8 above.

Contingency Procedures

10. Contingency procedures can be found in the CCIN Service Level Description.

PART II: TECHNICAL RULES

PART II: TECHNICAL RULES

1.0 SPECIFICATIONS FOR INTERCHANGE OF ELECTRONIC REMITTANCES

> This section of Rule H6 is available only in English at this time due to the fact that ASC X12 documentation must be referenced in conjunction with its use and that documentation is only available in English.

1.1 IDENTIFICATION OF ELECTRONIC REMITTANCES

1.1.1 GS - Functional Group Header

Level: Header

Loop: ———

Usage: **Mandatory**

Max Use: 1

Purpose: To indicate the beginning of a Functional Group and to provide control information.

Data Element Summary

Ref. Des.	Data Element	Name	Attributes
GS01	479	**Functional Identifier Code**	**M** **2/2**
			M ID 2/2
		- Mandatory element. - This element corresponds to one of the following values depending on the transaction sets within the functional group: RA - 820s; AG - 824s; or FA - 997s.	

GS02	142	**Application Sender's Code**	**M**		**2/15**	
				M	AN	2/15

- Mandatory element.
- At a minimum, must be 'CPA-BPT', which means 'bill payment'.
  (Note: This code must be used only in the 820 - Payment Order/Remittance Advice transaction set.* For other transaction sets, content of GS02 to be specified in bilateral agreements.)
- Remaining content specified in bilateral agreements.

GS03	124	**Application Receiver's Code**		**M**		**2/15**
				M	AN	2/15

- Mandatory element.
- Content specified in bilateral agreements.

GS04	373	**Date**		**M**		**6/6**
				M	DT	6/6

- Mandatory element.
- Date when the functional group was created, in the format YYMMDD.

* The contents of the GSO2 data element used in the 820 transaction set as per Rule E3 are determined through bilateral agreements. This discrepancy will eventually be corrected.

GS05	337	**Time**		**M**		**4/6**
				M	TM	4/6

- Mandatory element.
- Time when the functional group was created, in the format HHMMSS (seconds are optional).

GS06	28	**Group Control Number**		**M**		**1/9**
				M	NO	1/9

- Mandatory element.
- Each functional group sent by a Direct or Indirect Participant must have a unique group control number by financial institution. All transaction sets within a functional group with duplicate group control numbers shall be rejected.

GS07	455	**Responsible Agency Code**	**M**		**1/2**	
				M	ID	1/2

- Mandatory element.
- Must be 'X' (ASC X12).

GS08	480	**Version/Release/Industry ID Code**		**M**		**1/12**
				M	AN	1/12

- Mandatory element.
- Must be '003030'.

1.2 CONTENT OF TRANSMISSIONS

The structure of each individual Transaction Set shall conform to an 820 - Payment Order/Remittance Advice, as described below.

An 820 - Payment Order/Remittance Advice is sent by one Financial Institution to another Financial Institution to direct that FI to make a payment to a specified party.

The Financial Institution receiving the 820 shall verify syntax and payment-related information for each 820. If an 820 does not comply with these specifications, the 820 shall be rejected and reported back to the FI originating the 820 transaction set by a negative 997, negative 824, or both.

820s are packaged into Functional Groups with a functional identifier code (GS01) of 'RA'. The maximum number of 820s in a Functional Group must not exceed 999,999; and the maximum number of segments within an 820 must not exceed 9,999,999,999.

Rules Pertaining to the Inter-financial Institution Exchange and Settlement of Bill Payment Remittances

HEADER/TABLE 1

Pos. No.	Seg. ID	Name	ASC Req.	X12 Max.	CDN BP Req.	FI Max	Loop Name/ Repeat	Comments
010	ST	Transaction Set Header	M	1	M	1		
20	BPR	Beginning Segment for Payment Order/ Remittance Advice	M	1	M	1		
30	NTE	Note/Special Instruction	O	>1	O	>1		
35	TRN	Trace	O	1	M	1		
40	CUR	Currency	O	1	O	1		
50	REF	Reference Numbers	O	>1	M	>1		
060	DTM	Date/Time Reference	O	>1	M	>1		
070	N1	Name	O	1	M	1	>1	**Two N1 loops are mandatory**
080	N2	Additional Name Information	O	>1	O	>1		
090	N3	Address Information	O	>1	O	>1		
100	N4	Geographic Location	O	1	O	1		
110	REF	Reference Numbers	O	>1	O	>1		
120	PER	Administrative Communications Contact	O	>1	O	>1		

DETAIL/TABLE TWO

Pos. No.	Seg. ID	Name	ASCX12 Req.	ASCX12 Max.	CDN PB Req.	FI Max	Loop Repeat
010	ENT	Entity	O	1	M	1	>1
020		Name	O	1	O	1	>1
030		Additional Name Information	O	>1	O	>1	
040		Address Information	O	>1	O	>1	
050		Geographic Location	O	1	O	1	
060		Reference Numbers	O	>1	O	>1	
070		Administrative Communications Contact	O	>1	O	>1	
080	ADX	Adjustment	O	1	O	1	>1
090	NTE	Note/Special Instruction	O	>1	O	>1	
100	PER	Administrative Communications Contact	O	>1	O	>1	
110	REF	Reference Numbers	O	1	O	1	>1
120	DTM	Date/Time Reference	O	>1	O	>1	
130	ITI	Baseline Item Data (Invoice)	O	1	O	1	>1
140	REF	Reference Numbers	O	1	O	1	>1
141	DTM	Date/Time Reference	O	1	O	1	
150	RMR	Remittance Advice Accounts Receivable Open Item Reference	O	1	M	1	>1
160	NTE	Notes/Special Instruction	O	>1	O	>1	
170	REF	Reference Numbers	O	>1	M	>1	
180	DTM	Date/Time Reference	O	>1	O	>1	
190	ITI	Baseline Item Data (Invoice)	O	1	O	1	>1
200	REF	Reference Number	O	1	O	1	>1
201	DTM	Date/Time Reference	O	1	O	1	
210	ADX	Adjustment	O	1	O	1	>1
220	NTE	Note/Special Instruction	O	>1	O	>1	
230	PER	Administrative Communications Contact	O	>1	O	>1	
240	REF	Reference Number	O	1	O	1	>1
250	DTM	Date/Time Reference	O	>1	O	>1	
260	IT1	Baseline Item Data (Invoice)	O	1	O	1	>1
270	REF	Reference Number	O	1	O	1	>1
271	DTM	Date/Time Reference	O	1	O	1	
272	ITA	Allowance, Charge or Service	O	1	O	1	>1
273	TX1	Tax Information	O	>1	O	>1	
274	SLN	Subline Item Detail	O	1	O	1	>1
275	REF	Reference Number	O	1	O	1	>1
276	DTM	Date/Time Reference	O	>1	O	>1	
277	SAC	Service, Promotion, Allowance or Charge Information	O	1	O	1	>1
278	TX1	Tax Information	O	>1	O	>1	
280	TXP	Tax Payment	O	1	O	1	>1
285	TX1	Tax Information	O	>1	O	>1	

SUMMARY

Pos. No.	Seg. ID	Name	ASC Req.	X12 Max	CND BP Req.	FI Max	Loop Repeat	Comments
010	SE	Transaction Set Trailer	M	1	M	1		

1.2.1 BPR – Beginning Segment for Payment Order/Remittance Advice

Level: Header

Loop: ———

Usage: **Mandatory**

Max Use: 1

Purpose: To specify payment detail of the Transaction Set.

Data Element Summary

Ref. Des.	Data Element	Name		Attributes		
BPR01	305	**Transaction Handling Code** - Mandatory element. - Must be 'C' (payment accompanies remittance advice).	**M** M		**1/1** ID	 1/1
BPR02	782	**Monetary Amount** - Mandatory element. - If whole dollar amount, no decimal required; if fractional amount, maximum of two decimal places. - BPR02 is the amount that shall be credited to the Receiver's account at its financial institution. It must be greater than zero and equal to the sum of the RMR04 data elements contained in the remittance advice loops.	**M** M	**R2** R	**1/15** 1/15	
BPR03	478	**Credit/Debit Flag Code** - Mandatory element. - Must be 'C' (credit).	**M** M		**1/1** ID	 1/1
BPR04	591	**Payment Method Code** - Mandatory element. - Must be 'X12'.	**M** M		**3/3** ID	 3/3

BPR05	812	**Payment Format**		**M**		**1/10**
				O	ID	1/10
		- Mandatory element. - Must be 'CBC', which means 'consumer/employee check' according to ASC X12, but used for the purposes of this Rule to represent bill payments. A new Canadian code value for bill payments transmitted electronically between Canadian financial institutions, 'BPT', which means ' bill payment', has been submitted for approval by ASC X12.				
BPR06	506	**(DFI) ID Number Qualifier**		**M**		**2/2**
				X	ID	2/2
		- Mandatory element. - Must be '04', which means 'CPA Identifier'.				
BPR07	507	**(DFI) Identification Number**	**M**		**9/9**	
				X	AN	3/12
		- Mandatory element. - BPR07 contains two components. The first four digits identify the Payor's FI. The next five digits specify a branch number. These are established CPA codes, maintained in the Financial Institutions File (FIF). - As the 820 travels between Direct and Indirect Participants, this element must not be changed. An audit trail of the 820's movement must be maintained in the 'RR' REF02 reference number.				
BPR08	896	**Account Number Qualifier Code**		**O**		**2/2**
				O	ID	2/2
		- Optional element, which Financial Institutions shall disregard.				
BPR09	508	**Account Number**		**M**		**1/12**
				X	AN	1/35
		- Mandatory element. - BPR09 identifies the Originator's account by account number at its financial institution.				
BPR10	509	**Originating Company Identifier**		**O**		**10/10**
				O	AN	10/10
		- Optional element, which Financial Institutions shall disregard.				

BPR11	510	**Originating Company Supplemental Code**		**O**		**9/9**
				O	AN	9/9
		- Optional element, which Financial Institutions shall disregard.				
BPR12	506	**(DFI) ID Number Qualifier**		**M**		**2/2**
				X	ID	2/2
		- Mandatory element. - Must be '04', which means 'CPA Identifier'.				
BPR13	507	**(DFI) Identification Number**	**M**		**9/9**	
				X	AN	3/12
		- Mandatory element. - BPR13 consists of two components. The first four digits identify the Payee's FI. The next five digits specify a branch number. These are established CPA codes, maintained in the FIF. - The Originating Direct Participant must use the information contained in the FIF to determine the Direct Participant that handles EDI payments for the Payee's FI. - Receiving Direct Participants may use the FIF to verify the BPR13 element.				
BPR14	896	**Account Number Qualifier Code**		**O**		**2/2**
				O	ID	2/2
		- Optional element, which Financial Institutions shall disregard.				
BPR15	508	**Account Number**		**M**		**1/12**
				X	AN	1/35
		- Mandatory element. - BPR15 identifies the Receiver's account by account number at its Financial Institution.				
BPR16	513	**Effective Entry Date**		**M**		**6/6**
				O	DT	6/6
		- Mandatory element. - Date indicated by the Originator when the amount specified in BPR02 is to be credited to the Receiver's account (value date).				
BPR17	1048	**Business Function Code**		**O**		**1/3**
				O	ID	1/3
		- Optional element, which Financial Institutions shall disregard.				

1.2.2 NTE - Note/Special Instruction

Level: Header

Loop: ———

Usage: **Optional**

Max Use: >1

Purpose: To transmit information from the Originator to the Receiver in a free-form format, if necessary, for comment or special instruction.

This is an optional segment, which financial institutions shall disregard.

1.2.3 TRN – Trace

Level: Header

Loop: ———

Usage: **Mandatory**

Max Use: 1

Purpose: To transmit identifying numbers between the Originator and the Receiver. The Originator must specify the TRN segment in the Transaction Set header.

Data Element Summary

Ref. Des.	Data Element	Name		Attributes	
TRN01	481	**Trace Type Code**	**M**		**1/2**
			M	ID	1/2
		- Mandatory element.			
		- Must be '1', which means 'Current Transaction Trace Numbers' (i.e., indicates that this is the trace segment for this transaction).			
TRN02	127	**Reference Number**	**M**		**1/30**
			M	AN	1/30
		- Mandatory element.			
		- TRN02 contains the Originator's reference number that identifies this transaction.			
TRN03	509	**Originating Company Identifier**	**O**		**10/10**
			O	AN	10/10
		- Optional element, which financial institutions shall disregard.			
TRN04	127	**Reference Number**	**O**		**1/30**
			O	AN	1/30
		- Optional element, which financial institutions shall disregard.			

1.2.4 CUR - Currency

Level: Header

Loop: _____

Usage: **Optional**

Max Use: 1

Purpose: To specify the currency used in a transaction.

This Rule applies to EDI Payment Items in Canadian funds, which do not make use of this segment.

1.2.5 REF - Reference Numbers

Level: Header

Loop: _____

Usage: **Mandatory**

Max Use: >1

Purpose: To transmit identifying numbers between FIs.

The Payor's FI shall add one REF segment in the header area to assign a unique payment trace number. As the 820 passes to other Direct and/or Indirect Participants, each must add their CPA FIF number to the payment trace number.

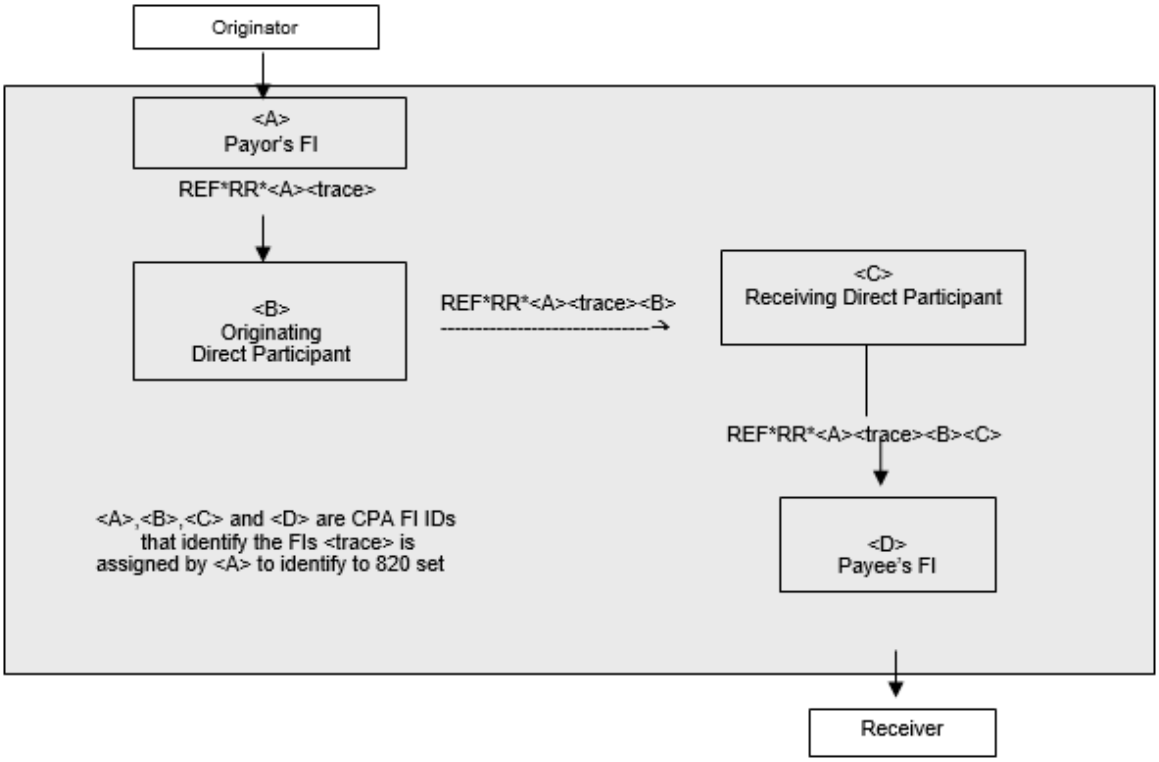
The following specifications apply to the occurrence of the REF segment used to specify the payment trace number. The format of other REF segments must comply with ASC X12 Draft Standards Version Release 003030.

Data Element Summary

Ref. Des.	Data Element	Name	Attributes		
REF01	128	**Reference Number Qualifier**	**M**		**2/2**
			M	ID	2/2
		- Mandatory element. - Must be 'RR' (Reserved for use by FIs only).			
REF02	127	**Reference Number**	**M**		**22/30**
			X	AN	1/30
		- Mandatory element, that uniquely identifies the 820. This element may be referred to as the payment trace number. - The recommended format consists of four components: 1) Four digit CPA Financial Institution ID that identifies the Payor's FI (see established CPA codes maintained in the FIF). 2) A unique combination of 18 digits, letters and/or spaces that identifies the 820. 3) Four digit CPA Financial Institution ID that is added by (and that identifies) the second FI which handles the 820. When the Payor's FI is an Indirect Participant, this component will identify the Originating Direct Participant. When the Payor's FI is the Originating Direct Participant, this component will identify the Receiving Direct Participant. 4) Four digit CPA Financial Institution ID that is added by (and that identifies) the third FI that handles the 820. When the Payor's FI is an Indirect Participant, this component will identify the Receiving Direct Participant. When the Payor's FI is the Originating Direct Participant and the payment is destined for an account at an Indirect Participant, this component will identify the Payee's FI.			
REF03	352	**Description**	**O**		**1/80**
			X	AN	1/80
		- Optional element, which financial institutions shall disregard.			

Illustration

The following diagram shows the 'RR' REF segment as the 820 is passed between Indirect and Direct Participants. In this example, both the Payor's and the Payee's FI are Indirect Participants.



1.2.6 DTM - Date/Time Reference

Level: Header

Loop: _____

Usage: **Mandatory**

Max Use: >1

Purpose: To specify pertinent dates and times.

With respect to electronic Remittances, five dates may be significant:

(1) The date the Payor pays the Invoice (the Payment Date).
(2) The date the Transmission is transferred from the Payor's FI (if an Indirect Participant) to the Originating Direct Participant.
(3) The date the Transmission is transferred from the Originating Direct Participant to the Receiving Direct Participant.
(4) The date the Transmission is transferred from the Receiving Direct Participant to the Payee's FI (if an Indirect Participant).
(5) The date that value is given to the Corporate Creditor and Settlement occurs between FIs.

Possible scenarios are:

(i) In the event that payment is made, the transmission is sent, value is given, and settlement is effected the same day (i.e., (1), (2), (3), (4) and (5) occur on the same day), the mandatory DTM - Date/Time Reference segments in the header created by the Originating Direct or Indirect Participant and the Receiving Direct or Indirect Participant shall be the same as the DTM segment in the RMR - Remittance Advice Accounts Receivable Open Item Reference loop, with the date taken from Data Element BPR16 - Effective Entry Date. In the first DTM in the header, the DTM01 - Date/Time Qualifier created by the Originating Direct or Indirect Participant shall be coded '097' (transaction creation). In the other DTM created by the Receiving Direct or Indirect Participant, the DTM01 shall be coded '107' (deposit).

(ii) In the event that payment is made on one day, and the Transmission is sent, value is given, and Settlement is effected all on a later day, the DTM segments in the header created by the Originating Direct or Indirect Participant and the Receiving Direct or Indirect Participant shall be the date that the Transaction Set is created and the date it is posted to the Payee, respectively. The DTM segment in the RMR loop, coded '109' (received at lockbox), shall be the date the Payor paid the Remittance.

(iii) In the event that the Transaction Set is processed on various days, each Financial Institution participating in the transaction shall add a DTM segment, coded '050' (received), if the date it is transmitting is different than the date of Transmission of the Originating Direct or Indirect Participant.

The following chart summarizes the possible scenarios, at all times assuming that all participants are EDI capable.

	A	B	C1 C2 C3			D	E
	BPR16 **MANDATORY**	DTM (Header) **MADATORY**	DTM (Header) **OPTIONAL**			DTM (Header) **MANDATORY**	DTM (RMR Loop) **OPTIONAL**
PR→ODP→RDP→ PE No Indirect Participants	Intended value date	Date 820 is created Must be '097'	Date of receipt of 820 by RDP (if different than B) Must be '050' (RDP)			Date posted to Payee Must be '107'	Date of receipt of individual bill payment by ODP (if different than A) Must be '109' (ODP)

	(ODP)	(ODP)				(RDP)	
PR→OIP*→ODP→RDP→PE One Indirect Participant	Intended value date (OIP)	Date 820 is created Must be '097' (OIP)	Date of receipt of 820 by ODP (if different than **B**) Must be '050' (ODP)	Date of receipt of 820 by RDP (if different than **B** or **C1**) Must be '050' (RDP)		Date posted to Payee Must be '107' (RDP)	Date of receipt of **individual** bill payment by OIP (if different than **A**) Must be '109' (OIP)
PR→OIP*→ODP→RDP→RIP→PE Two Indirect Participants	Intended value date (OIP)	Date 820 is Created Must be '097' (OIP)	Date of receipt of 820 by ODP (if different than **B**) Must be '050' (ODP)	Date of receipt of 820 by ODP (if different than **B** or **C1**) Must be '050' (RDP)	Date of receipt of 820 by RIP (if different than **B**, **C1** or **C2**) Must be '050' (RIP)	Date posted to Payee Must be '107' (RIP)	Date of receipt of **individual** bill payment by OIP (if different than **A**) Must be '109' (OIP)

*Note: Payor's FI and Payee's FI are EDI capable.

Legend:

PR	- Payor	PE	- Payee (Corporate Creditor)
ODP	- Originating Direct Participant	RDP	- Receiving Direct Participant
OIP	- Originating Indirect Participant (Payor's FI)	RIP	- Receiving Indirect Participant (Payee's FI)

1.2.7 N1 - Name

Level: Header

Loop: N1 **Repeat:** >1

Usage: **Mandatory**

Max Use: 1

Two occurrences of the loop are mandatory between FIs to identify the Originator and the Receiver.
The sequence in which they occur is discretionary.

Syntax Notes:
- At least one of N102 or N103 is required.
- If either N103 or N104 is present, then the other is required.

Purpose 1: To identify the Originator.

Data Element Summary

Ref. Des.	Data Element	Name			Attributes
N101	98	**Entity Identifier Code**	**M**		**2/2**
			M	ID	2/2
		- Mandatory element. - Must be 'PR' (Payor).			
N102	93	**Name**	**M**		**1/35**
			X	AN	1/35
		- Mandatory element. - Must identify the Originator.			
N103	66	**Identification Code Qualifier**	**X**		**1/2**
			X	ID	1/2
		- Relational element.			
N104	67	**Identification Code**	**X**		**2/17**
			X	AN	2/17
		- Relational element.			

Purpose 2: To identify the Receiver (Corporate Creditor) with a Corporate Creditor Identification Number (CCIN).

Data Element Summary

Ref. Des.	Data Element	Name			Attributes
N101	98	**Entity Identifier Code**	**M**		**2/2**
			M	ID	2/2
		- Mandatory element. - Must be 'PE' (Payee).			
N102	93	**Name**	**M**		**1/35**
			X	AN	1/35
		- Mandatory element. - Must identify the Receiver.			
N103	66	**Identification Code Qualifier**	**M**		**1/2**
			X	ID	1/2
		- Mandatory element. - Qualifier applicable to contents of N104. - Must be 'ZZ' (mutually defined), to mean Corporate Creditor Identification Number.			
N104	67	**Identification Code**	**M**		**2/17**
			X	AN	2/17
		- Mandatory element. - Must be a valid CCIN. - CCINs issued to Corporate Creditors by the CPA must be eight characters and include a check digit, based on Modulus 10, in the last position. The CCIN shall be cross-referenced to the Payee's FI.			

1.3 CONTENT OF REMITTANCE LOOPS (INDIVIDUAL PAYMENTS)

1.3.1 Detail Area/Table Two (position 010 to position 285 inclusive)

This table composes the remittance advice portion of the 820.

1.3.2 ENT - Entity

Level: Detail/Table Two

Loop: ENT **Repeat:** >1

Usage: Mandatory

Max Use: 1

Purpose: To designate the entities which are parties to a transaction and specify a reference meaningful to those entities.

Data Element Summary

Ref. Des.	Data Element	Name		Attributes	
ENT01	554	**Assigned Number**	**M**		**1/6**
			O	NO	1/6
		- Mandatory element.			
		- **Value to be determined by the Payor's FI.**			
ENT02	98	**Entity Identification Code**	**O**		**2/2**
			X	ID	2/2
		- Optional element, which financial institutions shall disregard.			
ENT03	66	**Identification Code Qualifier**	**O**		**1/2**
			X	ID	1/2
		- Optional element, which financial institutions shall disregard.			
ENT04	67	**Identification Code**	**O**		**2/17**
			X	AN	2/17
		- Optional element, which financial institutions shall disregard.			

ENT08	128	**Reference Number Qualifier**	**O** X	ID	**2/2** 2/2
		- Optional element, which financial institutions shall disregard.			
ENT09	127	**Reference Number**	**O** X	AN	**1/30** 1/30
		- Optional element, which financial institutions shall disregard.			

1.3.3 N1 - Name

Level: Detail/Table Two

Loop: N1 **Repeat:** >1

Usage: Optional

Max Use: 1

Purpose: To identify the Payor.

This is an optional segment, use of which shall be determined by the Originating and Receiving Direct or Indirect Participants.

Syntax Note: - If either N103 or N104 is present, then the other is required.

Data Element Summary

Ref. Des.	Data Element	Name		Attributes	
N101	98	**Entity Identifier Code** - Mandatory element. - Must be 'PR' (Payor).	**M** M	ID	**2/2** 2/2
N102	93	**Name** - Mandatory element.	**M** X	AN	**1/35** 1/35
N103	66	**Identification Code Qualifier** - Relational element.	**X** X	ID	**1/2** 1/2
N104	67	**Identification Code** - Relational element.	**X** X	AN	**2/17** 2/17

1.3.4 RMR - Remittance Advice Accounts Receivable Open Item Reference

Level: Detail/Table Two

Loop: RMR **Repeat:** >1

Usage: **Mandatory**

Max Use: 1

Purpose: To convey the appropriate detail.

Data Element Summary

Ref. Des.	Data Element	Name		Attributes	
RMR01	128	**Reference Number Qualifier**	**M**		**2/2**
			X	ID	2/2
		- Mandatory element, that specifies the Payor Identifier Number. - Must be either 'CR' (customer reference number) or 'MN' (MICR number).			
RMR02	127	**Reference Number**	**M**		**1/30**
			O	AN	1/30
		- Mandatory element. - Must be the Payor Identifier Number specified in RMR01.			

If a remittance loop is created by an FI for a Remittance originally collected/received as a paper-based Remittance, RMR01 shall be coded 'MN' (MICR number) and the data to be included in RMR02 shall be obtained directly from the MICR line in the following manner:

- Account Number Section: character positions 31 - 19 inclusive, followed by,

- Mutually Defined Field Separator: , (comma), followed by,

- Auxiliary On-us Field: character positions 57 - 46 inclusive.

Any additional Payor information collected electronically (when RMR01 is coded 'CR') may be defined in REF03 (Corporate Creditor Defined Data, as defined below).

RMR03	482	**Payment Action Code**	**O**		**2/2**
			O	ID	2/2
		- Optional element, which financial institutions shall disregard.			
RMR04	782	**Monetary Amount**	**M**	**R2**	**1/15**
			O	R	1/15
		- Mandatory element, that specifies the Remittance Amount.			
		- The sum of the RMR04 data element(s) contained in the remittance advice loop(s) shall equal the BPR02 data element.			
RMR05	777	**Total Credit/Debit Amount** **O**	**R2**	**1/15**	
			O	R	1/15
		- Optional element, which financial institutions shall disregard.			
RMR06	780	**Discount Amount Taken O R2 1/15**	**O**	**R2**	**1/15**
			O	R	1/15
		- Optional element, which financial institutions shall disregard.			

1.3.5 REF - Reference Numbers

Level: Detail/Table Two

Loop: ____

Usage: **Mandatory**

Max Use: >1

Purpose: To transmit a unique Item Trace Number assigned by the Payor's FI.

Data Element Summary

Ref. Des.	Data Element	Name			Attributes
REF01	128	**Reference Number Qualifier**	**M**		**2/2**
			M	ID	2/2
		- Mandatory element. - Must be 'TN' (transaction reference number).			
REF02	127	**Reference Number**	**M**		**1/30**
			X	AN	1/30
		- Mandatory element. - The first four digits identify the Payor's FI. These are established CPA codes maintained in the FIF.			
REF03	352	**Description**	O		1/80
			X	**AN**	**1/80**
		- Optional element, that may be used to specify the Corporate Creditor Defined Data. - To specify additional Payor information at the discretion of the Corporate Creditor.			

1.3.6 DTM - Date/Time Reference

Level: Detail/Table Two

Loop: _____

Usage: **Optional**

Max Use: >1

Purpose: To identify the date on which the Payor makes a bill payment at a Payor's FI.

If this segment is not present, the date the bill payment is received by the Originating Direct or Indirect Participant is the intended Value Date as specified in BPR16.

Data Element Summary

Ref. Des.	Data Element	Name		Attributes	
DTM01	374	Date/Time Reference	M		3/3
			M	ID	3/3
		- Mandatory element. - Must be '109' (received at lockbox).			
DTM02	373	Date	M		6/6
			X	DT	6/6
		- Mandatory element.			
DTM03	337	Time	O		4/6
			X	TM	4/6
		- Optional element, which financial institutions shall disregard.			
DTM04	623	Time Code	O		2/2
			O	ID	2/2
		- Optional element, which financial institutions shall disregard.			
DTM05	624	Century	O		2/2
			O	NO	2/2
		- Optional element, which financial institutions shall disregard.			

2.0 SPECIFICATIONS FOR INTERCHANGE OF PAPER-BASED REMITTANCES

2.1 INTRODUCTION

This section describes the specifications for the application of CPA Standard 006: "*Standards and Specifications for MICR Encoded Documents*", to paper-based Remittances. As such, it should be read in conjunction with CPA Standard 006. The following additions/exceptions shall be followed:

2.2 MICR ENCODING ON REMITTANCES

Detailed diagrams of the placement of information to appear in the MICR reserved area appear in Appendices I and II of Part II of this Rule. All specifications contained in CPA Standard 006 remain applicable; however layout changes are as follows:

(a) Amount Field: Character positions 11-2 inclusive shall be reserved for the Remittance Amount.

(b) On-Us Field:

i) Transaction Code Section: Code 96, to indicate it is a Remittance, shall be located anywhere within the four positions of the Transaction Code Section. The remaining two positions shall be blank.

ii) Account Number Section: Character positions 31-19 inclusive shall be reserved for Corporate Creditor Defined Data. It is an optional field at the discretion of the Corporate Creditor.

(c) Transit Number Field: Character positions 36, 35 and 34 (in this order) shall be the first three digits of the CCIN. Positions 42, 41, 40, 39, and 38 (in this order) shall be the last five digits of the CCIN. *(Note: Character position 36 shall be '9' in all cases.)*

(d) Auxiliary On-Us Field: Character positions 57-46 inclusive shall also be reserved for Corporate Creditor Defined Data. It is an optional field at the discretion of the Corporate Creditor.

This format allows the Corporate Creditor Defined Data to be placed in two fields of the MICR line. FIs shall first read data in the Auxiliary On-Us Field, followed by data in the Account Number Section.

2.3 OCR ENCODING ON REMITTANCES

OCR Encoding on Remittances is not mandatory and is not required for the exchange of Remittances between FIs. As such, Corporate Creditors may choose whether this line appears on the Remittance. However, if utilized, the encoding shall be in accordance with this Rule.

(a) Content

The content of the OCR line shall be Corporate Creditor defined information.

(b) Reserved Area - OCR Encoding

The reserved area shall be expanded by the addition of a further 3/8" (0.95 cm) band free of printing, colour and background.

(c) Interline Spacing

The top of the MICR characters shall be separated from the bottom of the OCR characters by a minimum of 1/4" (0.64cm).

(d) OCR Spacing

The OCR line shall be centred vertically in the Reserved Area - OCR Encoding. The vertical centerline of the rightmost character shall be no closer than 1/4" (0.64 cm) from the right-hand edge of the Remittance. The vertical centerline of the leftmost character shall be no closer than 1/4" (0.64 cm) from the left-hand edge of the Remittance.

(e) OCR Font

OCR-A. (ANSI X3.17, 1981) shall be the required font.

(f) OCR Encoding Format

The following format is laid out from right to left:

The rightmost character of the line shall be a Dash (-) to identify OCR-A as the font utilized in the remainder of the line to the left.

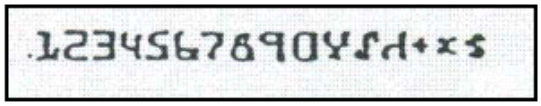
A minimum space of 1/4" (0.64cm) is required between the font identifier and the first character.

(g) OCR Print Quality

As set forth in ANSI X3.17, 1981: *"Print Quality for Optical Character Recognition"*, ANSI X3.86, 1980 (R1987): *"Optical Character Recognition Inks"*, and ANSI X3.93, 1981: *"OCR Character Positioning"*.

(h) Sample of OCR-A Font

Type font is Multifont - Numeric only, a sample of which follows:



["." and "-" are short symbols, and "|" is a long vertical mark]

2.4 HUMAN READABLE INFORMATION ON PAPER-BASED REMITTANCES

The following mandatory data have been identified as minimum requirements for paper-based Remittances in order that the Payor's FI can effectively process payments. This data shall be human readable.

(a) Corporate Creditor Information

A legal or trade name which uniquely identifies the Corporate Creditor. It is recommended that this information also appear on the "Receipt".

(b) Payor Information

The Payor name, and/or a unique number assigned by the Corporate Creditor (Payor Identifier Number), to identify its customer. It is recommended that this information should also appear on the Receipt.

(c) Amount Paid Area

A clearly defined blank area on the Remittance portion labelled "Amount Paid" which shall be used to enter the Remittance Amount. This area shall be located away from any machine-readable encoding to avoid processing problems.

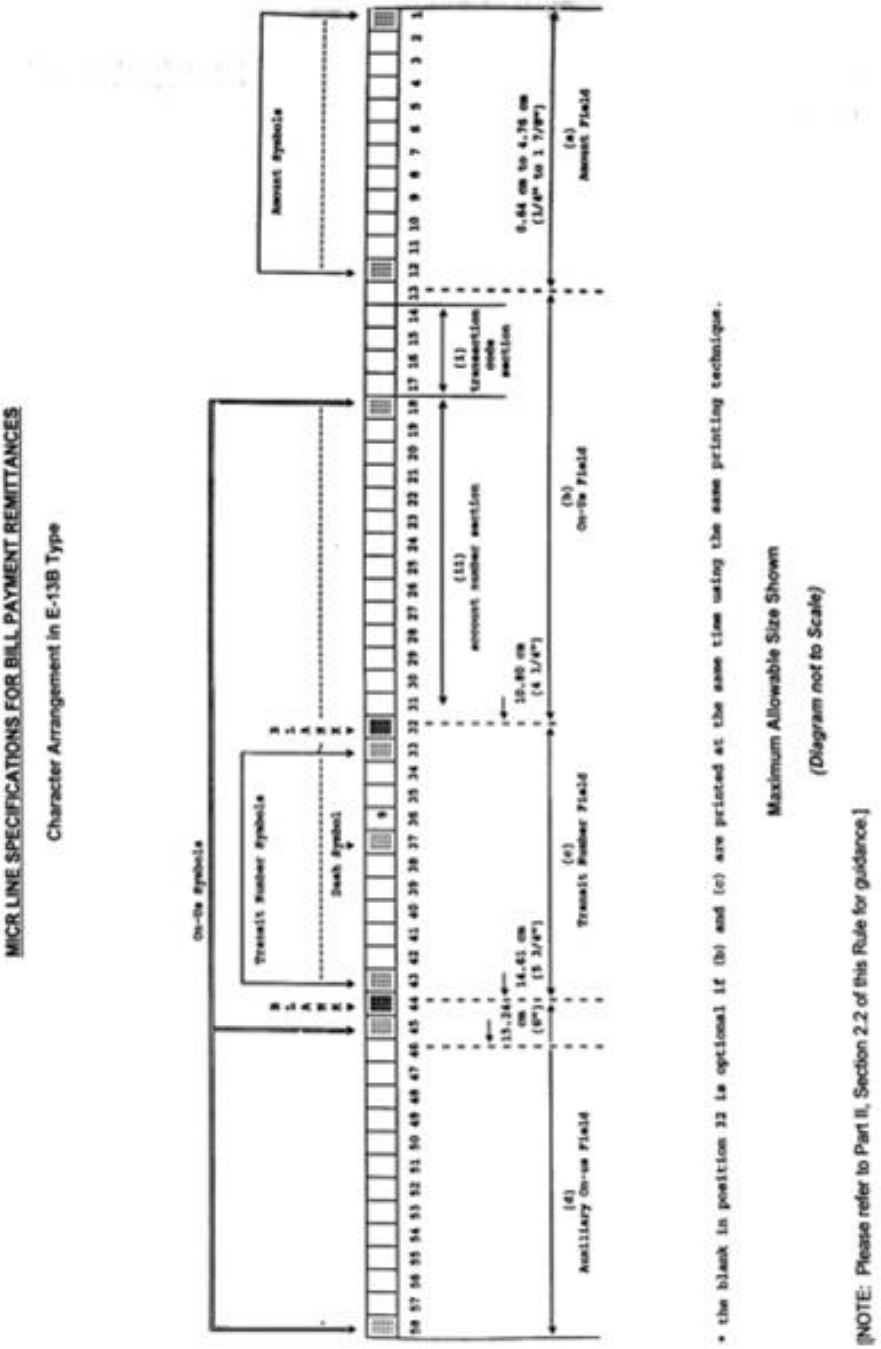
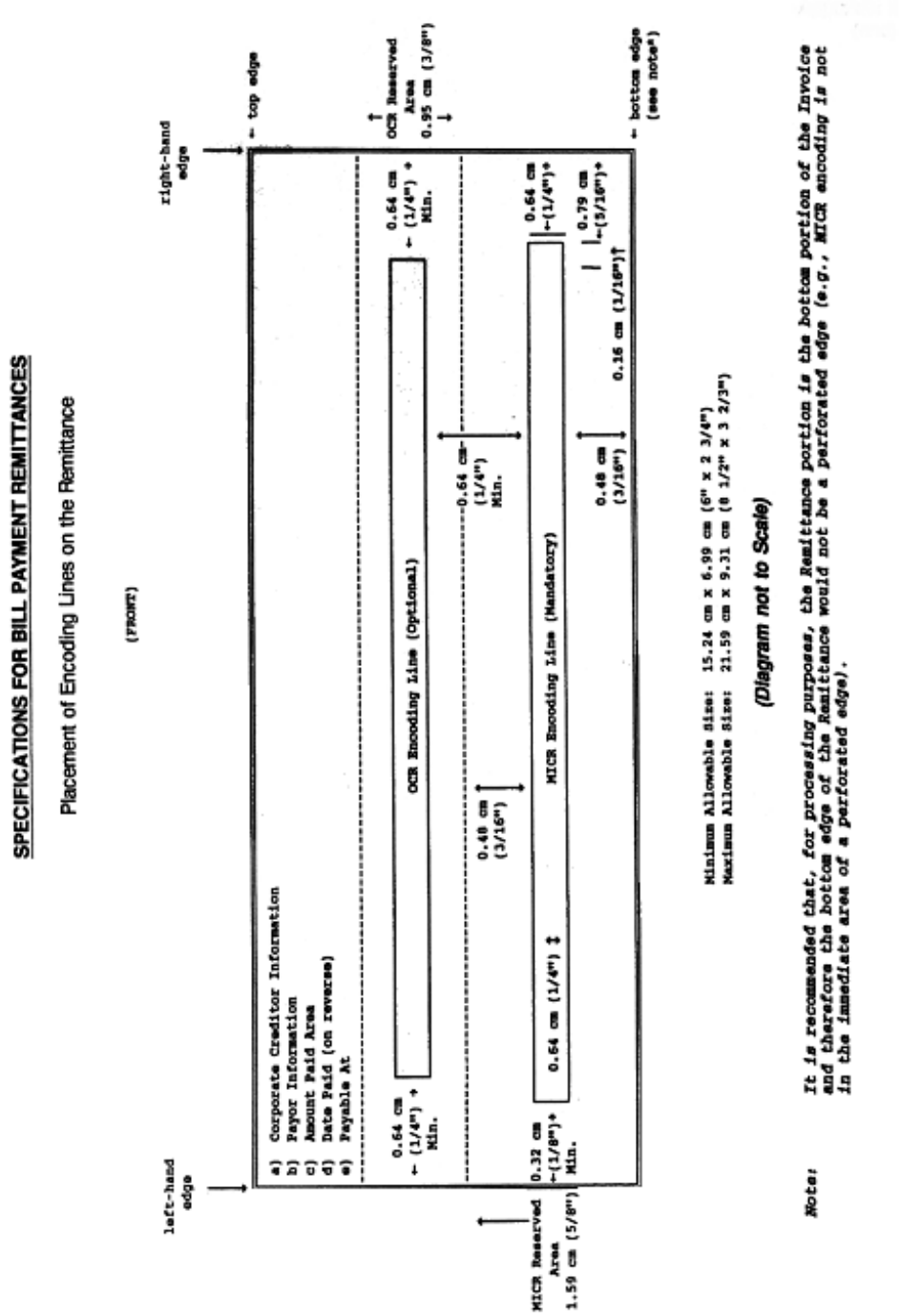
(d) Payment Date

The stamp of the Payor's FI to be applied to the reverse of the paper-based Remittance and the Receipt, if presented. It shall indicate the Payment Date as paid by the Payor.

(e) Payable At

Each Remittance shall bear a statement as to where the Payor may make payment.
This information is optional on the "Receipt".

APPENDIX I - CHARACTER ARRANGEMENT IN E-13B TYPE



APPENDIX II - PLACEMENT OF ENCODING LINES ON THE REMITTANCE