

# CANADIAN PAYMENTS ASSOCIATION

## LVTS RULE 6

### PAYMENT TRANSMISSIONS

**LVTS Rule 6, December 1998:** as amended October 2000, March 2001, July 30, 2001, November 19, 2001, February 14, 2002, November 25, 2002, March 31, 2003, September 25, 2003, October 6, 2003, November 27, 2003, January 27, 2004, March 29, 2004, March 31, 2005, April 25, 2005, May 14, 2005, upon implementation of LVTS v5.0 (December 12, 2005), February 23, 2006, June 15, 2006, October 5, 2006, March 29, 2007, January 28, 2008, August 11, 2008, January 26, 2009, May 25, 2009, December 14, 2009, December 13, 2010, January 3, 2017, and January 30, 2017.

**PAYMENT TRANSMISSIONS  
TABLE OF CONTENTS**

**S.W.I.F.T. MESSAGES..... 1**

**MESSAGE TYPES ..... 1**

**PAYMENT MESSAGE FORMATS ..... 1**

**SECURITY ..... 2**

**FAILED S.W.I.F.T. AUTHENTICATION ..... 2**

**ENCRYPTION ..... 2**

**TECHNICAL PROBLEM ..... 2**

**AUTHENTICATION ..... 2**

**INFORMATION ..... 2**

**TIMING OF PAYMENT MESSAGES ..... 3**

**JUMBO PAYMENTS ..... 3**

**AMOUNT OF PAYMENT MESSAGE ..... 3**

**DIRECT NETWORK PAYMENT MESSAGES..... 3**

**NON PARTICIPANT MEMBERS ..... 4**

**LISTING ..... 4**

**APPENDIX I PAYMENT MESSAGE FORMAT ..... 1**

**HEADER AND TRAILER EXAMPLE MT 103 ..... 2**

**HEADER AND TRAILER EXAMPLE MT 205 ..... 3**

**HEADER AND TRAILER EXAMPLE MT 205 COV..... 4**

**MESSAGE TYPES ..... 5**

**MT 103 Customer Transfer ..... 5**

**MT 205 Financial Institution Transfer ..... 6**

**MT 205 COV Financial Institution Transfer Execution ..... 7**

**MT 205 Payment to CDS - Type R Payment ..... 8**

**PAYMENT TRANSMISSIONS**

**TABLE OF CONTENTS**  
*(continued)*

**APPENDIX I (cont'd)**

|                                                                                                      |           |
|------------------------------------------------------------------------------------------------------|-----------|
| <b>MT 205 Financial Institution Transfer - Continuous Linked Settlement (CLS) Bank Payment .....</b> | <b>9</b>  |
| <b>MT 012 Acceptance Notification .....</b>                                                          | <b>10</b> |
| <b>MT 019 Rejection Notification .....</b>                                                           | <b>11</b> |
| <b>LVTS STRAIGHT THROUGH PAYMENT FORMATS .....</b>                                                   | <b>12</b> |
| <b>Example 1 - MT 103 - Customer Transfer .....</b>                                                  | <b>12</b> |
| <b>Example 2 - MT 205 - Financial Institution Transfer .....</b>                                     | <b>13</b> |
| <b>QUALIFIED VS UNQUALIFIED LVTS PAYMENT EXAMPLES .....</b>                                          | <b>14</b> |
| <b>MT 103 - Customer Transfer - Example 1 .....</b>                                                  | <b>14</b> |
| <b>MT 103 - Customer Transfer - Example 2 .....</b>                                                  | <b>15</b> |
| <b>MT 205 - General Financial Institution Transfer - Example 1 .....</b>                             | <b>16</b> |
| <b>MT 205 - General Financial Institution Transfer - Example 2 .....</b>                             | <b>17</b> |
| <b>MT 205 - General Financial Institution Transfer - Example 3 .....</b>                             | <b>18</b> |

### PAYMENT TRANSMISSIONS

**S.W.I.F.T. MESSAGES** 6.1 Payment Messages shall be sent using the S.W.I.F.T. payment network. Each Participant shall have at least one S.W.I.F.T. connection capable of sending and receiving S.W.I.F.T. FIN Copy messages through the LVTS and shall register, with the Association, the address of each such S.W.I.F.T. connection.

**MESSAGE TYPES** 6.2 LVTS Payment Messages shall be either S.W.I.F.T. message type MT 103 or MT 205 for same day value with “CAD” in field : 103:. No other message type will be handled by LVTS. S.W.I.F.T. will reject all message types other than MT 103 or MT 205 if “CAD” is present in field :103:. During the Payment Message Exchange Period the two S.W.I.F.T. message types MT 103 and MT 205 for same day value may be sent by a Participant. Only S.W.I.F.T. message type MT 205 may be sent during Pre-Settlement.

Only CLS-related or bilaterally agreed upon non-CLS related payments may be sent between 00:30 - 06:00 hours. CLS-related payments are those payments to/from Bank of Canada for the benefit of the CLS bank, payments delivered between participants to fund a participant’s position or a client’s position for whom a Participant is acting as the client’s nostro agent.

**PAYMENT MESSAGE FORMATS** 6.3 Each Participant shall ensure that all Payment Messages sent by it shall be:

- a. for same day value only;
- b. for Canadian dollar currency, with the “CAD” designation set out in field 103 of the S.W.I.F.T. message; and
- c. designated as a Tranche 1 Payment Message or Tranche 2 Payment Message or a Type “R” Payment Message by setting out in field 108 of the S.W.I.F.T. message; “1” for Tranche 1, “R” for Tranche 1 where a Type R Payment Message is being made, or “2” for Tranche 2.

Any MT103 or MT 205 Payment Message which does not carry the “CAD” designation in field : 103: will not be forwarded to LVTS by S.W.I.F.T. Any Payment Message which does not carry a tranche designation “1,” “R” or “2” in field :108: of the S.W.I.F.T. message shall be assigned a tranche designation “1” or “2” automatically by the LVTS based upon the tranche specified in the Sending Participant’s Participant Profile. A Participant may change the tranche specified in its Participant Profile at any time but the change only becomes effective at the commencement of the next LVTS Cycle. Payment Message Formatting examples are set out in Appendix I.

## PAYMENT TRANSMISSIONS

|                                                      |     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|------------------------------------------------------|-----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>PAYMENT MESSAGE FORMATS</b><br><i>(continued)</i> |     | Type R Payment Messages may only be sent to the Bank of Canada as Receiving Participant and are for the sole purpose of paying an obligation to CDS during CDSX Payment Exchange. If a different Payee is identified on the Payment Message, this shall be an error and the Bank of Canada shall be entitled in accordance with the provisions of section 46 of the By-law to correct the Payment Message by making it payable to CDS and make the amount of the Payment Message available to CDS.                                                                          |
| <b>SECURITY</b>                                      | 6.4 | Each Participant shall ensure that all Payment Messages sent by it shall be subjected to the user security enhancement features provided by S.W.I.F.T.                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>FAILED S.W.I.F.T. AUTHENTICATION</b>              | 6.5 | Any Payment Message which:<br><ol style="list-style-type: none"><li>fails S.W.I.F.T. authentication prior to passing the required Risk Control Tests is not an Approved Payment Message and must be resent by the Sending Participant.</li><li>passes the required Risk Control Tests but fails S.W.I.F.T. authentication at the Receiving Participant is an Approved Payment Message. Issues arising from the handling of such a payment shall be dealt with by the Sending and Receiving Participant outside of the Association.</li></ol>                                |
| <b>ENCRYPTION</b>                                    | 6.6 | Each Participant shall, subject to the exception set out in section 6.8, ensure that all Payment Messages sent by it are fully encrypted according to standard S.W.I.F.T. encryption procedures.                                                                                                                                                                                                                                                                                                                                                                            |
| <b>TECHNICAL PROBLEM</b>                             | 6.7 | The requirement for full encryption of all Payment Messages sent shall not apply to a Participant in those circumstances where due to technical reasons beyond the control of such Participant, Payment Messages to be sent by such Participant cannot be encrypted, the Participant has advised the Association of the technical difficulties preventing encryption and the Participant has given the Association an estimate of the amount of time required to correct the problem. The Association in turn shall advise each of the other Participants of the situation. |
| <b>AUTHENTICATION</b>                                | 6.8 | The appropriate SWIFT authentication shall remain in place at all times.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>INFORMATION</b>                                   | 6.9 | The Association will provide all Participants with information and instructions dealing with the security procedures surrounding the Direct Network.                                                                                                                                                                                                                                                                                                                                                                                                                        |

## PAYMENT TRANSMISSIONS

### TIMING OF PAYMENT MESSAGES

- 6.10 Each Participant, excluding the Bank of Canada, shall use its best efforts to complete at least:
- a. 40% of its daily Payment Messages volume and 25% of its daily Payment Message dollar value before 10:00 hours Local Time;
  - b. 60% of its daily Payment Message volume and 60% of its daily Payment Message dollar value before 13:00 hours Local Time; and
  - c. 80% of its daily Payment Message volume and 80% of its daily Payment Message dollar before 16:30 hours (eastern time).

*It is expected that if the performance targets set forth above are not met and that this causes problems to the smooth operation of the LVTS that the LVTS Working Group will recommend to the Senior Operational Committee that these targets be converted into mandatory requirements. Also the Association may, subject to the Board's approval, at some future date consider charging differing amounts for payments sent at different times in a day as a method of encouraging the meeting of these targets. It is understood that certain Participants, due to the lack of international overnight traffic, may have difficulty in meeting the earliest target (10:00 hours Local Time).*

### JUMBO PAYMENTS

- 6.11 Individual payments sent by a Participant for an amount equal to or greater than that Participant's Jumbo Payment Threshold shall be designated Jumbo Payments for the purpose of the LVTS queue management (refer to Rule 2.5). *If a Participant does not want to use the LVTS queue management for Jumbo Payments it may set its Participant Jumbo Payment Threshold at "0" (infinity) in its Participant Profile. This will result in no outgoing payments being designated as "Jumbos" for the Participant.*

### AMOUNT OF PAYMENT MESSAGE

- 6.12 There is no minimum or maximum dollar amount for any Payment Message sent through the LVTS. (Note: the only constraint on the maximum amount of a Payment Message is the S.W.I.F.T. limit of 15 digits.)

### DIRECT NETWORK PAYMENT MESSAGE

- 6.13 a. Notwithstanding sections 6.1 through 6.8, or any other rules respecting S.W.I.F.T. messaging requirements or message formats, a payment sent using the Direct Network under the circumstances described in Rule 12 is a Payment Message.

### PAYMENT TRANSMISSIONS

**DIRECT NETWORK  
PAYMENT  
MESSAGE  
(continued)**

- b. All Payment Messages sent using the Direct Network shall be:
- i. same day value;
  - ii. Canadian dollar currency;
  - iii. financial institution transfers equivalent in purpose to a S.W.I.F.T. message type (MT) 205; and
  - iv. designated as a Tranche 1 Payment Message, Tranche 2 Payment Message or Type R Payment Message.

**NON PARTICIPANT  
MEMBERS**

- 6.14 Each Participant shall provide the Association with a listing of each Member which has an account(s) with the Participant and for which Member the Participant has agreed to act as its agent for LVTS purposes. Each Participant shall include on any such listing the account number where LVTS inter-bank payments addressed to the Member may be sent. A Participant shall provide the Association with 30 days advance notice of any change to such listing.

**LISTING**

- 6.15 The Association shall publish the listing of Non-Participant Members in alphabetical order with the name of the Participant acting as its agent for LVTS purposes. The Association will distribute changes to the listing of Non-Participant Members within a reasonable period of time following notification of any change. A copy of the listing may also be obtained from the Association upon request.

## **PAYMENT TRANSMISSIONS**

### **PAYMENT MESSAGE FORMAT**

To assist Participants in processing payments with the utmost efficiency and expediency, Participants are encouraged to send fully qualified Payment Messages to enable their processing without repair. LVTS Payment Messages must adhere to LVTS format requirements to ensure proper and timely processing by the system and, where possible, straight through processing by the Receiving Participant. Participants must use S.W.I.F.T. to send and receive payment messages. Only S.W.I.F.T. message types MT 103 and MT 205 are acceptable for use. Payment messages which do not meet the LVTS message header requirements will not qualify as valid LVTS payments and will be rejected by S.W.I.F.T.

A S.W.I.F.T. payment message consists of the following parts:

- Basic Header
- Application Header
- User Header
- Message text containing the details of the transaction
- Trailer Block
- Signature Block

The identifier for LVTS ("CAD") is placed in field : 103: in the User Header Block (block 3) of the message. The identifier must be present for any message type MT 103 or MT 205 sent to another Participant in Canadian dollars or the message will be rejected by S.W.I.F.T. The remaining payment details are placed in the appropriate fields. The details of the headers and trailers for all of the messages except the message copy are to be constructed according to S.W.I.F.T. standards.



**PAYMENT TRANSMISSIONS**  
**PAYMENT MESSAGE FORMAT**  
*(continued)*

**HEADER AND TRAILER EXAMPLE MT 103**

|                               |                                                                  |
|-------------------------------|------------------------------------------------------------------|
| {1:F01FINACA22ATOR0001000001} | Basic Header                                                     |
| {2:I103FINBCA22AMTLN}         | Application Header                                               |
| {3:{103:CAD}{108:2}}          | User Header                                                      |
| :115:LVTSXXXXXXXXXX TR2       | (only the Receiving Participant sees field :115: PCRN + TRANCHE) |

S.W.I.F.T. uses the FIN Copy closed user group to identify Participants in LVTS. The identifier for LVTS (“CAD”) is placed in field : 103 : in the User Header Block (block 3) of the message. Field :108: containing the MUR of the original message is used by the Sending Participant to indicate the Tranche for the payment. If no entry in field :108:, the default is applied as set previously by Sending Participant in its Participant Profile.

|                                                                                                                                                                          |                 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| <b>Field Tags to be used</b><br>:20:<br>:23B:<br>:32A:<br>:50K: or :50F:<br>:52A: or :52D:<br>:56A: or :56D:<br>:57D:<br>:59: or :59F:<br>:70:<br>:71A:<br>:72:<br>:77T: | Message text    |
| {5: {CHK:1234}}                                                                                                                                                          | Trailer Block   |
| <b>Signature Block</b>                                                                                                                                                   | Signature Block |

**PAYMENT TRANSMISSION**  
**PAYMENT MESSAGE FORMAT**  
*(continued)*

**HEADER AND TRAILER EXAMPLE MT 205**

|                               |                                                                  |
|-------------------------------|------------------------------------------------------------------|
| {1:F01FINACA22ATOR0001000001} | Basic Header                                                     |
| {2:I205FINBCA22AMTLN}         | Application Header                                               |
| {3:{103:CAD}{108:2}}          | User Header                                                      |
| :115:LVTSXXXXXXXXXX TR2       | (only the Receiving Participant sees field :115: PCRN + TRANCHE) |

S.W.I.F.T. uses the FIN Copy closed user group to identify Participants in LVTS. The identifier for LVTS (“CAD”) is placed in field : 103 : in the User Header Block (block 3) of the message. Field :108: containing the MUR of the original message is used by the Sending Participant to indicate the Tranche for the payment. If no entry in field :108:, the default is applied as set previously by Sending Participant in its Participant Profile.

|                                                                                                                                                |                 |
|------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| <p><b>Field Tags to be used</b></p> <p>:20:<br/>:21:<br/>:32A:<br/>:52A: or :52D:<br/>:56A:<br/>:57A: or :57D:<br/>:58A: or :58D:<br/>:72:</p> | Message text    |
| {5: {CHK:1234}}                                                                                                                                | Trailer Block   |
| <b>Signature Block</b>                                                                                                                         | Signature Block |

**PAYMENT TRANSMISSION**  
**PAYMENT MESSAGE FORMAT**  
*(continued)*

**HEADER AND TRAILER EXAMPLE MT 205 COV**

|                               |                                                                  |
|-------------------------------|------------------------------------------------------------------|
| {1:F01FINACA22ATOR0001000001} | Basic Header                                                     |
| {2:I205FINBCA22AMTLN}         | Application Header                                               |
| {3:{103:CAD}{108:2}{119:COV}} | User Header                                                      |
| :115:LVTSXXXXXXXXXX TR2       | (only the Receiving Participant sees field :115: PCRN + TRANCHE) |

S.W.I.F.T. uses the FIN Copy closed user group to identify Participants in LVTS. The identifier for LVTS (“CAD”) is placed in field : 103 : in the User Header Block (block 3) of the message. Field :108: containing the MUR of the original message is used by the Sending Participant to indicate the Tranche for the payment. If no entry in field :108:, the default is applied as set previously by Sending Participant in its Participant Profile. Code COV must be contained in the validation flag field 119:.

|                                                                                                                                                         |                                                                        |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|
| <b>Field Tags to be used</b><br>:20:<br>:21:<br>:13C:<br>:32A:<br>:52A: or :52D:<br>:56A: or :56D:<br>:57A: or :57B: or :57D:<br>:58A: or :58D:<br>:72: | Message text<br><br>Mandatory Sequence A<br>General Information        |
| :50A: or :50F: or :50K:<br>:52A: or :52D:<br>:56A: or :56C: or :56D:<br>:57A: or :57B: or :57C: or :57D:<br>:59: or :59F:<br>:70:<br>:72:<br>:33B:      | Mandatory Sequence B<br>Underlying customer credit<br>transfer details |
| {5: {CHK:1234}}                                                                                                                                         | Trailer Block                                                          |
| <b>Signature Block</b>                                                                                                                                  | Signature Block                                                        |

**PAYMENT TRANSMISSIONS**

**MESSAGE TYPES**

MT 103 Customer Transfer

This message type is sent by the ordering institution (Sending Participant) of the ordering customer (customer of the Sending Participant which may be another financial institution who may have an ultimate ordering customer) directly to the financial institution (Receiving Participant) of the Payee. (Note: Payee may or may not be the ultimate beneficiary of the payment. The Payee may in fact be the correspondent bank of the ultimate beneficiary).

| Status      | Tag     | Field Name                                                                                                                |
|-------------|---------|---------------------------------------------------------------------------------------------------------------------------|
| User Header | 103:108 | 103 Service Code (CAD)<br>108 Tranche Designation (1,2 or no entry)                                                       |
| M           | 20      | Transaction Reference Number                                                                                              |
| M           | 23B     | Bank Operation Code                                                                                                       |
| M           | 32A     | Value Date, Currency Code, Amount - Same Day Value for LVTS                                                               |
| M           | 50K*    | Ordering Customer                                                                                                         |
| O           | 52A     | Ordering Institution                                                                                                      |
| O           | 56A     | Intermediary                                                                                                              |
| O           | 57D     | Account With Institution                                                                                                  |
| M           | 59/59F  | Beneficiary Customer (Payee)                                                                                              |
| O           | 70      | Details of Payment                                                                                                        |
| M           | 71A     | Details of Charges - If "OUR" the amount to be deducted by the receiver shall be included in field: 71g: by Participants. |
| O           | 72      | Sender to Receiver Information                                                                                            |

M = Mandatory

O = Optional

\* For more structured information on the ordering client, Field 50F may also be used. Please refer to the SWIFT User Handbook for more information on Field 50F.

**PAYMENT TRANSMISSIONS**

**MESSAGE TYPES**  
*(continued)*

MT 205 Financial Institution Transfer

This message type is sent by the ordering institution (Sending Participant)(on its own behalf or on behalf of one of its financial institution customers) to the beneficiary institution (Receiving Participant) which may be for the account of the Receiving Participant itself or for the account of a financial institution customer of the Receiving Participant. It is used to transmit funds transfer instructions domestically.

| Status      | Tag     | Field Name                                                              |
|-------------|---------|-------------------------------------------------------------------------|
| User Header | 103:108 | 103 Service Code (CAD)<br>108 Tranche Designation (1,2, R or no entry)* |
| M           | 20      | Transaction Reference Number                                            |
| M           | 21      | Related Reference                                                       |
| M           | 32A     | Value Date, Currency Code, Amount - Same Day Value for LVTS             |
| M           | 52A     | Ordering Institution                                                    |
| O           | 56A     | Intermediary                                                            |
| O           | 57A     | Account With Institution                                                |
| M           | 58A     | Beneficiary (Payee)                                                     |
| O           | 72      | Sender to Receiver Information                                          |

M = Mandatory

O = Optional

\* Tranche designation of R is for payment to CDS only.

**PAYMENT TRANSMISSIONS**

**MESSAGE TYPES**  
*(continued)*

MT 205 COV Financial Institution Transfer Execution

This message is sent by the Receiver of an MT 202 COV or MT 205 COV directly, or through correspondent(s), to the financial institution of the beneficiary.

It is only used to further transmit a funds transfer instruction related to an underlying customer credit transfer that was sent with the cover method, where Sender and Receiver are located in the same country.

The MT 205 COV must not be used for any other interbank transfer.

**Mandatory Sequence A General Information**

| Status      | Tag         | Field Name                                                                                                 |
|-------------|-------------|------------------------------------------------------------------------------------------------------------|
| User Header | 103:108:119 | 103 Service Code (CAD)<br>108 Tranche Designation (1,2, R or no entry)*<br>119 Validation Flag Field (COV) |
| M           | 20          | Transaction Reference Number                                                                               |
| M           | 21          | Related Reference                                                                                          |
| O           | 13C         | Time Indication                                                                                            |
| M           | 32A         | Value Date, Currency Code, Amount - Same Day Value for LVTS                                                |
| M           | 52A         | Ordering Institution                                                                                       |
| O           | 56A         | Intermediary                                                                                               |
| O           | 57A         | Account With Institution                                                                                   |
| M           | 58A         | Beneficiary Institution                                                                                    |
| O           | 72          | Sender to Receiver Information                                                                             |

**Mandatory Sequence B underlying customer credit transfer details**

| Status | Tag        | Field Name                     |
|--------|------------|--------------------------------|
| M      | 50A        | Ordering Customer              |
| O      | 52A        | Ordering Institution           |
| O      | 56A        | Intermediary                   |
| O      | 57A        | Account With Institution       |
| M      | 59/59A/59F | Beneficiary Customer           |
| O      | 70         | Remittance Information         |
| O      | 72         | Sender to Receiver Information |
| O      | 33B        | Currency/Instructed Amount     |

M = Mandatory

O = Optional

**PAYMENT TRANSMISSIONS**

**MESSAGE TYPES**  
*(continued)*

MT 205 Payment to CDS - Type R Payment

This message type is sent by the ordering institution (Sending Participant) on its own behalf (or on behalf of another CDSX settling participant financial institution which is a customer of the Sending Participant) directly to the Bank of Canada (Receiving Participant) for payment to CDS as Payee. (Note: In this instance CDS is the ultimate beneficiary of the payment).

| Status      | Tag     | Field Name                                                  | Example                                  |
|-------------|---------|-------------------------------------------------------------|------------------------------------------|
| User Header | 103:108 | 103 Service Code (CAD)<br>108 Tranche Designation (R)       | FINACAT2<br>205FINBCAW2<br>103:CAD 108:R |
| M           | 20      | Transaction Reference Number                                | (sender's reference)                     |
| M           | 21      | (related reference)                                         | (related reference)                      |
| M           | 32A     | Value Date, Currency Code, Amount - Same Day Value for LVTS | 970505CAD500000,00                       |
| M           | 52A     | Ordering Institution                                        | ROYCCAT2                                 |
| O           | 56A     | Intermediary                                                |                                          |
| O           | 57A     | Account With Institution                                    | BCANCAW2                                 |
| M           | 58A     | Beneficiary Institution                                     | CDSLCAAT                                 |
| O           | 72      | Sender to Receiver Information                              |                                          |

M = Mandatory

O = Optional

Note that Type R Payments are for the sole purpose of paying an obligation to CDS during CDSX Payment Exchange. If a different Payee is identified on the Payment Message, this shall be an error and the Bank of Canada shall be entitled in accordance with the provision of section 46 of the By-law to correct the Payment Message and make the amount of the Payment Message available to CDS. The Bank of Canada will advise the Sending Participant that such a correction has taken place.

**PAYMENT TRANSMISSIONS**

**MESSAGE TYPES**  
*(continued)*

MT 205 Financial Institution Transfer - Continuous Linked Settlement (CLS) Bank Payment

This message type is sent by the ordering institution (Sending Participant) directly to the beneficiary institution (Receiving Participant) for the account of the CLS settlement member.

| Status      | Tag     | Field Name                                                        | Example                                  |
|-------------|---------|-------------------------------------------------------------------|------------------------------------------|
| User Header | 103:108 | 103 Service Code (CAD) 108 Tranche Designation (1, 2 or no entry) | FINACAT2<br>205FINBCAW2<br>103:CAD 108:1 |
| M           | 20      | Transaction Reference Number                                      | (sender's reference)                     |
| M           | 21      | (related reference)                                               | (related reference)                      |
| M           | 32A     | Value Date, Currency Code, Amount - Same Day Value for LVTS       | 970505CAD500000,00                       |
| M           | 52A     | Ordering Institution                                              | ROYCCAT2                                 |
| O           | 56A     | Intermediary                                                      |                                          |
| O           | 57A     | Account With Institution                                          | CLSBUS33                                 |
| M           | 58A     | Beneficiary Institution                                           | ROYCCAT2                                 |
| O           | 72      | Sender to Receiver Information                                    | * CLSSDSNA                               |

M = Mandatory

O = Optional

\* Note: the code word (CLSSDSNA) routes the payments internally at CLS to the USD/CAD Same-Day Settlement Session. If this code word is missing, the payment will be routed to the main sessions instance at CLS.



**PAYMENT TRANSMISSIONS**

**MESSAGE TYPES**  
*(continued)*

MT 012 Acceptance Notification

This message is generated by FIN Copy to the Sending Participant upon successful completion of the payment processing by LVTS. The message consists of the following parts:

- Basic Header
- Application Header
- Message Text containing the details of the transaction
- Trailer Block
- Signature Block

The message text contains the following fields, as appropriate to the transaction at hand:

|       |                                                                    |
|-------|--------------------------------------------------------------------|
| :175: | input time of the original user message local to sender (required) |
| :106: | MIR of original user message (required)                            |
| :108: | MUR of the original user message if present (optional)             |
| :102: | 12-character BIC for destination of original message (required)    |
| :103: | service code (required, "CAD")                                     |
| :114: | sender information (required, indicates LVTS PCRN and Tranche)     |

Note: The information contained in field :114: will also be sent to the Receiving Participant in field :115: within the header of the original MT 103 or MT 205.

**PAYMENT TRANSMISSIONS**

**MESSAGE TYPES**  
*(continued)*

MT 019 Rejection Notification

This message is generated by FIN Copy to the Sending Participant (not to the Receiving Participant) upon rejection of the payment transaction by LVTS, or the payment transaction being aborted by SWIFT. The message consists of the following parts:

- Basic Header
- Application Header
- Message Text containing the details of the transaction
- Trailer Block
- Signature Block

The message text contains the following fields, as appropriate to the transaction at hand:

|       |                                                                                                                                                                                                                             |
|-------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| :175: | input time of the aborted user message local to sender (required)                                                                                                                                                           |
| :106: | MIR of original user message containing: <ul style="list-style-type: none"> <li>• input date</li> <li>• input LT, including branch code</li> <li>• sessions number</li> <li>• ISN</li> </ul> (required)                     |
| :108: | MUR as used in the header of the original user message (optional)                                                                                                                                                           |
| :102: | Complete 12-character BIC for destination, including LT code and branch code, of the aborted message (required)                                                                                                             |
| :107: | message output reference of the aborted message containing: <ul style="list-style-type: none"> <li>• output date</li> <li>• output LT, including branch code</li> <li>• session number</li> <li>• OSN</li> </ul> (required) |
| :432: | rejection reason code (required)                                                                                                                                                                                            |
| :619: | FIN Copy Service Code: copy of field tag 103 of the aborted message (optional)                                                                                                                                              |

**PAYMENT TRANSMISSIONS****LVTS STRAIGHT THROUGH PAYMENT FORMATS**

To assist Participants in processing payments with the utmost efficiency and expediency, Participants are encouraged to send fully qualified Payment Messages to enable their processing without repair. The payments are called “Straight Through Payments” and conform to standard S.W.I.F.T. formatting conventions. The following are a series of examples which help identify the correct way to format a straight through LVTS payment. For specific information refer to the S.W.I.F.T. user guide.

## Example 1 - MT 103 - Customer Transfer

| Explanation                     | Format                                                                          |
|---------------------------------|---------------------------------------------------------------------------------|
| Sender                          | ROYCCAT2                                                                        |
| Message Type/Receiver           | 103CIBCCATT                                                                     |
| Service Code                    | 103:CAD 108:2                                                                   |
| Message Text                    |                                                                                 |
| Transaction Reference Number    | :20:(sender's reference)                                                        |
| Bank Operation Field            | :23B:CRED                                                                       |
| Value Date/Currency Code/Amount | :32A:961012CAD120000,00                                                         |
| Ordering Customer               | :50K:/12345678<br>ABC COMPANY<br>123 YONGE STREET<br>TORONTO ONTARIO<br>A1B 2C3 |
| Intermediary                    | :56A:                                                                           |
| Account with Institution        | :57D://CC001000502<br>CIBC<br>YONGE AND BLOOR<br>TORONTO ONTARIO                |
| Beneficiary Customer            | :59:/1234567<br>XYZ COMPANY                                                     |
| Details of Payment              | :70:/RFB/FOR PAYROLL                                                            |
| Details of Charges              | :71A:OUR                                                                        |
| Receiver's Charges              | :71G:CAD10                                                                      |
| Sender to Receiver Information  | :72:                                                                            |
| End of Message Text/Trailer     |                                                                                 |

- Note:
1. LVTS payments must be same day value only.
  2. Field :57d: should have the nine-digit Canadian Sort Code on the first line preceded by “//CC”.
  3. Should field :71a: indicate “OUR” the amount to be deducted by the receiver shall be included in field :71g: in accordance with S.W.I.F.T. standards, unless otherwise agreed to through bilateral Participant arrangements.
  4. Usage of appropriate prefixes/code words in field :72: must be in accordance with S.W.I.F.T. standards.
  5. For more structured information on the ordering client, Field 50F may also be used. Please refer to the SWIFT User Handbook for more information on Field 50F.

**PAYMENT TRANSMISSIONS**  
**LVTS STRAIGHT THROUGH PAYMENT FORMATS**  
***(continued)***

Example 2 - MT 205 Financial Institution Transfer

| <b>Explanation</b>              | <b>Format</b>            |
|---------------------------------|--------------------------|
| Sender                          | ROYCCAT2                 |
| Message Type/Receiver           | 205CIBCCATT              |
| Service Code                    | 103:CAD 108:2            |
| Message Text                    |                          |
| Transaction Reference Number    | :20:(sender's reference) |
| Related Reference               | :21:                     |
| Value Date/Currency Code/Amount | :32A:961012CAD120000,00  |
| Ordering Institution            | :52D:RBC TORONTO         |
| Intermediary                    | :56A:                    |
| Account with Institution        | :57A:                    |
| Beneficiary                     | :58A:BARCGB22            |
| Sender to Receiver Information  | :72:                     |
| End of Message Text/Trailer     |                          |

- Note:
1. LVTS payments must be same day value only.
  2. Do not indicate receiver's BIC CODE in field :57:
  3. Utilize BIC CODE in field :58a:
  4. Usage of appropriate prefixes/code words in field :72: must be in accordance with S.W.I.F.T.
  5. For banks without a BIC CODE, beneficiary bank must be identified with a proper account number, full name and address.

**PAYMENT TRANSMISSIONS**

**QUALIFIED VS UNQUALIFIED LVTS PAYMENT EXAMPLES**

The following payment examples demonstrate some common formatting errors which would require manual repair by the receiving LVTS Participant before the payment could be made to the intended beneficiary.

MT 103 - Customer Transfer

Example 1

| <b><u>QUALIFIED</u></b>      | <b><u>UNQUALIFIED</u></b> |
|------------------------------|---------------------------|
| FINACAT2                     | FINACAT2                  |
| 103FINBCATT                  | 103FINBCATT               |
| 103:CAD 108:2                | 103:CAD 108:2             |
| :20:(sender's reference)     | :20:(sender's reference)  |
| :23B:CRED                    | :23B:CRED                 |
| :32A:960910CAD500000,00      | :32A:960910CAD500000,00   |
| :50K <sup>1</sup> :/12345678 | :50K:/12345678            |
| ABC COMPANY                  | ABC COMPANY               |
| 123 YONGE STEET              | 123 YONGE STEET           |
| TORONTO ONTARIO              | TORONTO ONTARIO           |
| A1B 2C3                      | A1B 2C3                   |
| :57D://CC001000502           | :57D:CIBC *               |
| CIBC                         | YONGE AND BLOOR           |
| YONGE AND BLOOR              | TORONTO ONTARIO           |
| TORONTO ONTARIO              | :59: / 12 345 67          |
| :59:/1234567                 | XYZ COMPANY               |
| XYZ COMPANY                  | :70:/RFB/FOR PAYROLL      |
| :70:/RFB/FOR PAYROLL         | :71A:OUR                  |
| :71A:OUR                     | :71G:CAD10                |
| :71G:CAD10                   | :72:/REC/XXXXXXXXX        |
| :72:/REC/XXXXXXXXX           |                           |

\* :57: Does not include the Canadian Clearing Code.

<sup>1</sup> Effective June 23, 2009, in accordance with the Canadian anti-money laundering regulations, sending institutions must include this information within all MT 103 transfers. The receiving institution must also take reasonable measures to ensure all MT 103 transfers (even if they originate outside Canada) include the required information. Prior to this date, effective June 23, 2008, the information is required if the payment message was sent at the request of a client by a means which allows for this information to be included with the transfer.

**PAYMENT TRANSMISSIONS**

**QUALIFIED VS UNQUALIFIED LVTS PAYMENT EXAMPLES**  
*(continued)*

MT 103 - Customer Transfer

Example 2

| <b><u>QUALIFIED</u></b>      | <b><u>UNQUALIFIED</u></b> |
|------------------------------|---------------------------|
| FINACAT2                     | FINACAT2                  |
| 103FINBCATT                  | 103FINBCATT               |
| 103:CAD 108:2                | 103:CAD 108:2             |
| :20:(sender's reference)     | :20:(sender's reference)  |
| :23B:CRED                    | :23B:CRED                 |
| :32A:960910CAD500000,00      | :32A:960910CAD500000,00   |
| :50K <sup>2</sup> :/12345678 | :50K:/12345678            |
| ABC COMPANY                  | ABC COMPANY               |
| 123 YONGE STEET              | 123 YONGE STEET           |
| TORONTO ONTARIO              | TORONTO ONTARIO           |
| A1B 2C3                      | A1B 2C3                   |
| :56A:NATLCATT                | :56: *                    |
| :57D://CC059000742           | :57D://CC059000742        |
| NATIONAL TRUST CO            | NATIONAL TRUST CO         |
| 32 SIMCOE STREET             | 32 SIMCOE STREET          |
| OSHAWA ONTARIO               | OSHAWA ONTARIO            |
| :59:/1234567                 | :59:/1234567              |
| XYZ COMPANY                  | XYZ COMPANY               |
| :70:/RFB/FOR PAYROLL         | :70:/RFB/FOR PAYROLL      |
| :71A:OUR                     | :71A:OUR                  |
| :71G:CAD10                   | :71G:CAD10                |
| :72:/REC/XXXXXXXXXX          | :72:/REC/XXXXXXXXXX       |

\* :56: Does not include intermediary information.

<sup>2</sup> Effective June 23, 2009, in accordance with the Canadian anti-money laundering regulations, sending institutions must include this information within all MT 103 transfers. The receiving institution must also take reasonable measures to ensure all MT 103 transfers (even if they originate outside Canada) include the required information. Prior to this date, effective June 23, 2008, the information is required if the payment message was sent at the request of a client by a means which allows for this information to be included with the transfer.

**PAYMENT TRANSMISSIONS**

**QUALIFIED VS UNQUALIFIED LVTS PAYMENT EXAMPLES**  
*(continued)*

MT 205 - Customer Transfer

Example 1

| <b><u>QUALIFIED</u></b>                                                                                                                                                 | <b><u>UNQUALIFIED</u></b>                                                                                                                                                                       |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| FINACAT2<br>205FINBCATT<br>103:CAD 108:2<br>:20:(sender's reference)<br>:21:(related reference)<br>:32A:960910CAD500000,00<br>:52D:RBC TORONTO<br>:58A:BARCGB22<br>:72: | FINACAT2<br>205FINBCATT<br>103:CAD 108:2<br>:20:(sender's reference)<br>:21:(related reference)<br>:32A:960910CAD500000,00<br>:52D:RBC TORONTO<br>:58D:BARCLAYS BANK<br>LONDON ENGLAND*<br>:72: |

\* Beneficiary bank should always be "a" Option.

**PAYMENT TRANSMISSIONS**

**QUALIFIED VS UNQUALIFIED LVTS PAYMENT EXAMPLES**  
*(continued)*

MT 205 - General Financial Institution Transfer

Example 2

| <b><u>QUALIFIED</u></b>                                                                                                                                                 | <b><u>UNQUALIFIED</u></b>                                                                                                                                                                 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| FINACAT2<br>205FINBCATT<br>103:CAD 108:2<br>:20:(sender's reference)<br>:21:(related reference)<br>:32A:960910CAD500000,00<br>:52D:RBC TORONTO<br>:58A:BARCGB22<br>:72: | FINACAT2<br>205FINBCATT<br>103:CAD 108:2<br>:20:(sender's reference)<br>:21:(related reference)<br>:32A:960910CAD500000,00<br>:52D:RBC TORONTO<br>:57A:CIBCCATT*<br>:58A:BARCGB22<br>:72: |

\* Receiver of payment instructions should not appear in body of message.



**PAYMENT TRANSMISSIONS**

**QUALIFIED VS UNQUALIFIED LVTS PAYMENT EXAMPLES**  
*(continued)*

MT 205 - General Financial Institution Transfer

Example 3

| <b><u>QUALIFIED</u></b>                                                                                                                                                                  | <b><u>UNQUALIFIED</u></b>                                                                                                                                                                                                                                                                                                                          |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| FINACAT2<br>205FINBCATT<br>103:CAD 108:2<br>:20:(sender's reference)<br>:21:(related reference)<br>:32A:960910CAD500000,00<br>:52D:RBC TORONTO<br>:57A:BNLICATT<br>:58A:BNLIITRR<br>:72: | FINACAT2<br>205FINBCATT<br>103:CAD 108:2<br>:20:(sender's reference)<br>:21:(related reference)<br>:32A:960910CAD500000,00<br>:52D:RBC TORONTO<br><b>:57D:BANCA NAZIONALE DEL<br/>                     LAVORO TORONTO CANADA *</b><br><b>:58D: BANCA NAZIONALE DEL<br/>                     LAVORO<br/>                     ROME ITALY</b><br>:72: |

\* Fields :57: and :58: should always be Option "A".