Pursuant to Article 18, paragraph (1) of the Decision on the rules of operation of the Croatian Large Value Payment System (Official Gazette 55/2011), the Governor of the Croatian National Bank hereby issues the

INSTRUCTION
Concerning the Operating Procedures for the Croatian Large Value Payment System

This Instruction governs the operating procedures for the Croatian Large Value Payment System (hereinafter: CLVPS), particularly:
- the types of payment messages,
- the technical correctness of payment messages,
- the method of entering specific elements of a payment order into payment messages,
- other types of messages,
- the method of issuing payment messages between the Croatian National Bank (hereinafter: the CNB) and other participants in the CLVPS (hereinafter: participant),
- the method of issuing account transfers,
- participation in the CLVPS by participants that are not qualified for the exchange of messages through the SWIFT telecommunications network (hereinafter: SWIFT),
- activities in the case of opening of insolvency proceedings against that participant,
- procedures for the inclusion in/exclusion from the CLVPS of participants,
- testing procedures within the CLVPS,
- other operational procedures of the CLVPS.

For the purpose of this Instruction the term "bank" refers to participants from Article 2, items (2) and (3) of the Decision on the rules of operation of the Croatian Large Value Payment System.

1. OPERATIVE CHARACTERISTICS OF THE CLVPS

The CLVPS is a payment system for settlement of payments in kuna by applying the real time gross settlement principle.

The CLVPS infrastructure consists of:
- Central Accounting System (CAS) application which enables settlement of payment transactions and
- the SWIFT and the FIN Copy service.

The FIN Copy service enables segregation of two processes:
- transfer of payment transactions between the payer and the payee and
- recording changes in the accounts of the participants in the CLVPS as a consequence of payment transaction settlement.

Segregation of the mentioned processes ensures to the CNB authorisation of each payment transaction exchanged between participants prior to its settlement in the account of the CLVPS participant.
The purpose of the FIN Copy service is for the participant to issue payment messages in such a format that the FIN Copy service can copy them for the purpose of settlement in the CLVPS. The sender of a payment message needs to specify in the header, in field 103 (FIN Copy Service Code) the service identification code "HRK" - Service identification code. On the basis of that information the FIN Copy service copies the prescribed fields from the payment message and submits them to the CLVPS for settlement.

Fields to be copied from the textual part of the payment message to the CNB:
field 20 – Transaction reference number – TRN and
field 32A – Value date, currency code and the amount of payment transaction.

The main characteristic of the SWIFT Fin Copy Service is the exchange of messages exclusively between members of the FIN Copy Closed group of users. The Fin Copy Closed group of users comprises participants of the CLVPS. The CNB shall manage the CLVPS Closed group of users.

The participants may exchange SWIFT messages outside the Closed group of users. In that case the Service identification code shall not be specified in the payment message and the message shall not be settled in the CLVPS.

2. PAYMENT MESSAGES

Payment messages shall be specific types of SWIFT messages by which a participant orders payment transactions to debit its settlement account in the CLVPS.

2.1. Types of payment messages
Payment messages in the CLVPS shall be the following types of SWIFT messages:

- MT103
- MT102
- MT202 and
- MT205

Alongside these basic types of payment messages, messages MT202COV and MT205COV as subtypes of messages MT202 and MT205 may be used in the CLVPS.

The CNB uses the following types of messages in the CLVPS as well:

- MT900 and
- MT910.

The description and the method of using payment messages shall comply with the standards prescribed by the SWIFT.

2.2. Technical correctness of a payment message
The condition for the settlement of a payment message in a participant's account is its technical correctness. A technically correct payment message shall:

- have the service identification code 'HRK' specified in the header, field 103 (FIN Copy Service Code),
- have the 'HRK' currency code specified in the text block, field 32A,
- have a value date corresponding with the current clearing date, specified in the text block of the message, field 32A,
- have a unique code for the same type of payment message in one clearing day specified in the text block, field 20 and
- meet all other standards prescribed by the SWIFT.

A payment message which does not meet the afore mentioned conditions shall not be settled.

2.3. Payment transactions bearing a future value date
A participant may issue payment transactions with a value date seven days in advance. Payment transactions bearing a future value date shall be settled in accordance with the priority specified at the beginning of the clearing day corresponding with the specified value date.

A participant may change the schedule of settlement of a payment transaction with a future value date by changing the priority of that payment transaction.

A participant may cancel the payment transaction with a future value date by the beginning of the clearing day corresponding with the specified value date.

2.4. Priorities of payment transactions
The priority of a payment transaction shall be specified in the header of a payment message, field 113.

Payment transactions are settled in line with the specified priority. A participant may change the priority of a payment transaction that is not settled.

2.5. The method of specifying elements of the payment order in payment messages
Payment messages must be completed in accordance with all prescribed SWIFT standards.

2.5.1. Account number of the payer
The account number of the payer shall be specified in the text blocks of payment messages MT103 and MT102 in the first line of field 50K.

The account number shall be specified in accordance with the decision regulating transaction accounts.

2.5.2. Title of account of the payer
The title of account of the payer (name of the payer) shall be specified in the text blocks of payment messages MT103 and MT102 in the second line and other lines of field 50K.

2.5.3. Account number of the payee
The account number of the payee shall be specified in the text blocks of payment messages MT103 and MT102 in the first line of field 59.

The account number shall be specified in accordance with the decision regulating transaction accounts.

2.5.4. Title of account of the payee
The title of account of the payee shall be specified in the text blocks of payment messages MT103 and MT102 in the second line and other lines of field 59.
2.5.5. Type of transaction, credit authorisation number/debit authorisation number

For each payment message, the credit authorisation number/debit authorisation number shall be specified in field 72 in the text block of the message as follows:

- The type of transaction shall be specified in the first line. The '/VPO/' code and the type of transaction code shall be specified. The type of transaction code and the method of its specification shall be mutually agreed by the participants.

- The debit authorization number shall be specified in the second line. The '/ZAD/' code and the code of the debit authorisation number shall be specified. The authorization number module (M) and the elements of the authorization number (P1, P2, P3 and P4) shall be separated by dashes ('-') without spaces (M-P1-P2-P3-P4).

- The credit authorisation number shall be specified in the third line. The '/ODO/' code and the code of the credit authorisation number shall be specified. The authorisation number module (M) and the elements of the number (P1, P2, P3 and P4) shall be separated by dashes ('-') without spaces (M-P1-P2-P3-P4).

The '/VPO/', '/ZAD/' and '/ODO/' codes shall be specified irrespective of the availability of the data on the type of transaction, debit authorisation number or credit authorisation number.

2.5.6. Payment description

a) Payment messages MT103 and MT102

Payment description shall be specified in field 70 in the text block of payment messages MT103 and MT102.

b) Payment messages MT202 and MT205

Payment description shall be specified in the fourth and fifth lines of field 72 in the text block of payment messages MT202 and MT205 (the first, second and third lines shall be completed in accordance with item 2.5.5 of this Instruction).

3. TYPES OF MESSAGES USED IN THE CLVPS

Types of messages used in the CLVPS are specified in the table below:

<table>
<thead>
<tr>
<th>MT</th>
<th>SMT</th>
<th>Original SWIFT name</th>
<th>Name</th>
<th>Sender</th>
<th>Mediator</th>
<th>Receiver</th>
</tr>
</thead>
<tbody>
<tr>
<td>102</td>
<td></td>
<td>Payment Message</td>
<td>Payment Message</td>
<td>Participant A</td>
<td>Fin Copy CLVPS</td>
<td>Participant B</td>
</tr>
<tr>
<td>103</td>
<td></td>
<td>Payment Message</td>
<td>Payment Message</td>
<td>Participant A</td>
<td>Fin Copy CLVPS</td>
<td>Participant B</td>
</tr>
<tr>
<td>202</td>
<td></td>
<td>Payment Message</td>
<td>Payment Message</td>
<td>Participant A</td>
<td>Fin Copy CLVPS</td>
<td>Participant B</td>
</tr>
<tr>
<td>205</td>
<td></td>
<td>Payment Message</td>
<td>Payment Message</td>
<td>Participant A</td>
<td>Fin Copy CLVPS</td>
<td>Participant B</td>
</tr>
</tbody>
</table>
### Notification on executed credit transfer

<table>
<thead>
<tr>
<th>MT</th>
<th>SMT</th>
<th>Original SWIFT name</th>
<th>Name</th>
<th>Sender</th>
<th>Mediator</th>
<th>Receiver</th>
</tr>
</thead>
<tbody>
<tr>
<td>900</td>
<td>DR Advice</td>
<td>Notification on executed account transfer debiting the participant's account</td>
<td>CLVPS</td>
<td>SWIFT</td>
<td>Participant whose account is debited through account transfer</td>
<td></td>
</tr>
<tr>
<td>910</td>
<td>CR Advice</td>
<td>Notification on executed account transfer crediting the participant's account</td>
<td>CLVPS</td>
<td>SWIFT</td>
<td>Participant whose account is approved through account transfer</td>
<td></td>
</tr>
</tbody>
</table>

### Inquiries used in the CLVPS

<table>
<thead>
<tr>
<th>MT</th>
<th>SMT</th>
<th>Original SWIFT name</th>
<th>Name</th>
<th>Sender</th>
<th>Mediator</th>
<th>Receiver</th>
</tr>
</thead>
<tbody>
<tr>
<td>920</td>
<td>Transaction Information Request Message</td>
<td>Transaction Information Request Message</td>
<td>Participant</td>
<td>SWIFT</td>
<td>CLVPS</td>
<td></td>
</tr>
<tr>
<td>942</td>
<td>Interim Transaction Report</td>
<td>Interim Transaction Report</td>
<td>CLVPS</td>
<td>SWIFT</td>
<td>Participant</td>
<td></td>
</tr>
<tr>
<td>298</td>
<td>Proprietary Messages</td>
<td>Proprietary Messages</td>
<td>Participant</td>
<td>SWIFT</td>
<td>CLVPS</td>
<td></td>
</tr>
<tr>
<td>800</td>
<td>Payment Enquiry</td>
<td>Payment Enquiry Request</td>
<td>Participant</td>
<td>SWIFT</td>
<td>CLVPS</td>
<td></td>
</tr>
<tr>
<td>MT</td>
<td>SMT</td>
<td>Original SWIFT name</td>
<td>Name</td>
<td>Sender</td>
<td>Mediator</td>
<td>Receiver</td>
</tr>
<tr>
<td>-----</td>
<td>-----</td>
<td>---------------------</td>
<td>---------------</td>
<td>---------------</td>
<td>----------</td>
<td>----------</td>
</tr>
<tr>
<td>801</td>
<td></td>
<td>Summary of Outstanding Operations Request</td>
<td>Summary of Outstanding Operations Request</td>
<td>Participant</td>
<td>SWIFT</td>
<td>CLVPS</td>
</tr>
<tr>
<td>804</td>
<td></td>
<td>Detail of Outstanding Operations Request</td>
<td>Detail of Outstanding Operations Request</td>
<td>Participant</td>
<td>SWIFT</td>
<td>CLVPS</td>
</tr>
<tr>
<td>850</td>
<td></td>
<td>Payment Enquiry Response</td>
<td>Payment Enquiry Response</td>
<td>CLVPS</td>
<td>SWIFT</td>
<td>Participant</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Detail of Outstanding Operations Response</td>
<td>Detail of Outstanding Operations Response</td>
<td>CLVPS</td>
<td>SWIFT</td>
<td>Participant</td>
</tr>
</tbody>
</table>

### System messages used in the CLVPS

<table>
<thead>
<tr>
<th>MT</th>
<th>SMT</th>
<th>Original SWIFT name</th>
<th>Name</th>
<th>Sender</th>
<th>Mediator</th>
<th>Receiver</th>
</tr>
</thead>
<tbody>
<tr>
<td>012</td>
<td></td>
<td>012  Sender Notification</td>
<td>Sender Notification</td>
<td>FIN Copy</td>
<td>Participant A</td>
<td></td>
</tr>
<tr>
<td>019</td>
<td></td>
<td>019  Abort Notification</td>
<td>Abort Notification</td>
<td>SWIFT or FIN Copy</td>
<td>Participant A</td>
<td></td>
</tr>
<tr>
<td>010</td>
<td></td>
<td>010  Non-delivery Warning</td>
<td>Non-delivery Warning</td>
<td>SWIFT</td>
<td>Participant A</td>
<td></td>
</tr>
<tr>
<td>011</td>
<td></td>
<td>011  Delivery Notification</td>
<td>Delivery Notification</td>
<td>SWIFT</td>
<td>Participant A</td>
<td></td>
</tr>
</tbody>
</table>

### Other massages used in the CLVPS

<table>
<thead>
<tr>
<th>MT</th>
<th>SMT</th>
<th>Original SWIFT name</th>
<th>Name</th>
<th>Sender</th>
<th>Mediator</th>
<th>Receiver</th>
</tr>
</thead>
<tbody>
<tr>
<td>298</td>
<td></td>
<td>298  Proprietary Messages</td>
<td>Proprietary Messages</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>200</td>
<td></td>
<td>200  Payment Cancellation</td>
<td>Payment Cancellation</td>
<td>Participant</td>
<td>SWIFT</td>
<td>CLVPS</td>
</tr>
<tr>
<td>202</td>
<td></td>
<td>202  Payment Priority</td>
<td>Payment Priority</td>
<td>Participant</td>
<td>SWIFT</td>
<td>CLVPS</td>
</tr>
</tbody>
</table>
## 4. OTHER MESSAGES IN THE CLVPS

Other messages in the CLVPS shall be the SWIFT messages (hereinafter: service messages) notifying the participants of the payment transactions issued through the CLVPS, of the balances and changes in a participant's account and of other matters related to the participation in the CLVPS. Alongside that, participants may use service messages to cancel a payment transaction or to change its priority.

### 4.1. Major proprietary messages

#### 4.1.1. MESSAGE MT012 – SENDER NOTIFICATION

Message MT012 is a confirmation on the executed settlement of a payment transaction in the participant's account. This message contains field 114 where time when the settlement was executed is specified.

#### 4.1.2. MESSAGE MT019 – ABORT NOTIFICATION

In case the payment transaction is aborted, the sender of the original message shall get an Abort Notification (MT019). Message MT019 contains an error code in field 432. The original message shall not be submitted to the receiver.

Reasons for aborting messages are provided in the following table:

<table>
<thead>
<tr>
<th>Code</th>
<th>Payment Type</th>
<th>Code</th>
<th>Change Type</th>
<th>Provider</th>
<th>Format</th>
<th>Recipient</th>
</tr>
</thead>
<tbody>
<tr>
<td>250</td>
<td>Payment Cancellation Refusal Response</td>
<td>250</td>
<td>Payment Cancellation Refusal Response</td>
<td>CLVPS</td>
<td>SWIFT</td>
<td>Participant</td>
</tr>
<tr>
<td>252</td>
<td>Payment Priority Change Refusal Response</td>
<td>252</td>
<td>Payment Priority Change Refusal Response</td>
<td>CLVPS</td>
<td>SWIFT</td>
<td>Participant</td>
</tr>
<tr>
<td>700</td>
<td>State Change Notification</td>
<td>700</td>
<td>State Change Notification</td>
<td>CLVPS</td>
<td>SWIFT</td>
<td>Participant</td>
</tr>
<tr>
<td>701</td>
<td>Payment Settlement Refusal Notification</td>
<td>701</td>
<td>Payment Settlement Refusal Notification</td>
<td>CLVPS</td>
<td>SWIFT</td>
<td>Participant</td>
</tr>
<tr>
<td>900</td>
<td>Invalid Input Received Notification</td>
<td>900</td>
<td>Invalid Input Received Notification</td>
<td>CLVPS</td>
<td>SWIFT</td>
<td>Participant</td>
</tr>
<tr>
<td>950</td>
<td>Statement Message</td>
<td>950</td>
<td>Report on settled payment transactions and on the state of the participant's account balance</td>
<td>CLVPS</td>
<td>SWIFT</td>
<td>Participant</td>
</tr>
<tr>
<td>Code</td>
<td>Reason of abortion</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>------</td>
<td>--------------------</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>01</td>
<td>Obsolete message (not delivered for n days)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>02</td>
<td>Too many unsuccessful deliveries</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>03</td>
<td>Disabled contact with destination</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>04</td>
<td>Operator aborted the message</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>05</td>
<td>The message could not be renewed due to a major error in the system</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>06</td>
<td>Message type incompatible with CBT mode</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>The message was authorised but obsolete</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Too many attempts of delivery although the message was authorised</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Disabled contact with destination, although the message was authorised</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>Although message was authorised, the message was too long</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>32</td>
<td>The message is obsolete and it was not authorised</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>33</td>
<td>Unsuccessful copying</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>70</td>
<td>Abortion due to failed authentication</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>71</td>
<td>Abortion because of unknown sender/receiver</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>72</td>
<td>Message abortion at entry, or in payment queue, at the moment when the CLVPS stopped receiving or executing certain payment type</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>73</td>
<td>Wrong value date</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>74</td>
<td>The message is aborted because entry to the CLVPS is not allowed for this type of payment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>75</td>
<td>Not used</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>76</td>
<td>The message is aborted because of the participant's account freeze</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>77</td>
<td>Duplicated payment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>78</td>
<td>Invalid payment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>79</td>
<td>Cancelled payment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>80</td>
<td>Error in the CLVPS</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>81</td>
<td>Invalid format</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>99</td>
<td>Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### 4.1.3. MESSAGE MT950 – STATEMENT REPORT

At the end of the clearing day the CNB submits to all participants a Statement Message through a message MT950.

That message contains data on all payment transactions credited and debited to a certain participant's account and data on the opening and final balance of the participant's account.

### 4.1.4. MESSAGE MT900 – DR ADVICE

The participant obtains the message DR ADVICE through a message MT900.

Message MT900 contains the following fields:

**Field 20: Transaction reference number**
This field contains the transaction reference number which the CLVPS allocates automatically.

**Field 21: Data on the underlying message**
This field contains transaction reference number (TRN) of account transfer.

**Field 25: Account identification**
This field contains the SWIFT BIC of the payee.

**Field 32A:**
This field contains value date, currency code and the amount of a payment transaction.

**Field 72: Information from the sender to the receiver**
This field contains information which is specified when the account transfer is created. It has the same function and characteristics as field 72 in payment messages. In the first line of the field the system automatically specifies "/.CNTRPRTY" and the SWIFT BIC of the payment transaction payee.

### 4.1.5. MESSAGE MT910 – CR ADVICE
The participant obtains the CR ADVICE message through a message MT910.

Message MT910 contains the following fields:

**Field 20: Transaction reference number**
This field contains the transaction reference number which the CLVPS allocates automatically.

**Field 21: Data on the underlying message**
This field contains the transaction reference number (TRN) of the account transfer.

**Field 25: Account identification**
This field contains the SWIFT BIC of the payee.

**Field 32A:**
This field contains value date, currency code and the amount of a payment transaction.

**Field 52D: Institution of the principal**
Field 52 is always used with option D. For account transfers created at the CNB work station this field contains internal SWIFT BIC of the work station at the CNB: LCBUHR2AXXX.

**Field 72: Information from the sender to the receiver**
This field contains information which is specified when the account transfer is created. It has the same function and characteristics as field 72 in payment messages. In the first line of the field the system automatically specifies "/.CNTRPRTY" and the SWIFT BIC of the payer.

### 4.2. Other service messages
Overview of other service messages, their description and the method of usage is provided in the Functional specifications of the CLVPS which the CNB submits to each participant at the moment of individual inclusion in the CLVPS.

#### 4.2.1. MESSAGE MT920 – TRANSACTION INFORMATION REQUEST MESSAGE
The participant sends a message MT920 when he/she as response requests a message MT941 - Participant account balance report or MT942 - Interim Transaction Report.
That message is directed to the CLVPS SWIFT BIC – HSVPHR2A.

When issuing a request the following fields need to be specified:

**Field 20: Transaction reference number**
Textual, numerical and combined message code is specified in this field.

**Field 12: Requested message**
Type of message requested through MT920 is specified here. Possible messages are:

- 941 – Participant account balance report
- 942 – Interim transaction report

The request for a message MT940 or MT950 is treated as a request for MT942.

**Field 25: Account identification**
The SWIFT BIC of the sender of a message MT920 is specified in this field.

**Field 34F: Limit**
The participant may define the lowest amount of credit and debit for which he/she requests data through MT920. If different limits for credit and debit are defined, the lowest limit shall be applied.

### 4.2.2. MESSAGE SMT941 – PARTICIPANT ACCOUNT BALANCE REPORT

Message MT941 contains data on the balance of the participant's account.

The CLVPS may send a message MT941 as a response to the request of a participant, but the participant may send it as well. If the CLVPS sends the message MT941 it contains data on the balance of the participant's account.

Specific fields:

**Field 20: Transaction reference number**
This field contains the transaction reference number which the CLVPS allocates automatically. If the participant sends the message, he/she specifies the transaction reference number of his/her own choice.

**Field 21: Data on the underlying message**
This field is present only if the message is requested by the participant through a message MT920 and contains the transaction reference number (TRN) of the message MT920 - Transaction Information Request sent by the participant.

**Field 25: Account identification**
The SWIFT BIC of the sender of the request is specified in this field.

**Field 28: Report sequence number**
The CLVPS allocates a sequence number to each report starting from number 1 to 99999. If the participant sends MT941, the CLVPS does not check this field.

**Field 13D: Indicator for date and time**
This field contains date and time when the report was drafted by the CLVPS.
Field 60F: Opening balance
This field contains the opening balance in the participant's account.

Field 90D:
This field contains the total amount and the total number of all payments debiting the participant's account.

Field: 90C:
This field contains the total amount and the total number of all payments crediting the participant's account.

Field 62F: Final balance
This field contains the final balance in the participant's account. If the participant sends a message MT941, he shall specify this field himself/herself.

Field 86: Information to the account owner
If it is present, this field contains a reason for creating the message MT941. If the CLVPS sent the message, the field shall contain the following information:
• REQUESTED BY MEMBER.

4.2.3. MESSAGE SMT942 – INTERIM TRANSACTION REPORT

Message MT942 contains data on all payments issued from the moment the last MT942 was sent and which refer to accounts of participants in the CLVPS where the request was sent, with the presumption that a message MT950 (Statement message) has not yet been sent.

In this message payment transactions are divided into debit transactions and credit transactions and they are sequenced by the size of the amount in them.

Specific fields:

Field 20: Transaction reference number
This field contains the transaction reference number which the CLVPS allocates automatically.

Field 21: Data on the underlying message
This field contains the transaction reference number (TRN) of a message MT920 - Transaction Information Request.

Field 25: Account identification
The SWIFT BIC of the sender of the request is specified in this field.

Field 28C: Report sequence number
This field contains a sequence number to each report and a sequence number of the message in that report.

Field 34F: Limit
The participant may define the lowest amount of credit and debit for which he/she requests data through the message MT920. If different limits for credit and debit are defined, the lowest limit shall be applied.
Field 13D: Indicator for date and time
This field contains date and time when the report was drafted by the CLVPS.

Field 61: Item in statement
This field contains individual payment transactions, first debit transactions and then credit transactions in order from the smallest to the largest amount.

Field 90D:
This field contains the total amount and the total number of all payment transactions debiting the participant's account.

Field 90C:
This field contains the total amount and the total number of all payment transactions crediting the participant's account.

Field 86: Information to the account owner
This field contains two lines separated by the CrLf code. The reason for creating the message is specified in the first line and it always states:
• REQUESTED BY MEMBER.
The second line indicates the position of a certain message in a sequence of messages. The sequence of more messages is applied when all information cannot be placed in one message.

4.2.4. MESSAGE MT298 – SMT200 – PAYMENT CANCELLATION
The participant directs a message MT298 – SMT200 to the CLVPS when he/she wants to withdraw a payment transaction with a future value date or a payment transaction in payment queue.

That message is directed to the CLVPS SWIFT BIC – HSVPHR2A.

If a payment transaction is successfully cancelled, the sender of the payment message will be informed about it through a message MT019 – Abort notification. The participant whose account was supposed to be credited receives no notification on that payment transaction.

If cancellation of a payment transaction cannot be executed, the sender of a message SMT200 shall receive a message SMT250 - Payment transaction cancellation refusal response. Message SMT250 contains a reason for aborting the payment cancellation.

Specific fields in payment message MT298 – SMT200:

Field 20: Transaction reference number
Textual, numerical and combined message code is specified in this field.

Field 12: Message subtype
This field must contain the code 200.

Field 77E: Proprietary field
This field contains the following subfield:

Field L02: Data on the message for the CLVPS
Data on the payment transaction that the participant wants to cancel are specified in this field.
4.2.5. Message MT298 – SMT202 – PAYMENT PRIORITY CHANGE
The participant directs a message MT298 – SMT202 to the CLVPS when he/she wants to change the sequence of execution (priority) of his/her payment. The participant may change priority only to those payment transactions in payment queue or issued payment transactions with future value date.

That message is directed to the CLVPS SWIFT BIC – HSVPHR2A.

If the change of payment transaction priority cannot be executed, the sender of SMT202 shall receive a message SMT252 – Payment Priority Change Refusal Response. Message SMT252 contains the reason of refusal of the order for payment transaction priority change.

Specific fields:

Field 20: Transaction reference number
Textual, numerical and combined message code is specified in this field.

Field 12: Message subtype
This field must contain the code 202.

Field 77E: Proprietary field
This field contains the following subfields:

Field L02: Data on message for the CLVPS
Data on the payment transaction that the participant wants to cancel are specified in this field.

Field 113: Priority
The new priority requested for a certain payment transaction is specified here.

4.2.6. MESSAGE MT298 – SMT800 – PAYMENT ENQUIRY REQUEST
The participant directs a message MT298 – SMT800 to the CLVPS if he/she wants information on a certain payment transaction. If the message is properly completed, the participant shall receive a message SMT850.

Enquiries may refer to all payment transactions but it needs to be a credit payment transaction or a debit payment transaction referring to the account of the participant who sent the enquiry.

In case of a credit payment transaction the payment transaction data shall be provided in the response only if the payment transaction is settled.

That message is directed to the CLVPS SWIFT BIC – HSVPHR2A.

Specific fields:

Field 20: Transaction reference number
Textual, numerical and combined message code is specified in this field.

Field 12: Message subtype
This field must contain the code 800.
Field 77E: Proprietary field
This field contains the following subfield:
Field L02: Data on transaction
Data on the transaction that the request refers to are specified in this field.

4.2.7. MESSAGE MT298 – SMT801 – SUMMARY OF OUTSTANDING OPERATIONS REQUEST
The participant directs a message MT298 – SMT801 to the CLVPS when he/she wants information on the status of his/her payment queue, on the status of the CLVPS or on the status of the participant. If the message is properly completed, the participant shall receive a message SMT851.

That message is directed to the CLVPS SWIFT BIC – HSVPHR2A.

Specific fields:

Field 20: Transaction reference number
Textual, numerical and combined message code is specified in this field.

Field 12: Message subtype
This field must contain the code 801.

Field 77E: Proprietary field
This field contains the following subfield:

Field L04: Participant’s SWIFT BIC
The participant specifies his/her SWIFT BIC in this field.

4.2.8. MESSAGE MT298 – SMT804 – DETAIL ON OUTSTANDING OPERATIONS REQUEST
The participant directs a message MT298 – SMT804 to the CLVPS when he/she wants to obtain information on unsettled payment transactions. If the message is properly completed, the participant shall receive a message SMT854.

That message is directed to the CLVPS SWIFT BIC – HSVPHR2A.

Specific fields:

Field 20: Transaction reference number
Textual, numerical and combined message code is specified in this field.

Field 12: Message subtype
This field must contain the code 804.

Field 77E: Proprietary field
This field contains the following subfields:

Field L04: Participant’s BIC
The participant enters his/her SWIFT BIC in this field.

Field L01: Status of the payment transaction in the CLVPS
The participant specifies in this field the status of the payment transaction that the request refers to. The status of the payment transaction may be "ready, pending, warehoused". If the participant fails to specify data into this field, the CLVPS shall presume that the request refers to payment transactions in payment queue with status "PAYMENT/READY".

4.2.9. MESSAGE MT298 – SMT850 – PAYMENT ENQUIRY RESPONSE
The CLVPS sends a message MT298 – SMT850 to the participant as a response to his MT298 – SMT800 – Payment Enquiry Request. The message provides details on the payment transaction that the participant enquired about. The submitted information varies depending whether it is a credit transaction or a debit transaction.

In case of a credit transaction, the message MT298 – SMT850 contains only those payment transactions already settled as credit to the account of the enquiry senders. The message does not contain payment transactions in payment queue to credit the enquiry sender or rejected or cancelled payment transactions.

Specific fields:

Field 20: Transaction reference number
This field contains the transaction reference number which the CLVPS allocates automatically.

Field 12: Message subtype
This field contains the code 850.

Field 77E: Proprietary field
This field contains the following subfields:

Field 21: Data on the underlying message
This field contains the same transaction reference number as a message MT298 – SMT800 – Payment Enquiry request that the message MT298 – SMT850 refers to.

Field L12: Time of activity in the CLVPS
This field contains date and time when the CLVPS drafted the response to the enquiry.

Field L03: Sequence of messages in the CLVPS
This field contains the number which denotes the sequence of the message that the CLVPS sent as a response to a certain enquiry. If the response does not fit one message, the CLVPS shall send a sequence of more messages numerated from number one onwards. The last message shall contain two subfields in n/n format (message number in sequence/total number of messages SMT850 that the CLVPS generated as a response to that enquiry).

Field L02: Data on payment transaction
This field contains information on the payment transaction that the response refers to.

Field L05: Response on the activity in the CLVPS
This field contains the code LR000 when the payment transaction is found or the code LR001 when the payment transaction is not found.

If the code LR001 is part of the response to the enquiry on the debit payment transaction, it indicates that the CLVPS has no data on such payment transaction. If the code LR001 is part of the response to the enquiry on a debit payment transaction, it indicates that the payment transaction has not yet been settled. It is possible that the payment transaction is in payment queue, that it is rejected or cancelled.
Field L04: Participant's SWIFT BIC
In case of a debit payment transaction, this field contains the SWIFT BIC of the payee. In case of a credit payment transaction this field contains the SWIFT BIC of the payer.

Field L10: Status of the payment transaction in the CLVPS
This field describes in codes the current condition of the payment transaction in the CLVPS (e.g. LN000 – Payment settled).

Field 32B: Amount
This field contains value of the payment transaction that the response refers to.

Field L07: The CLVPS's source code
This field contains the code of the message initiator or of the initiator of an event in the CLVPS (LS000 – initiator is the CLVPS, LS001 – initiated from the CNB work station, LS002 – initiator is a participant). This field is present if field L10 – Status of messages in the CLVPS indicates that the payment transaction is rejected or cancelled. This field shall never be part of responses to enquiries on payment transactions crediting the participants' accounts.

Field 113: Priority
This field is present if field L10 indicates that the payment transaction is in payment queue. This field shall never be part of responses to enquiries on payment transactions crediting the participants' accounts.

4.2.10. MESSAGE MT298 – SMT851 – SUMMARY OF OUTSTANDING OPERATIONS RESPONSE
The CLVPS directs a message MT298 – SMT851 CLVPS as a response to a message MT298 – SMT801 – Summary of outstanding operations response.

Specific fields:

Field 20: Transaction reference number
This field contains the transaction reference number which the CLVPS allocates automatically.

Field 12: Message subtype
This field contains the code 851.

Field 77E: Proprietary field
This field contains the following subfields:

Field 21: Data on the underlying message
This field contains the same transaction reference number as a message MT298 – SMT801 – Summary of outstanding operations response that the message MT298 – SMT851 refers to.

Field L12: Time of activity in the CLVPS
This field contains date and time when the CLVPS drafted the response to the enquiry.

Field L03: Sequence of the message in the CLVPS
This field contains the number which denotes the sequence of the message that the CLVPS sent as a response to a certain enquiry. If the response does not fit one message, the CLVPS shall send a sequence of more messages numerated from number one onwards. The last message shall contain two subfields in
n/n format (message number in sequence/total number of messages SMT851 that the CLVPS generated as a response to that enquiry).

Field L04: Participant's SWIFT BIC
This field contains the SWIFT BIC of the participant who sent the enquiry.

Field L01: Status of the CLVPS
This field contains the CLVPS status. Status may be "CAS SUSPENDED" or "CAS/NOTSUSP". Status "CAS SUSPENDED" indicates problems in the operation of the CLVPS.

Field L09: Account balance
This field contains the balance of the enquiry sender's account.

Field L13: Limit in the CLVPS
This field contains type, currency and the amount of limit in the CLVPS if there is a limit. Words that appear as codes in that field are "Overdraft", "Minbalance" and "No limit".

Field L01: Status of the payment queue in the CLVPS
This field contains data on the payment queue of the enquiry sender. If the participant has payment transactions in payment queue, the field specifies details on payment transactions from the top of the payment queue. If the participant has no payment transaction in payment queue, the payment queue shall be described as empty, with the code "clear".

Field L01: Status of the payment transaction in the CLVPS
This field contains data on payment transactions in the CLVPS that are not settled. Data on the status of the payment transaction is followed by the total number of payment transactions with that status (field L11) and their total value (field 32B).

Field L01: Account status
This field contains details on the account of participants that are blocked or suspended. The status is specified once for each participant whose account is blocked ("Account/Suspended"). In case there are no blocked accounts, this field will not be in the message.

4.2.11. MESSAGE MT298 – SMT854 – DETAIL OF OUTSTANDING OPERATIONS REQUEST
The CLVPS directs a message MT298 – SMT854 to the participant as a response to his/her message MT298 – SMT804 – Detail of outstanding operations request.
This message specifies all details on all payment transactions in payment queue.

Specific fields:

Field 20: Transaction reference number
This field contains the transaction reference number which the CLVPS allocates automatically.

Field 12: Message subtype
This field contains the code 854.

Field 77E: Proprietary field
This field contains the following subfields:

Field 21: Data on the underlying message
This field contains the same transaction reference number as a message MT298 – SMT804 – Summary of outstanding operations response that the message MT298 – SMT854 refers to.

**Field L12: Time of activity in the CLVPS-u**
This field contains date and time when the CLVPS drafted the response to the enquiry.

**Field L03: Sequence of messages in the CLVPS**
This field contains the number which denotes the sequence of the message that the CLVPS sent as a response to a certain enquiry. If the response does not fit one message, the CLVPS shall send a sequence of more messages numerated from number one onwards. The last message shall contain two subfields in n/n format (message number in sequence/total number of messages SMT850 that the CLVPS generated as a response to that enquiry).

**Field L04: Participant's SWIFT BIC**
This field contains the SWIFT BIC of the participant who sent the enquiry.

**Field L01: Status of the payment transaction in the CLVPS**
This field contains the status of the payment transaction that the enquiry refers to. The status of the payment transaction may be "ready, pending, warehoused". If the participant fails to specify data into this field, the CLVPS shall presume that the request refers to payment transactions in payment queue with status "PAYMENT/READY".

**Field L02: Data on the payment transaction for the CLVPS**
This field contains details on the payment transaction that the response refers to.

If there are more payment transactions in payment queue, the following fields appear for each payment transaction:

- **Field L04: SWIFT BIC**
  This field contains the SWIFT BIC of the payee.

- **Field 32B: Amount**
  This field contains the payment transaction amount.

- **Field 113: Priority**
  This field contains priority of the payment transaction.

### 4.2.12. MESSAGE SMT700 – STATE CHANGE NOTIFICATION
The CLVPS sends message SMT700 to the participants in case of change of:
- status of the CLVPS,
- status of the participant's account,
- status of the participant and
- status of the participant payment queue (block/clear).

In all of those cases, except for the change of payment queue status, the CLVPS sends this message to all participants. In case of the change of payment queue status this message is sent only to the participant who has a change in the payment queue status.

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### 4.2.13. MESSAGE SMT701 – PAYMENT SETTLEMENT REFUSAL NOTIFICATION
CLVPS submits message SMT701 to the participant whose account was supposed to be debited through account transfer and which was for some reason rejected or cancelled.

Specific fields:

**Field 20: Transaction reference number**
This field contains the transaction reference number which the CLVPS allocates automatically.

**Field 12: Message subtype**
This field contains the code 701.

**Field 77E: Proprietary field**
This field contains the following subfields:

**Field 21: Data on the underlying message**
This field contains transaction reference number of the rejected or cancelled account transfer.

**Field L02: Data on message for the CLVPS**
This field contains data on rejected or cancelled account transfer.

**Field L10: Status of the payment transaction in the CLVPS**
This field contains the reason for cancelling or rejecting the account transfer.

4.2.14. MESSAGE SMT900 – INVALID INPUT RECEIVED NOTIFICATION
If the participant sends a message in wrong format, the CLVPS shall send a SMT900.

Specific fields:

**Field 20: Transaction reference number**
This field contains the transaction reference number which the CLVPS allocates automatically.

**Field 12: Message subtype**
This field contains the code 900.

**Field 77E: Proprietary field**
This field contains the following subfields:

**Field 21: Data on the underlying message**
This field contains transaction reference number of the rejected message.

**Field L12: Time of activity in the CLVPS**
This field contains date and time when the drafting of the notification started.

**Field 12: Message type**
This field contains the type of the message sent in invalid format.

**Field L10: Status of the message in the CLVPS**
This field contains the reason why the received message is invalid.
5. THE METHOD OF ISSUING PAYMENT MESSAGES IN THE CLVPS BETWEEN THE CNB AND OTHER PARTICIPANTS

The participant shall send payment messages to credit the account of the CNB to the SWIFT address NBHRHR2D.

Payment transactions between the CNB and other participants in the CLVPS shall be issued by way of appropriate types of payment messages. Payment messages must comply with all the requirements laid down in the SWIFT standards and in this Instruction.

5.1. Payment Message MT202

5.1.1. The use of the payment message MT202 by type of transaction:

The CNB issues the payment message MT202 to credit the participant's account for the following transaction:

- Lombard loan extension;
- repurchase of obligatory bills held on account of the growth in kuna placements;
- repurchase of kuna CNB bills;
- redemption of kuna CNB bills prior to maturity;
- approval of short-term liquidity loans;
- overnight deposit refund;
- purchase of foreign currency;
- purchase of foreign currency under repo agreements;
- return of funds used as collateral for clearing through the NCS;
- return of reserve requirements after calculation;
- return of special reserve requirements on liabilities arising from issued securities after calculation; and, where explicitly agreed, for the purpose of the following transactions:
  - approval of funds under repo transaction
  - repayment of funds under repo transaction
  - purchase of securities.

In order to execute transactions from its scope, the CNB may, where appropriate, besides MT202 messages, use account transfers (MT900 and MT910).

The participant issues the payment message MT202 to credit the CNB account for the following transactions:

- repayment of Lombard loans;
- purchase of obligatory CNB bills on account of the growth in kuna placements;
- purchase of kuna CNB bills;
- repayment of short-term liquidity loans;
- making overnight deposits;
- foreign currency sale;
- foreign cash sale;
- sale of foreign currency under repo agreements;
- allocation of funds used as collateral for clearing through the NCS;
- allocation of reserve requirements after calculation;
- allocation of special reserve requirements on liabilities arising from issued securities after calculation;
and, where explicitly agreed, for the purpose of the following transactions:
- repayment of funds under reverse repo agreements;
- making deposits under repo agreements;
- sale of securities.

5.1.2. The method of completing payment message MT202

5.1.2.1. Field 21 –Type of payment code
To indicate the type of payment, field 21 in the text block of payment message MT202 shall be completed, depending on the type of payment.

The prescribed structure of field 21 (15 characters) shall be as follows:
AABBCCCDDEEEEEE

where:
AA  type of transaction code
BB  payment character code
CCCD  specific characteristic of each transaction code
DEEEEEE  bank account number – BAN

a) type of transaction code

The following identifiers shall be assigned to particular types of transactions and specified at AA in the field 21:

<table>
<thead>
<tr>
<th>Transaction Type</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Lombard loan (extension and repayment)</td>
<td>01</td>
</tr>
<tr>
<td>funds under reverse repo agreements (approval and repayment)</td>
<td>02</td>
</tr>
<tr>
<td>repurchase/purchase of obligatory kuna CNB bills on account of the growth in kuna placements</td>
<td>03</td>
</tr>
<tr>
<td>redemption/purchase of kuna CNB bills</td>
<td>04</td>
</tr>
<tr>
<td>repurchase of kuna CNB bills prior to maturity</td>
<td>05</td>
</tr>
<tr>
<td>short-term liquidity loan (approval and repayment)</td>
<td>06</td>
</tr>
<tr>
<td>funds under repo agreements (repayment and depositing)</td>
<td>07</td>
</tr>
<tr>
<td>purchase/sale of securities</td>
<td>08</td>
</tr>
</tbody>
</table>
b) The nature of transaction code

Depending on the nature of the payment transaction, the following code shall be specified at BB in field 21:

<table>
<thead>
<tr>
<th>Nature of the payment transaction</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>issuance of funds by the CNB</td>
<td>01</td>
</tr>
<tr>
<td>transfer of funds to the CNB account</td>
<td>02</td>
</tr>
</tbody>
</table>

For other transactions with no prescribed characteristics, zeros shall be specified at CCCC in field 21.

c) The specific transaction characteristic code

Depending on the specific characteristics of certain transaction types, the following identifiers shall be specified at CCCC in field 21:

<table>
<thead>
<tr>
<th>Transaction Type</th>
<th>Specific characteristics</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>repurchase/purchase of kuna CNB bills</td>
<td>CNB bills with 35 days maturity</td>
<td>0035</td>
</tr>
<tr>
<td>overnight deposit refund</td>
<td>suspension of overnight deposit facility</td>
<td>0001</td>
</tr>
</tbody>
</table>

For other transaction types with no prescribed specific characteristics, zeros shall be specified at CCCC in field 21.

d) Bank Account Number - BAN
The bank account number of a bank issuing the payment order shall be specified at DDDDDDD in field 21.

Where the payment order is issued by the CNB, the bank account number of the participants receiving the payment transaction shall be specified.

e) Examples of field 21 completion by transaction type

<table>
<thead>
<tr>
<th>Transaction Type</th>
<th>Nature of Transaction</th>
<th>Specific characteristics</th>
<th>Transaction Type Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lombard loan (extension and repayment)</td>
<td>extension</td>
<td></td>
<td>01010000DDDDDDDD</td>
</tr>
<tr>
<td></td>
<td>repayment</td>
<td></td>
<td>01020000DDDDDDDD</td>
</tr>
<tr>
<td>funds under reverse repo agreements (approval and repayment)</td>
<td>approval</td>
<td></td>
<td>02010000DDDDDDDD</td>
</tr>
<tr>
<td></td>
<td>repayment</td>
<td></td>
<td>02020000DDDDDDDD</td>
</tr>
<tr>
<td>repurchase/purchase of obligatory kuna CNB bills on account of the growth in kuna placements</td>
<td>repurchase</td>
<td></td>
<td>03010000DDDDDDDD</td>
</tr>
<tr>
<td></td>
<td>purchase</td>
<td></td>
<td>03020000DDDDDDDD</td>
</tr>
<tr>
<td>redemption/purchase of kuna CNB bills</td>
<td>redemption</td>
<td>35 days</td>
<td>04010035DDDDDDDD</td>
</tr>
<tr>
<td></td>
<td>purchase</td>
<td>35 days</td>
<td>04020035DDDDDDDD</td>
</tr>
<tr>
<td>repurchase of kuna CNB bills prior to maturity</td>
<td>repurchase</td>
<td></td>
<td>05010000DDDDDDDD</td>
</tr>
<tr>
<td>short-term liquidity loan (extension and repayment)</td>
<td>extension</td>
<td></td>
<td>06010000DDDDDDDD</td>
</tr>
<tr>
<td></td>
<td>refund</td>
<td></td>
<td>06020000DDDDDDDD</td>
</tr>
<tr>
<td>funds under repo agreements (repayment and depositing)</td>
<td>repayment</td>
<td></td>
<td>07010000DDDDDDDD</td>
</tr>
<tr>
<td></td>
<td>depositing</td>
<td></td>
<td>07020000DDDDDDDD</td>
</tr>
<tr>
<td>purchase/sale of securities</td>
<td>purchase</td>
<td></td>
<td>08010000DDDDDDDD</td>
</tr>
<tr>
<td></td>
<td>sale</td>
<td></td>
<td>08020000DDDDDDDD</td>
</tr>
<tr>
<td>overnight deposit refund/making</td>
<td>refund</td>
<td></td>
<td>09010000DDDDDDDD</td>
</tr>
<tr>
<td>Description</td>
<td>Code</td>
<td>Description</td>
<td>Code</td>
</tr>
<tr>
<td>--------------------------------------------------------------</td>
<td>---------</td>
<td>--------------------------------------------------------------</td>
<td>---------</td>
</tr>
<tr>
<td>refund</td>
<td>09010001D</td>
<td>suspension of overnight deposit facility</td>
<td>09020000D</td>
</tr>
<tr>
<td>making</td>
<td>09020000D</td>
<td>purchase</td>
<td>31010000D</td>
</tr>
<tr>
<td>foreign currency purchase/sale</td>
<td>31020000D</td>
<td>sale</td>
<td>31020000D</td>
</tr>
<tr>
<td>foreign cash sale</td>
<td>32020000D</td>
<td>purchase</td>
<td>33010000D</td>
</tr>
<tr>
<td>foreign currency purchase/sale under repo agreement</td>
<td>33020000D</td>
<td>sale</td>
<td>33020000D</td>
</tr>
<tr>
<td>return/ allocation of funds used as collateral for clearing through the NCS</td>
<td>51010000D</td>
<td>return</td>
<td>51010000D</td>
</tr>
<tr>
<td>return /allocation of reserve requirements after calculation</td>
<td>71010000D</td>
<td>allocation</td>
<td>71020000D</td>
</tr>
<tr>
<td>return/allocation of special reserves requirements on liabilities arising from issued securities after calculation</td>
<td>73010000D</td>
<td>return</td>
<td>73010000D</td>
</tr>
<tr>
<td></td>
<td></td>
<td>allocation</td>
<td>73020000D</td>
</tr>
</tbody>
</table>

5.1.2.2. Field 72 - textual description of the type of payment

To indicate the type of payment, field 72 in the text block of payment message MT202, used by the participant for issuing payment orders to credit the CNB account, shall be completed in the prescribed manner, in addition to field 21 (item 5.1.2.1 a).

Field 72 shall contain the category of a payment to credit the CNB account, in accordance with columns 1 and 2 in the table showing the examples of field 21 completion by transaction type.

5.2. Payment Message MT103

Besides the conditions laid down in this item, a payment message MT103, used for the execution of payments between the CNB and other participants, shall be applied and completed in the manner set out in items 2.5. of this Instruction.

5.2.1. The use of payment message MT103

For the execution of payments between the CNB and participants, the payment message MT103 shall be used:
- to transfer funds, for the purpose of supplying banks with cash, from a bank's account to its cash account with the CNB, or from a bank's cash account with the CNB to its account in the CLVPS;
- to execute interbank payments to debit/credit transaction accounts maintained by the CNB, provided that the clearing of such payments through the CLVPS complies with other regulations;
- to execute payments based on settlement of transactions with financial instruments regulated with regulations which govern the capital market.

The CNB shall issue the payment message MT103 to credit a participant's account on the basis of:
- executing a bank's order for transfer of funds from the bank's cash account with the CNB to its account in the CLVPS,
- executing interbank payments to debit the transaction accounts maintained by the CNB,
- to execute payments based on settlement of transactions with financial instruments provided for in regulations which govern the capital market.

The participant shall issue the payment message MT103 to credit the CNB account (SWIFT address: NBHRHR2D) on the basis of:
- making transfers of funds from a bank's account in the CLVPS to its cash account held with the CNB, and
- executing interbank payments to credit the transaction accounts maintained by the CNB, provided that the execution of such payments through the CLVPS complies with other regulations.

The Central Depository & Clearing Company (hereinafter: CDCC) shall issue payment message MT103 to credit the CNB's account (SWIFT address NBHRHR2D) on the basis of:
- executing payments based on settlement of transactions with financial instruments provided for in regulations which govern the capital market.

5.2.2. The method of completing payment message MT103 - transfer of funds for the purpose of supplying banks with cash
The transfer of funds for the purpose of supplying banks with cash shall be made in the manner prescribed by the decision which regulates the supplying of banks with cash.
The participant shall send the payment message MT103 to transfer funds to credit the bank's cash account with the CNB to the SWIFT BIC NBHRHR2D.

5.2.2.1. Field 50K - account number of the payer
The account number of the payer shall be specified in the first line, and the title of account in the following lines of this field.

The account number shall be specified in accordance with the decision regulating transaction accounts.

For the transfer of funds from the bank's cash account with the CNB to the bank's account in the CLVPS, the CNB shall specify the number of the bank's cash account with the CNB.

For the transfer of funds from the bank's account in the CLVPS to its cash account with the CNB, the bank shall specify the number of its account used for keeping record of cash (the bank's internal account for keeping record of cash).

5.2.2.2. Field 59 – account number of the payee
The account number of the payee shall be specified in the first line, and the title of account in the following lines of this field.

The account number shall be specified in accordance with the decision regulating transaction accounts.

For the transfer of funds from the bank's cash account with the CNB to the bank's account in the CLVPS, the CNB shall specify the number of the bank's internal cash account for keeping record of cash that the bank specified in the order for transfer of funds to the account in the CLVPS.

For the transfer of funds from the bank's account in the CLVPS to its cash account with the CNB, the bank shall specify the number of the bank's cash account with the CNB.

5.2.3. The method of completing payment message MT103 - execution of payment transactions debiting/crediting transaction accounts managed by the CNB
The bank shall direct the payment message MT103 used for conducting payment transactions to credit the transaction accounts managed by the CNB in line with other regulations, to the SWIFT BIC NBHRHR2D.

5.2.3.1. Field 50K - Account number of the payer
The account number of the payer shall be specified in the first line, and the title of account in the following lines of this field.

The account number shall be specified in accordance with the decision regulating transaction accounts.

The CNB shall specify the number of the account with the CNB which is debited based on payment execution.

Participant specifies the number of account with the bank which is debited based on payment execution.

5.2.3.2. Field 59 – Account number of the payee
The account number of the payee shall be specified in the first line, and the title of account in the following lines of this field.

The account number shall be specified in accordance with the decision regulating transaction accounts.

The CNB shall specify the number of the account which is credited based on payment execution.

Participant specifies the number of account with the CNB which is credited based on payment execution.

5.2.3.3. Field 72 – authorization number
The participant/the CNB shall specify the authorization number in field 72, in accordance with item 2.5.5 of this Instruction.

6. METHOD OF ISSUING PAYMENT MESSAGES FOR THE PURPOSE OF SETTLING TRANSACTIONS WITH FINANCIAL INSTRUMENTS
The CDCC issues a payment message MT103 to credit the participant's account for the purpose of executing payment transactions based on settlement of transactions with financial instruments provided for in regulations governing capital market.

The participant issues a payment message MT103 crediting the CDCC account (SWIFT BIC SDAHHR22) for the purpose of executing payment transactions based on the payment order issued in line with the regulations governing capital market.

6.1. The method of completing payment message MT103 - execution of payments to credit/debit the CDCC account

Payments on the basis of settlement of accounts shall be made in accordance with the regulations governing securities trading.
Participant shall send a payment message to credit the CDCC account (account number: 1001005-1310020013) to the SWIFT BIC SDAHHR22.

6.1.1. Field 50K – Account number of the payer
The account number of the payer shall be specified in the first line, and the title of account in the following lines of this field.

The account number shall be specified in accordance with the decision regulating transaction accounts.

The CDCC specifies the number of its account, which is 1001005-1310020013.

The participant, based on the payment order which is in line with regulations governing the capital market issued to credit the CDCC account, specifies the number of the account to be debited based on the execution of the payment transaction.

6.1.2. Field 59 – Account number of the payee
The account number of the payee shall be specified in the first line, and the title of account in the following lines of this field.

The account number shall be specified in accordance with the decision regulating transaction accounts.

The CDCC shall, in accordance with the regulations governing capital market, specify the number of the transaction account to be credited on the basis of the execution of the payment transaction.

The participant shall, pursuant to the payment order issued in accordance with the regulations governing the capital market to credit the CDCC account No. 1001005-1310020013, specify the number of this account.

6.1.3. Field 72 – authorization number
The participant/the CDCC shall specify the credit authorization number in field 72, in accordance with item 2.5.5 of this Instruction.
7. Issuing Payment Transactions through Account Transfers

The CNB shall issue payments through account transfers to debit the participant's account:
- based on the participant's order:
  - due to technical difficulties with the participant
  - due to technical difficulties with the CLVPS when it is not possible to execute payments through the SWIFT or
  - if he/she is not technically equipped to exchange messages through the SWIFT and
  - pursuant to regulations.

The CNB may through account transfers issue payments for the purpose of:
- refund of funds to the CNB account in the CLVPS
- refund of allocated funds for ensuring coverage in the NCS
- return of overnight deposits.

7.1. Account Transfer Based on the Participant's Order

The CNB shall make an account transfer based on the order received from the participant. The participant shall order the account transfer by means of the "CLVPS/AT Order" form (hereinafter: Order). The CNB shall create the "CLVPS/AT Order" form and shall submit it to all participants and publish it on its website.

The participant shall submit the completed "CLVPS/AT Order" form (hereinafter: Order) by fax to the CNB. The CNB shall notify all participants of the fax number to which Orders are to be sent.

Upon receipt of the completed Order, the CNB shall verify by telephone the data contained therein with the sender of the Order.

For the purpose of verifying the data contained in the Order, the CNB shall submit a verification code to all participants.

Upon receiving the Order by fax, the CNB shall conduct verification of data therein in the following manner:
- the CNB shall telephone the sender of the Order;
- the sender of the Order shall indicate the verification code;
- the sender of the Order shall read the data contained in the Order submitted to the CNB, and the CNB shall match them with the data contained in the received Order

The bank shall provide the CNB with the telephone numbers and the names of the persons responsible for data verification. The participant shall immediately inform the CNB on any changes of telephone numbers or contact persons.

7.2. Account Transfer Pursuant to Regulations

a) Settlement of the calculation executed in the National clearing system
The CNB shall settle the final net position in the clearing accounts of immediate participants in the National Clearing System (hereinafter: the NCS) at the end of a clearing day, based on the data received from the NCS.

The NCS net position shall be settled as follows:
- in the case of a positive NCS net position, the CNB shall issue an account transfer to credit the participant's account and to debit the clearing account for the NCS;
- in the case of a negative NCS net position, the CNB shall issue an account transfer to debit the participant's account and to credit the clearing account for the NCS.

b) Execution of bases for collection

The CNB shall issue the account transfer to debit the participant's account on the basis of executing received basis for collection issued to debit the participant's account in the CLVPS.

7.3. Account transfer and transfer on the basis of refund of paid funds to the CNB account in the CLVPS
If payment message is not completed pursuant to the provisions of this Instruction, the CNB may issue the account transfer for the purpose of refunding paid funds to the participant's account in the CLVPS.

If through payment message funds were paid to the CNB account in the CLVPS by mistake, the CNB may, based on the previously submitted written request of the participant, issue an account transfer to return the funds to the participant's account in the CLVPS.

7.4. Return of a bank's funds allocated as collateral for clearing through the NCS
The CNB may issue an account transfer to credit a participant's account for the purpose of returning the funds allocated by the participant during the day to a special account containing collateral for clearing through the NCS held with the CNB.

7.5. Refund of overnight deposits
The CNB may issue an account transfer to credit a participant's account to return the funds that the participant allocated on the previous day as the overnight deposit.

8. METHOD OF PARTICIPATION IN THE CLVPS FOR PARTICIPANTS WHICH ARE NOT TECHNICALLY EQUIPPED FOR THE EXCHANGE OF MESSAGES THROUGH THE SWIFT

The CNB shall carry out all operative activities related to the participation in the CLVPS for participants which are not technically equipped for the exchange of messages through the SWIFT (hereinafter: non-SWIFT participants).

Payment transactions to debit and credit a non-SWIFT participant's account shall be ordered by the CNB by means of account transfers under the conditions and in the manner laid down in item 7.1 of this Instruction.

The CNB shall notify each non-SWIFT participant of his/her settlement account balances during the clearing day in the manner agreed between the participant and the CNB.
The CNB shall submit to a non-SWIFT participant a report on the balance of and payment transactions executed in his/her settlement account by registered mail on the first business day in a week for the previous week.

9. CONFIRMATION AT THE PARTICIPANT'S REQUEST

The CNB shall issue confirmations on settled payments and on the balance of the participant's account, on keeping the participant's account, on account freeze on a certain day and in a certain period, on the balance of the participant's account freeze on a certain day and in a certain period, on the balance of the bank's cash account, on allocated funds for covering calculation in the NCS and on allocated funds of participants at the CNB as ordered by the court.

The CNB issues those confirmations based on a written request by the authorised signatory of the participant submitted by fax or mail.

The types of confirmation at the participant's request are specified in accordance with the tariffs of the CLVPS.

Upon receiving the request the CNB verifies the validity of the request and checks whether the request signatory is in the list of authorised persons.

The participant shall submit to the CNB a list of persons authorised to request on his/her behalf from the CNB confirmations on financial indicators. The list needs to contain the name and the surname of the authorised person, telephone numbers and e-mail addresses. The participant shall immediately submit to the CNB any changes in the respective data.

The CNB shall send to the participant the original certified confirmation by fax, or at request by mail.

10. CODE FOR COMPLIANCE

The CNB submits to each participant a code for compliance. That code serves for Order data credibility compliance and in the case of providing information on settled payment transactions and on the balance in the participant's account.

The CNB provides information on settled payments and on the balance of the participant's account in case of technical difficulties with the participant.

Upon receiving the code, the participant shall submit to the CNB a code receipt confirmation.

The participant shall submit to the CNB names and surnames, telephone numbers, fax numbers and e-mail addresses of contact persons who will conduct compliance of Order data. The participant shall immediately submit to the CNB any changes in the respective data.

11. PARTICIPATION IN THE CLVPS

11.1. INCLUSION OF PARTICIPANTS IN THE CLVPS

Upon receiving the Decision on Company Registration into a Court Register the CNB opens an account in the CLVPS to participants from Article 2 and 3 of the Decision on the rules of procedure of the CLVPS.
The CNB informs the participant on the date of opening the account in the CLVPS.

In case an account for a new participant is opened, the CNB notifies all participants through the SWIFT (message MT999), by e-mail or through any other appropriate communication method.

11.2. INCLUSION IN THE SWIFT

Upon registering in the Court Register the participant from Articles 2 item (2) and (3) of the Decision on rules for procedure of the CLVPS shall within 90 days become technically equipped to exchange messages through the SWIFT, i.e. he/she shall participate in the CLVPS independently.

The Participant shall submit to the SWIFT a request for inclusion into the Closed group of CLVPS users. The CNB submits to the participant a procedure for independent inclusion in the CLVPS alongside complete necessary documentation which includes Functional specifications of the CLVPS, documentation describing methods of issuing payment messages through the CLVPS, scenario of CLVPS testing procedure and the form of the account transfer order.

Prior to the independent participation in the CLVPS the participant shall conduct all necessary testing procedures in accordance with item 12.1 of this Instruction.

After a successful testing procedure the CNB informs the participant on the start date of independent participation in the CLVPS.

In case an account for a new participant is opened, the CNB sends a notification on inclusion of the participant in the SWIFT to all participants through the SWIFT (message MT999), by e-mail or through any other appropriate communication method.

11.3. EXCLUSION OF PARTICIPANTS FROM THE CLVPS AND ACCOUNT FREEZE

In case of exclusion of a participant from the CLVPS and in line with the Decision on the rules of procedure of the CLVPS, the CNB sends to participants a notification on the account closing date through the SWIFT (message MT999), by e-mail or through any other appropriate communication method.

In case of participant's account freeze, conducted in line with other regulations, the CNB shall notify participants through the SWIFT, by e-mail or through any other appropriate communication method.

11.4. ACTIONS IN THE CASE OF THE OPENING OF INSOLVENCY PROCEEDINGS AGAINST A PARTICIPANT

The CNB notifies all participants on opening of insolvency proceedings against a participant through the SWIFT (message MT999), by e-mail or through any other appropriate communication method.

11.5. CHANGE OF THE PARTICIPANT'S SWIFT BIC

In case of a change of the participant's SWIFT BIC, the participant shall inform the CNB on the intended change.

The participant shall submit to the SWIFT a request for a change of the SWIFT BIC in the Closed group of CLVPS users.

The CNB as the administrator of the Closed group of users confirms the request of the participant for change of the SWIFT BIC in the Closed group of users.
Prior to using the new SWIFT BIC in the CLVPS, the participant shall conduct all necessary testing procedures in accordance with item 12.2. of this Instruction.

The CNB sends to all participants a notification on the change of the participant’s SWIFT BIC through the SWIFT (message MT999), by e-mail or through any other appropriate communication method.

12. **TESTING PROCEDURES WITHIN THE CLVPS**

Testing procedures in the CLVPS are conducted in the following cases:
- training of a new participant for independent participation in the CLVPS,
- change of the participant’s SWIFT BIC,
- based on a written request by the participant, and
- in line with the needs of the CNB.

12.1. **TESTING PROCEDURE IN CASE OF TRAINING A NEW PARTICIPANT FOR INDEPENDENT PARTICIPATION IN THE CLVPS**

After being formally and technically accepted in the SWIFT, the participant shall conduct a testing procedure for participation in the CLVPS in cooperation with the CNB.

The purpose of the test is to check the possibility of issuing and receiving payment messages related to functioning of the CLVPS by the participants and the CNB by simulating various business situations. The CNB supervises and coordinates the testing procedures of the CLVPS.

The CNB drafts and sends to the participant documentation describing the methods of issuing payment messages through the CLVPS as well as the test scenario.

After a successfully conducted testing procedure, the participant may participate in the CLVPS independently exchanging messages through the SWIFT.

12.2. **TESTING PROCEDURE IN CASE OF A CHANGE OF THE PARTICIPANT’S SWIFT BIC**

In case of a change of the SWIFT BIC, the participant shall conduct a testing procedure of participation in the CLVPS with a new SWIFT BIC.

The purpose of the test is to check the possibility of issuing and receiving payment messages related to functioning of the CLVPS by the participants and the CNB by simulating various business situations. The CNB supervises and coordinates the testing procedures of the CLVPS.

After a successfully conducted testing procedure and after the activation of a new SWIFT BIC, the participant may participate in the CLVPS with the new SWIFT BIC.

12.3. **TESTING PROCEDURE IN ACCORDANCE WITH THE NEEDS OF THE CNB**

The participant shall, at the CNB request, participate in testing procedures in the following cases:
- program upgrades of the CLVPS
- the need for testing continuous operations.

The CNB may, where appropriate, for the purpose of safe and stable functioning of the CLVPS, request from the participant the conduct of additional testing procedures.

The CNB shall send to all participants the notification on the conditions from conducting testing procedures through the SWIFT (message MT999), by e-mail, or through any other appropriate communication method.
12.4. TESTING PROCEDURE AT THE PARTICIPANT'S REQUEST
In case of a need for a testing procedure the participant shall submit to the CNB a request with the proposed testing date.
The CNB shall reply positively to the participant's request if it estimates that the conduct of the requested test will not limit the current activities of the CLVPS.
The CNB shall enable to the participant testing in accordance with the agreed schedule and, if that is not possible, propose an alternative testing date.

13. PROCEDURES IN CASE OF UNFORESEEN SITUATIONS
In case of unforeseen situations in the CLVPS, such as problems with establishing a connection with the CLVPS, technical difficulties in the CLVPS operations or force major, the CNB shall inform the participants through a message MT999. If that is not possible the CNB shall notify the persons from item (10) of this Instruction by e-mail or through any other appropriate communication method.
The notification shall contain the following information:
- description of the unforeseen event,
- estimated time required to settle the problem and
- instruction to the participants on further procedures.
In case of unforeseen situations with participants which result in problems in participation of participants in the CLVPS, the participant shall notify the CNB.
The notification shall contain the following information:
- description of the unforeseen event,
- estimated time required to settle the problem and
- notification on the conducted activities.
In case of unforeseen situations that cause inability of undisturbed activities of the CLVPS, the CNB may:
- delay the start of the activities or expand the activities of the CLVPS,
- conduct settlement of payment transactions through account transfers and move operations to a backup location.

14. APPLICATION OF THE INSTRUCTION
This Instruction shall be published on the CNB web site and shall be applied as of 1st July 2011.

No.: 164-020/06-11/ŽR
Zagreb, 2nd June 2011

GOVERNOR
OF THE CROATIAN NATIONAL BANK

Željko Rohatinski, PhD