

Bankline Client Guidance Document

Making Chinese Renminbi Payments

Introduction

We have introduced Chinese Renminbi (CNY) to the list of currencies available to our non-personal customers. Therefore, it is now possible to make and receive CNY payments via your Royal Bank of Scotland account. There are some regulatory requirements which must be adhered to when making CNY payments which are explained in this guide.

Special Requirements – Purpose Codes

For all CNY International payments, a Purpose Code must be provided. The Purpose Code defines the nature of the payment and may be one of the following:

Purpose Code	Definition
International Payments	
CGODDR	Cross Border Goods Trade. Cross-border settlement based on trade for goods, including general merchandise, goods for processing, goods for repairing, goods bought in transportation ports, import and export of non-currency gold, etc.
CSTRDR	Cross Border Service Trade. Cross-border settlement based on trade in services, including services relating to transportation; travel; communication service; constructions and installation services and their subcontract services; insurance; financial services; computer and information services; patent and license fees; sports and entertainment services; government services and the other commercial services not mentioned above.
CCTFDR	Cross-Border Capital Transfer (including capital transfer other than Bond). Cross-border fund transfer under capital account, including capital account transactions (capital transfers; acquisition/disposal of non-productive, non-financial assets), direct investment, securities investment and other investments.
CCDNDR	Charity donation
COCADR	Other Current Account Transactions. Including income (investment profits) and current transfers (donation not related to real estate or without conditions; payments to foreign countries including compensation, tax, amercement, membership fees).

How to Supply Purpose Code

Bankline International Payment Entry Screen

Once you have selected CNY as the currency to be sent, this is how the Purpose Code should be entered:

1. At the 'Enter International payment' screen enter the Purpose Code on the first line of the 'Information for the beneficiary' field with no other details present on that line.
2. Fill out all the remaining details required to make an international payment. If the beneficiary name is longer than the field in Bankline allows please add in any additional characters in the Address Box.

Bankline Import File

International Payments

Files containing Chinese Renminbi (CNY) currency payments should provide the correct Purpose Code in field T037, 'Information for the Beneficiary Line One'. No other detail should be provided in this field. Any further information for the beneficiary can be entered in fields T038 to T040.

Supporting Documentation

All documentation supporting the payment must be retained for a period of 6 years. This is to cover the situation where the Chinese Regulator, Agent Bank, or Beneficiary's Bank, requests to see this documentation.

Additional Guidance

Payment References

It is recommended that a payment reference or Invoice number be provided in the information for the beneficiary in the line after the Purpose Code. This will assist in the payment being applied.

FX Rates

Differing rates can be applied to On-shore payments (currency code CNY) to that for Off-shore payments (currency code CNH). As the payment originates from the UK, the Off-shore rate will always be used regardless of whether the beneficiary is in mainland China or not. This means that Markets related screens/forms will continue to display the currency code CNH, whilst payments related screens/forms will display and use the CNY currency code.

Value Date and Cut-off Time

The following cut-off times and Value Date availability are applicable for Chinese Renminbi payments (where 'D' is the current working day)

Product	Delivery Method	Value date, Cut Off Time
Urgent Transfer	Bankline	D+1 16:00
Standard Transfer	Bankline	D+2 16.30

Bank Holidays

When calculating the payment value date, we will use the Hong Kong bank holiday dates and not those of China. This means that when processing payments to China on a Chinese Bank Holiday (but not a Bank Holiday in Hong Kong), the beneficiary will receive funds on the next working day.

Agent Charges

When sending an International Payment, the receiving bank will usually apply a fee for handling the payment before crediting the beneficiary. The way in which these charges impact the payment can be minimised by making use of the appropriate charge code. If you want to avoid these charges being deducted from the payment amount, the charge code OUR (all charges for remitter) is recommended. If the beneficiary's account is at a bank within the European Economic Area (EEA), only the 'Shared' (SHA) charge option is allowed. This means that you'll pay our fee for sending the payment, and the beneficiary will pay any charges from the intermediary and/or beneficiary bank for receiving the payment. Agent charges and payment fees for CNY payments follow the bank's general tariff.

Specific T&C

Specific Terms & Conditions apply to payments initiated in CNY. We advise you to familiarise yourself with the following terms prior to making CNY payments.

1. One of the purpose codes required by the [The Royal Bank of Scotland Plc] (the “Bank”) must be provided with the instruction by the Customer. The payment must be for that purpose only.
2. It is recommended that the payment information contain an invoice or purchase order number for the transaction.
3. Payments can only be made to companies and not individuals.
4. All information must be in English.
5. The Customer should retain documentary evidence of the underlying invoice for 6 years and it is a requirement to provide documentation if requested by the Bank.
6. If any of this information is not provided (mandatory or recommended) the payment may be delayed or returned and the Bank accepts no liability resulting from that.

Please follow the following link to also view the CNY specific Terms & Conditions:

http://rbs-bncpreview.adobecqms.net/business/terms.html?extcam=R_DM_0_Bus_Terms_1601_Terms_1

Bankline Training & Support site

For more help and support in relation to making International payments, and for a copy of the Bankline Import guides please visit:

<http://rbs-bncpreview.adobecqms.net/business/rbs-business-bankingsupportcentre/bankline-support-centre/training-and-support.html>

Inward Payments

Funds will be credited to your account only when we have received notification from our correspondent that they have received the funds from the remitting bank.