GROUP PAYMENTS SOLUTIONS

MIGRATION TO A NEW VERSION OF SEPA PAYMENT SCHEMES ON 17 MARCH 2024

As per decision of the European Payments Council ("EPC") as of 24 October 2023, the migration of SEPA payment schemes to the 2019 version of ISO 20022, originally scheduled for 20 November 2023, has been postponed to 17 March 2024. Our newletter summarizes the latest developments and major implications.

CHANGES AS OF 17 MARCH 2024 AND IN THE 1ST HALF OF 2024

Changes at a glance:

- **Format changes: pain.001 for instant payments** and SEPA credit transfers as well as **pain.008 for SEPA direct debit** including B2B
- **New fields: UETR and Ultimate Beneficiary** for urgent payments (Urgent = CCU in format pain.001)
- **Introduction and termination: AXZ pain.001** will be introduced in the 1st half of 2024 and it will replace DTAZV formats for international payments until 2025
- **Status concept: pain.002** in an amended format and a status concept
- **Termination:** Old formats pain.001.003.03 (current pain.001.001.03) and pain.008.003.02 (current pain.008.001.02) will be discontinued

These changes will result in the following amendments:

- **Structured address fields** are mandatory (when using these new formats and submitting address data)
- New identification number: **Legal Entity Identifier (LEI)** will be introduced and is partially mandatory (EU Anti Money Laundering Regualtion)
- Structural changes: Technical re-grouping and re-naming of certain fields
- The **accompanying note process**, including the SRZ-fax accompanying note, will be discontinued in mid-2025. The file is then released via internet banking or electronic signature

For further information please also see our [Format Broschure](#).

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THE TIMETABLE FOR THE INTRODUCTION OF THE NEW CLIENT FORMATS:

	At present	~~Nov 23~~ March 24	Apr 24	Nov 24	Nov 25
	ISO 20022-Version 2009	ISO 20022-Version 2019			
SEPA CT & Instant	pain.001.001.**03** (pain.001.00**3**.03)	→ pain.001.001.**09** (pain.001.00**1**.03)			
CCU urgent	pain.001.001.**03** (pain.001.00**3**.03)	→ pain.001.001.**09** (pain.001.00**1**.03)			
International payment	DTAZV	→ pain.001.001.09 (DTAZV)			
cgi (mix SEPA / urgent / international)	pain.001.001.**03**	→	pain.001.001.09 (pain.001.00**1**.03)		
SEPA Direct Debit	pain.008.001.**02** (pain.008.00**3**.02)	pain.008.001.**08** (pain.008.00**1**.02)			
StatusReport	pain.002.001.**03** (pain.002.00**3**.03)	→ pain.002.001.**10** (pain.002.00**1**.03)			
Forwarding	MT101	→		pain.001.001.09-relay (MT101)	

(right side vertical text: Discontinuation of old formats - only ISO-version 2019 accepted)

*Technical introduction of AXZ and cgi files is sheduled for 1st half of 2024, pain.001 relay in November 2024

CURRENT MIGRATION TIMETABLE

The introduction of new formats results in a transition phase with a co-existence of both formats with a subsequent termination of the old formats. The current plan for migration envisages the following phases:

XML CLIENT FORMATS – SUBMISSION ACCORDING TO ISO 20022 VERSION 2019

		Nov 21	Nov 22	Mrz 23	~~Nov 23~~ 16./17. March 2024	Apr 24	Nov 24	Nov 25
SEPA	pain.001.001.09, pain.008.001.08				Start			
	pain.001.001.03, pain.008.001.02				Phase out			Stop
	pain.001.003.03, pain.008.003.02	Phase out	Exception		Stop			
AXZ	pain.001.001.09					Start		
	DTAZV / MT101					Phase out		Stop
CCU / Target	pain.001.001.09				Start			
	pain.001.001.03				Phase out			Stop
	pain.001.003.03	Phase out	Exception		Stop			
	DTAZV / MT101	Phase out						Stop
cgi	pain.001.001.09, (pain.008.001.08)					Start		
	pain.001.003.03, pain.008.001.02					Phase out		Stop

XML CLIENT FORMATS – REPORTING & RECALL ACCORDING TO ISO 20022 VERSION 2019

		Nov 21	Nov 22	Mrz 23	~~Nov 23~~ 16./17. Mrz 24	Apr 24	Nov 24	Nov 25
camt V8	C53 / C52 / C54 / C5N V8	Start						
	C53 / C52 / C54 / C5N V2	Phase out						Stop
	MT940 / MT942	Phase out						Stop
FI / interbank	camt V8 FI			Start				
	MT950			Phase out				Stop
Status	pain.002.001.10 (SEPA, CCU)				Start			
	pain.002.001.03 (SEPA, CCU)				Phase out			Stop
	pain.002.001.10 (gpi / AXS)				Postponed			Start
	pain.002.001.03 (gpi / XGZ)						Phase out	
Recall	pain.007.001.04				Unchanged			
	camt.055 V4 & V5 (SEPA)				Unchanged			
	camt.029 V6 (SEPA)				Unchanged			
Billing	camt.086 V1 & V2				Unchanged			

XML CLIENT FORMATS – RELAY / FORWARDING ACCORDING TO ISO 20022 VERSION 2019

		Nov 21	Nov 22	Mrz 23	Nov 23 / 16./17. Mrz 24	Apr 24	Nov 24	Nov 25
Initiate	pain.001.001.09 Relay						Start	
	MT101-Forwarding				Phase out			Stop
Status	pain.002.001.10 Relay						Start	
Statement	camt V8 Relay			Start				
	MT940/2 third party bank account stat.			Phase out				Stop
Recall	camt.055.001.08 Relay						Start	
	camt.029.001.09 Relay						Start	

To reduce complexity in the transition phase, we recommend a switch from old formats to new formats and thereafter an update of the new formats to the newest available version:

- Until March 2024: pain.001.003.03 / pain.008.003.02 → pain.001.001.03 / pain.008.001.02

- In the course of 2024: pain.001.001.03 / pain.008.001.02 → pain.001.001.09 / pain.008.001.08

STRUCTURED ADDRESS WILL BE MANDATORY

If address data is included in a payment message, it must be provided in a structured form. As is presently, for international payments address data must be provided in the payment message. For purely domestic payments the inclusion of address data is optional.

Contrary to the old ISO version, new formats require address data in a structured form:

Unstructured address – old ISO version

```
...
<Nm>ABC Handels GmbH</Nm>
<PstlAdr>
      <Ctry>DE</Ctry>
      <AdrLine>Zentrale1, Dorfstrasse 23/2</AdrLine>
      <AdrLine>80995 Muenchen / Bogenhausen</AdrLine>
</PstlAdr>
...
```

Structured address – new ISO version

```
...
<Nm>ABC Handels GmbH</Nm>
<PstlAdr>
      <Dept>Zentrale1</Deot>
      <StrtNm>Dorfstrasse</StrtNm>
      <BldgNb>23</BldgNb>
      <Flr>2</Flr>
      <PstCd>80995</PstCd>
      <TwnNm>Muenchen</TwnNm>
      <TwnLctNm>Bogenhausen</TwnLctNm>
      <Ctry>DE</Ctry>
</PstlAdr>
...
```

Fields envisaged for the submission of structured address data are as follows:

XML Tag	Name	Name	Use in AXZ	Example
AdrTp Cd / Prtry	Code	Address type	Prohibited	-.-
Dept	70 Text	Department	Optional	**Client & Solutions**
SubDept	70 Text	Sub department	Not recommended	**GTB3PP**
StrtNm	70 Text	Street name	Recommended	**Arabella Str.**
BldgNb	16 Text	Building number	Recommended	**12**
BldgNm	35Text	Building name	Not recommended	**HVB-Tower**
Flr	70 Text	Floor	Not recommended	**16**
PstBx	16 Text	Post box	Not recommended	**100101**
Room	70 Text	Room / Apartment	Not recommended	**West**
PstCd	16 Text	Postal code	Recommended	**80333**
TwnNm	**35 Text**	**Town**	**Mandatory**	**Munich**
TwnLctnNm	35 Text	Town location name	Not recommended	**Bogenhausen**
DstrctNm	35 Text	District	Not recommended	**Upper Bavaria**
CtrySbDvsn	35 Text	State	Recommended for certain countries, e.g. USA	**Bavaria**
Ctry	**2 ISO-Code**	**Country**	**Mandatory**	**DE**

Whilst structuring address data, national specifics are being considered, e.g.:

- France: house number ahead of street name
- USA: house number ahead of street name, postal code following town name, town name always in connection with a state

Further information regarding national specifics of address data is included in the following XLS file provided by SWIFT.

As of now most market participants store their client address data in an unstructured or partially structured form. A complete migration of all client address data into a 100% structured form poses a certain challenge to many market participants. For that reason, currently a **hybrid solution** is being developed in addition to the structured address. The hybrid solution is envisaged for a transitionary phase and specifies a certain minimum number of structured address fields which are complemented by unstructured address lines.

From November 2025, hybrid (semi-structured) address assignment for international payments (AXZ) will be permitted, i.e. in addition to the mandatory city / country information, additional information may also be provided in the free text lines, i.e. in <AdrLine>. However,

it is still recommended to use the structured elements intended for this purpose (e.g. <StrtNm> to specify a street) if possible. At present, binding details regarding the implementation of the hybrid solution and its timing for different products like international, urgent and SEPA payments, are not yet available.

FURTHER SEPA CHANGES – LEI, ALIAS, ETC.

There are the following field changes:

- BIC re-named to BICFI
- New fields: LEI or Proxy / Alias

LEI (Legal Entity Identifier) is a 20-digit international Id according to ISO 17442: LLLL00CCCCCCCCCCCCPP (L: LOU = local operating unit / LEI issuing entity, 00: two zeros, C: unique code, P: check sum).

Application for a LEI and an international registration with a local operating unit authorised for LEI issuance results in fee payments. LEI needs to be renewed annually. The correctness and validity of a LEI can be verified. With an amendment of Anti Money Laundering Regulation (VO (EU) 2023 / 1113) banks are required to validate and forward LEIs provided in a payment message. Alternatively, another comparable form of official identification can be used. Further details of the implementation are still work in progress. The implementation is expected towards the end of 2024.

New ISO version 2019 (pain.001.001.09, pain.008.001.08, …) allows for a submission of a LEI. LEI is available in

- SEPA format for Debtor, Creditor, UltimateDebtor, UltimateCreditor, InitiatingParty
- non-SEPA format additionally for DebtorAgent, CreditorAgent, IntermediaryAgent1-3, Invoicer, Invoicee, Garnishee, GarnishmentAdminstrator.

```
<Id>
  <OrgId>
    <AnyBIC>…</AnyBIC>
    <LEI>98760027AK4LSOGXGY18</LEI>
    <Othr>
      <Id >…</Id>
      <SchmeNm>…</SchmeNm>
    </Othr>
  </OrgId>
</Id>
```

The Proxy / Alias is e.g., a TELE phone number, EMAL email, DNAM internet address, EWAL e-wallet, LEIC-LEI, TOKN token, SOSE SocialSecurityId, CCPT passport number or a PVTX tax number. A payment service provider (PSP) could assign Alias a certain IBAN. However, in the payment itself, the account number resp. IBAN is mandatory.

The submission of a Proxy is possible with the new ISO version (pain.001.001.09). Proxy is available for pain.001 DebtorAccount, CreditorAccount and in addition for non-SEPA CreditorAgentAccount. The Id must not exceed 320 characters.

SEPA payment remittance information ("Verwendungszweck") remains unchanged – either 140 characters completely unstructured or 140 characters partially structured (i.e. only the CreditorReference is structured). The SEPA payment remittance information does not have the full structuring in contrast to AXZ with 9.000 characters. For individual payments (especially direct debit) the unstructured payment remittance information should contain the following information:

- Who: Trademark / brand, if deviating from Creditor
- Where: Point of purchase
- When: Time of purchase

CHANGES IN URGENT PAYMENTS (URGENT CCU)

With the new ISO version pain.001.001.09 for urgent payments, amended field structures according to ISO (e.g. field BICFI instead of BIC), structured address fields and new fields such as LEI will be introduced. Contrary to SEPA, UETR is being introduced. UETR can optionally be submitted by the client (otherwise the bank will fill in the UETR field for the interbank clearing). Enhancing the old version, Ultimate Debtor & Ultimate Creditor can be used in urgent payments. Please note that contrary to SEPA in case of usage of Ultimates, also the Ultimate Creditor & Debtor address needs to be provided in a structured form.

During the introduction phase, UniCredit will have certain temporary restrictions for UETR and Ultimates. Hereby the processing of data will be done in ISO interbank pacs format, however based only on the content of MT103 fields. This results in the shortening of the payment remittance information, due to E2E–Id and the PurposeCode fields using up a part of the overall limit of 140 characters. Ultimates will not be available and structured addresses will not be forwarded to a full extent. For that reason, we recommend the special setting for single processing, thus securing the completeness in the delivery of all data.

Further, payment status report for CCU urgent payments is done via SEPA pain.002.001.10 (order type CRZ).

DIFFERENCES SEPA, URGENT (CCU) & INTERNATIONAL (AXZ) PAYMENTS

	AXZ V9	SEPA V9	CCU V9
Address	All parties	Only for Creditor / Debtor (unchanged)	Debtor / Creditor and Ultimate-Debtor & Ultimate-Creditor
Name	140 Char	70 Char. (unchanged)	70 Char. (unchanged)
StructuredRemittance	Complex till 9.000 Bytes	CredRef max 140 (unchanged)	CredRef max 140 (unchanged)
ServiceLevel	NURG / URGP / SDVA	Only SEPA	Only URGP
Amount	EUR / FX / Equivalent	EUR	EUR
Agent & Account	Complex	Only BIC & IBAN	Only BIC & IBAN
Other	Cheque / Rate / Intermediary / Instr / Regulatory / Tax	-.-	-.-
UETR	Yes	No	Yes

NEW VERSION OF THE PAYMENT STATUS REPORT PAIN.002.001.10 IN MARCH 2024

Introduction of new version pain.002.001.10 results in the following changes:

- Clients submitting an old version pain.001.001.03 or pain.008.001.02 will still receive pain.002.001.03
- Clients already submitting a new version pain.001.001.09 / pain.008.001.08 will in the future be receiving pain.002.001.10. An international payment AXZ pain.001.001.09 will still be replied with a XGZ-pain.002.001.03 until a new AXS pain.002.001.10 is implemented in 2025)

Changes in pain.002.001.10:

- New field structure according to the new ISO version in line with the new payment formats logic, e.g. "BICFI" field instead of "BIC"
- pain.002 does not contain all fields used of the submitted payment. For instance, the payment remittance information, name and address fields are not being provided which results in a better data protection. On the flip side, due to this change the matching of data needs to be based on reference numbers such as EndToEnd-ID or IBANs.
- Amended status concept, e.g. in addition to a payment file status (PaymentInf resp. Bulk-Level) a status at the group level is always provided (then mostly "PART")

Short form of the status report with version pain.002.001.10:
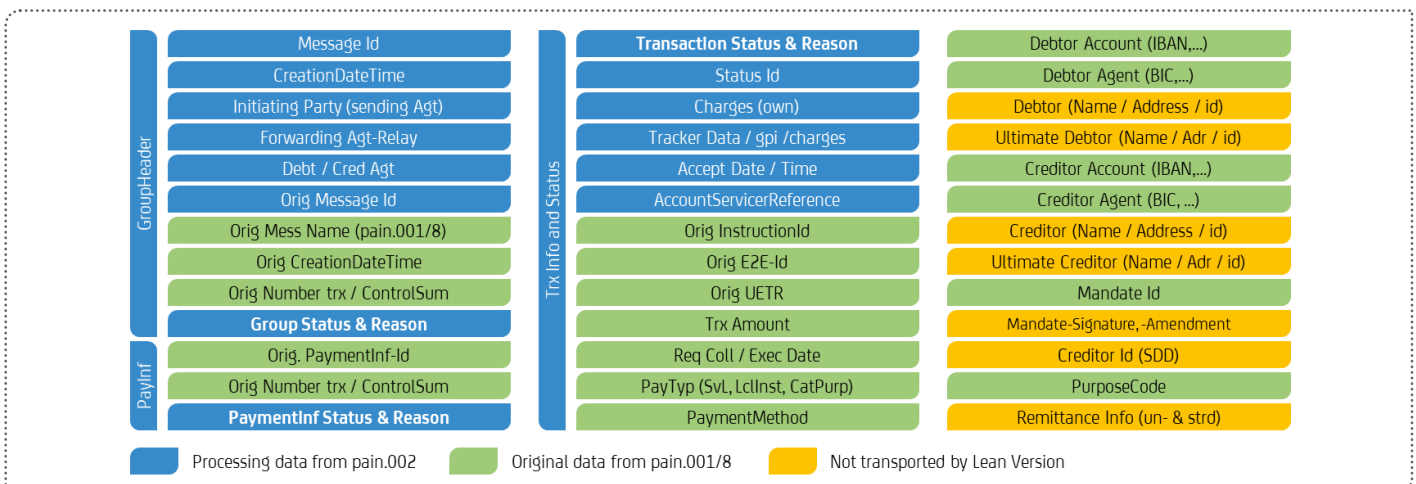
CAMT.053 REPLACES MT940

Due to the discontinuation of the MT940 in 2025, a migration to the camt.053 format is necessary. In order to make the migration to the new format easier for our customers when transmitting account statement data, the messages will be made available for collection from May 2024 in both the old version through MT940 and the new version camt.053 at UniCredit. By automatically providing both formats during the transition period until 2025, UniCredit enables customers to switch to the new format optionally and individually. Although the old MT940 format will not be switched off until 2025, we advise our customers to make the migration early.

ONLINE RELEASE INSTEAD OF FAX ACCOMPANYING NOTES

The introduction of instant payments enables real-time transfers at EU level at attractive prices while at the same time improving payment security and implementation of regulatory requirements. However, this requires file processing to be carried out exclusively via electronic systems. Therefore, the physical fax accompanying note process including the SRZ (Service Rechen Zentrum) fax accompanying note will be discontinued in mid-2025. SRZ file clearance is then done exclusively through electronic signature and Direct B@nking authentification via EBICS and HBCI / Direct B@nking.

PREPARATION FOR INSTANT REGULATION – IBAN NAME MATCHING

Going forward (probably from autumn 2025 onwards), for SEPA transfers and instant transfers the recipient data will be immediately compared with the recipient's bank before the payment is authorized. If the recipient name and recipient IBAN do not match exactly, this will result in a warning message to the clients and they can decide whether to execute or not. In order to avoid uncertainty for the payer and increased questions from the payee, it is essential that the recipient name and account holder are identical when specifying payee data, for example on invoices and pre-printed transfer forms. This should be checked as a precaution.

INDIVIDUALIZED VALUE DATE OPTIONS

Please note that your decision on payment speed is considered by UniCredit and supported by the following option

1. Instant Payment
- Current nominal limit: 100,000 Euro
- Regular speed to credit: ~10 seconds
- Cut-off-time: none
- Order type: CIP

2. Urgent payment
- Current amount: unlimited
- Regular speed to credit: appx. 1h
- Cut-off-time: 4.00 p.m. on same bank working day
- Order type: CCU

3a. SEPA credit transfer preferred
- Regular speed to credit: same bank working day
- Cut-off-time: 12.15 p.m. on same bank working day
- Order type: CCT
- Instructed priority: HIGH (delivered in your payment file)

Exception: Account transfers within UniCredit Bank are same day debit & credit

3b. SEPA credit transfer
- Regular speed to credit: next bank working day
- Cut-off time: 5.00 p.m. on prior bank working day
- Order type: CCT
- Instructed priority: NORM (or 'empty' - delivered in your payment file)

Exception: Account transfers within UniCredit Bank are same day debit & credit

SALARY PAYMENT SERVICES

Prerequisite for the execution of the special service for salary is the proper administration of your account with the flag "I – Individual" at UniCredit.

The so-called "Category Purpose" code in the payment file must remain "SALA". We also ask you to use the "Priority" flag "High". We also recommend continuing to fill the "Purpose Code" with SALA to ensure smooth processing at the recipient bank.

These settings related to salary payments ensure smooth processing. However, please note special features on public holidays, especially in combination with Target holidays and/or weekends (e.g. Easter and New Year).

Our special solution offers the splitting of payroll data files and separate payroll payments by recipient bank within SEPA, UniCredit or another third-party bank.

	Before 12.15 p.m.	After 12.15 p.m.	Credit & Clearing
Special salary service	**Debit & Credit same day**	**Debit & Credit next day**	
• -Category Purpose: 'SALA' and			Same day*
• Instructed Priority 'HIGH'	Across all beneficiary banks		
Ordinary SEPA Credit Transfer	SEPA credit transfer		
• Category Purpose: 'SALA' and	**Debit same day & Credit next day**		Different days
• Instructed Priority 'NORM' or 'empty'	**The bank working day ends at 5.00 p.m.**		

*You may want to submit duly signed files with execution date value, i.e. '<ReqdExctnDt>YYYY-MM-DD</ReqdExctnDt>' some bank working days prior to effective payout.

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