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# Postal Payment Services Regulations

## Final Protocol

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# Postal Payment Services Regulations

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#### Chapter I

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# Postal Payment Services Regulations

Having regard to article 22.5 of the Constitution of the Universal Postal Union concluded at Vienna, on 10 July 1964, the Postal Operations Council has drawn up the following measures for ensuring the implementation of the Postal Payment Services Agreement.

These measures apply to postal payment orders sent by letter post as well as to those forwarded by electronic means or by any other technological means.

## Part I

### Common principles applying to the postal payment services

#### Chapter I

#### General provisions

##### Article RP 201

##### Definitions

- 1 Field: area reserved for data to be inserted in the form or system.
- 2 Mirror account: technical account held by a financial operator which reflects transactions onto its liaison account.
- 3 Conditions of service: standard or regulation contractual conditions under which the designated operator provides postal payment services to its customers.
- 4 Service agreement: bilateral or multilateral agreement between designated operators, in conformity with the Agreement and Regulations, setting the operational arrangements for exchanges between designated operators and enabling the implementation of postal payment services.
- 5 Date: indication of the day on which an operation relating to the execution of a payment order took place, either applied to the form by means of a manual process by the designated operator, or generated (time-stamping) by the system in case of exchange by electronic means.
- 6 Inquiry: any request for information concerning the conditions of service or the processing of a postal payment order, dealing, for example, with pricing or quality of service.
- 7 Special Drawing Right (SDR): International Monetary Fund accounting unit used as the monetary unit of the Union.

- 8 Issue of a postal payment order: acceptance of the postal payment order request from the sender by the accredited official of the issuing designated operator.
- 9 Status of a postal payment order or request: the execution status of the postal payment order, or of a request for information/inquiry or revocation request relating to this postal payment order.
- 10 Form: model document containing the data necessary for the execution of a postal payment order, a request and/or the management of financial relations between designated operators, in accordance with the Agreement and the Regulations.
- 11 User form: document of the designated operator, printed in hard-copy form or able to be downloaded from its website, in conformity with the forms provided for in the Regulations, designed to be completed by the user of the postal payment services with supplementary information added by the designated operator where necessary.
- 12 Time-stamping: secure electronic procedure indicating the date and time of the operation.
- 13 Postal payment order identifier: specific order issue number.
- 14 EDI message: file containing electronic data relating to postal payment orders sent from one designated operator to another.
- 15 Non-convertible currency: any currency mainly used for domestic transactions and not freely exchangeable on an official exchange market (forex market).
- 16 PosTransfer: the international collective trademark registered by the Union with the objective of fostering the development of, and establishing a global trust mark for, postal payment services as defined and regulated in the Agreement and Regulations.
- 17 Report: list of data in chronological order relating to postal payment orders issued, reimbursed, paid/credited to payee and received, which is generated automatically by the system according to various parameters, including "type of service", "summaries", "bilateral relation", "currency", "service access point or other organizational unit".
- 18 Electronic receipt: updating of the paying country's database from receipt of the postal payment order.
- 19 Claim: any intervention by the sender or the payee, formally expressing his dissatisfaction with the conditions of processing of a postal payment order, to which the designated operator must respond within the prescribed time frame.
- 20 Electronic signature: unique key, common to the designated operators exchanging data, delivered by a common public key infrastructure provider accredited by the Union, which enables encryption and signature, and then decryption and verification of signatures.
- 21 System: telematic system used to create, send, receive or handle data messages.
- 22 Stamp: application of an indication of the service access point and date, confirming the exactness and authenticity of an operation to execute a postal payment order.
- 23 Endorsement: the signing of the reverse of an instrument to indicate the transfer of ownership rights with regard to this instrument from the payee to a third person.

Article RP 601

Operational functions

- 1 The designated operators of signatory member countries shall agree upon the postal payment services, authorized by the member countries, that they wish to exchange.
- 2 A designated operator shall not be obliged to conduct exchanges with another designated operator which has not implemented the present Regulations.
- 3 Designated operators shall define the operational arrangements for their letter-post or electronic exchanges by means of a service agreement compatible with the model approved by the Postal Operations Council.

Article RP 602

Information to be supplied by designated operators

- 1 Designated operators shall provide the International Bureau with the following operational information:
  - 1.1 postal payment services provided by the designated operator on its territory;
  - 1.2 international and domestic rates applied for the postal payment services provided;
  - 1.3 supplementary services;
  - 1.4 rates for supplementary services;
  - 1.5 opening hours of the service;
  - 1.6 national currency or currency authorized by the country for payments on its territory;
  - 1.7 system provider;
  - 1.8 type of system used (online or offline);
  - 1.9 national quality of service objectives;
  - 1.10 indication of the centralized settlement system or type of settlement system used;
  - 1.11 currency of settlement;
  - 1.12 address of the website of the designated operator;
  - 1.13 e-mail address of the international services of the designated operator.
- 2 Designated operators shall also provide the International Bureau with the information required by the Convention Regulations in respect of letter-post postal payment orders.
- 3 Any change in the required information shall be immediately transmitted to the International Bureau.

Article RP 603

International Bureau publications

- 1 The International Bureau shall publish, on the basis of information supplied by the signatory member countries and the designated operators, an official compendium of information of general interest relating to the implementation of the Agreement and Regulations in each member country.
- 2 The provisions of the Convention Regulations regarding publications shall also apply to the postal payment services.

Article RP 604

Electronic Postal Payment Services Compendium

- 1 The International Bureau shall prepare and ensure updating of the Electronic Postal Payment Services Compendium.
- 2 The Electronic Postal Payment Services Compendium shall contain the operational information provided by designated operators in accordance with the Regulations and any other operational data required by designated operators for the execution of postal payment orders.
- 3 Designated operators shall input their data into the Electronic Postal Payment Services Compendium.
- 4 Designated operators shall update the information contained in the Electronic Postal Payment Services Compendium in good time, and no later than the day it enters into force, according to the procedure laid down by the International Bureau.

Article RP 801

Programme to combat money laundering, terrorist financing and financial crime

- 1 Designated operators shall establish and implement a programme to combat money laundering, terrorist financing and financial crime, in accordance with their national legislation.
- 2 This programme shall comprise appropriate written principles, procedures and internal controls for limiting the risk of money laundering, terrorist financing and financial crime, as well as ongoing training in this area for operational staff involved.

Article RP 802

Obligation to provide identification

- 1 Designated operators shall check the identity of senders, in accordance with their obligation of due diligence in relation to users, on the basis of documents or reliable data or information recognized and accepted by the national authority for the purposes of identification in the national territory.
- 2 Where accounts are held by designated operators, these accounts may only be personal accounts for which the designated operators check the identity of the account holder, regardless of any threshold for the amount of postal payment orders.
- 3 Designated operators may, subject to their national legislation, agree among themselves to set minimum amounts below which the issuing designated operator shall not be obliged to take details of the sender's identity document. This threshold shall not exceed 600 SDR per day for money orders.

Article RP 803

Identification data

- 1 Each postal payment order shall contain the full name (including patronymic, if any) in the nominative case, and the address of the sender and payee. However, for postal payment orders transmitted by electronic means, the address may be replaced by a unique identifier number.
- 2 If the postal payment orders are transmitted by electronic means, they shall include:
  - 2.1 the account number for postal transfers, outpayment money orders and inpayment money orders;
  - 2.2 a unique reference number allowing the sender to be traced for cash money orders and inpayment money orders.

3 The information specified in this article shall remain with the postal payment order through the entire transmission process up to payment or refund.

4 Enhanced scrutiny and monitoring for suspicious activity shall be performed for postal payment orders which do not contain complete sender or payee information, as specified in this article.

#### Article RP 804

##### Duty to obtain information

1 The issuing designated operators shall obtain information about the purpose of the postal payment order or reimbursement request prior to its execution, in accordance with their national legislation.

2 Designated operators shall verify the identity of the actual payee, in accordance with their national legislation.

#### Article RP 805

##### Duty of monitoring, detection and reporting

1 Designated operators shall fulfil their duty of monitoring and detection, in accordance with the directives of the competent authority.

2 Designated operators shall monitor transactions and the source of funds and check that they correspond to users' risk profile.

3 Designated operators shall regularly check that documents, data and information concerning users are up to date.

4 Designated operators shall monitor high-risk users, transactions, products and/or geographical areas especially closely.

5 Designated operators shall comply with due diligence requirements in respect of users' orders.

6 Where a suspicious transaction is detected, whatever the sum involved, the designated operator shall report it to the competent authority.

7 Where a postal payment order is believed to relate to suspicious transactions, the designated operator shall treat it in accordance with its national legislation on combating money laundering and terrorist financing.

#### Article RP 806

##### Archiving

1 Designated operators shall archive information relating to the execution of postal payment services, including data and monitoring of the execution of postal payment orders, for a minimum period of five years or longer as required by national legislation.

2 The information archived shall be such as to permit the reconstruction of each transaction (including the amounts and currencies).

Article RP 807

Implementation of postal payment services

1 Any designated operator may decline to open postal payment services with another designated operator, or else suspend such services, if:

- 1.1 the latter operator fails to meet its legal obligations to combat money laundering and terrorist financing;
- 1.2 in the absence of legal obligations, the latter operator does not take the measures required by the Regulations on its own initiative;
- 1.3 such implementation is contrary to its national legislation;
- 1.4 such implementation is, in the judgment of the designated operator, unacceptable.

2 In case of international sanctions imposed on a member country of the Union with a view to combating money laundering or terrorist financing, designated operators may refuse to conclude an agreement with the designated operator of this member country or suspend exchanges with it until the lifting of sanctions.

Article RP 901

Confidentiality of data

1 Designated operators shall take the measures provided for in their national legislation and the present Regulations to ensure the confidentiality of data vis-à-vis third parties.

2 Designated operators shall transmit to the International Bureau the postal data needed for postal payment service statistics.

3 The International Bureau shall publish the statistics of the postal payment services in the statistics of the Union. The data transmitted shall be used only to calculate the totals needed for analysis of the worldwide and regional situation, unless the member country involved agrees otherwise.

4 Any request to access archived data shall be justified.

Article RP 1001

Combination of technologies

Designated operators shall lay down in their service agreement the operational arrangements for the execution of postal payment services linked to the combination of different technologies for the execution of postal payment orders. They shall, as a minimum, abide by the rules applicable to the letter-post postal payment orders.

## Chapter II

### General principles and quality of service

Article RP 1101

Separation of funds

User funds shall be separated, in accounting and financial terms, from the funds of the issuing and paying designated operators.

Article RP 1102

Ring-fencing of users' funds

- 1 Sums remitted by users or debited from their account shall be ring-fenced and reserved for the settlement of postal payment orders between designated operators and for reimbursement.
- 2 Users' funds shall be managed in accordance with the prudence principles applicable to the management of third parties' funds.

Article RP 1103

Currency of issue and payment

- 1 Where the currency of destination is convertible, the amount of the postal payment order shall be expressed in the currency of the paying designated operator.
- 2 Where at least one of the two currencies is not convertible, the designated operators shall agree to express the amount of the postal payment order issued in a third currency authorized by the destination country.
- 3 The exchange rates used to express the amount of the postal payment order shall be those that apply at the time of issue of the postal payment order. Where the issuing designated operator does not have the technical means to express the postal payment order in the currency of the paying designated operator, the conversion to the currency of payment shall be made by the paying designated operator at the exchange rate that applies at the time of receipt of the postal payment order.
- 4 After advising the designated operators concerned, the paying designated operator may, if its legislation so requires, either ignore fractions of currency units or round the amount off to the nearest currency unit or tenth part thereof, always in favour of the payee.

Article RP 1104

Setting of rates

- 1 Rates shall be so set by the issuing designated operators as to promote accessibility to the postal payment services.
- 2 All charges shall be paid in full by the sender.

Article RP 1105

Exemption from charges

- 1 Exemptions from postal charges for items relating to the postal service, and for postal payment service items addressed to or sent by prisoners of war (including belligerents apprehended and interned in a neutral country) or civilian internees, shall be governed by the Universal Postal Convention, the Convention Regulations and the Postal Payment Services Agreement.
- 2 Postal payment service items shall be exempted from postal charges, in accordance with the relevant provisions of the Convention Regulations.
- 3 Postal payment service access points shall benefit from exemption from postal charges for the postal payment service items of the prisoners of war and civilian internees provided for in the Universal Postal Convention.

4 The bodies concerned with prisoners of war and civilian internees to which exemption from postal charges is provided are listed in the Convention Regulations.

5 Payment orders sent free of postal charges shall be marked in accordance with the provisions of the Convention Regulations.

#### Article RP 1106

##### Procedures for remuneration between designated operators

1 The remuneration shall be set equitably according to the charges applied to the user by the issuing designated operator and taking into account the respective operating and financial costs for the designated operators. In the latter's mutual interest, when exchanges are established the remuneration may differ from one designated operator to another. The remuneration may take account of quality of service measurement for postal payment orders sent electronically.

2 The exchange commission applied by designated operators shall represent a reasonable margin, take account of local economic conditions, and enable development of the service.

3 The remuneration shall be set in the service agreement, in accordance with the Agreement and the Regulations.

#### Article RP 1107

##### User information

Designated operators shall display their rates and additional costs at their service access points and, where applicable, on their website.

#### Article RP 1201

##### Quality of service for postal payment orders sent by electronic means

1 The minimum elements of quality of service for postal payment orders sent electronically shall be as follows:

- 1.1 updating of the International Bureau database;
- 1.2 timely processing of postal payment orders;
- 1.3 timely cancellation;
- 1.4 percentage of inquiries dealt with on time;
- 1.5 percentage of claims dealt with on time.

2 Designated operators shall transmit the postal data required for quality of service measurement to the International Bureau of the Union.

3 The International Bureau shall handle postal data relating to quality of service measurement in a confidential manner. Access to quality of service measurement reports prepared using these data shall be restricted to member countries that are signatories to the Agreement, to their designated operators and to the International Bureau.



Article RP 1202  
Collective brand

- 1 The collective brand PosTransfer shall be associated with the use of specific new technologies for the sending and/or receiving of postal payment orders.
- 2 The use of the collective brand PosTransfer by designated operators shall be subject to compliance with the quality objectives associated with this brand set by the users of the brand, in compliance with the quality of service objectives set by the Postal Operations Council and the PosTransfer licensing agreement.

Chapter III  
Principles for electronic data interchange

Article RP 1301  
Conditions of interoperability and centralized settlement

- 1 The networks used by designated operators shall be interconnected to enable the exchange of electronic data relating to postal payment orders.
- 2 Designated operators shall configure the fields for postal payment data in their system, in accordance with the forms provided for in the Regulations, in such a way as to permit the interoperability of systems.
- 3 Designated operators shall apply the procedures for treatment of postal payment orders provided for in the Regulations so as to ensure the interoperability of postal payment services.
- 4 Designated operators shall apply the procedures for settlement and clearing provided for in the Regulations so as to permit centralized settlement between designated operators.

Article RP 1401  
Network security

- 1 Any interconnection of electronic networks for the transmission of postal payment orders shall be subject to compliance with the level of security of the interconnected network used by designated operators.
- 2 Designated operators shall ensure the validity of the electronic signature certificate and the encryption of any data message.
- 3 Designated operators' systems shall use a common security system in conformity with security standards that comply with ISO standards accepted by the Union to ensure the processing and transmission of postal payment orders.
- 4 Any difficulty in applying and implementing the common security system of the Union in a country because of its national legislation shall be made known and described to the International Bureau.

Article RP 1402  
Security of electronic exchanges

Designated operators shall ensure the physical and electronic security of their equipment, the security of data and continuity of service, in accordance with the ISO standards accepted by the Union.

Article RP 1403

Rules of operation and maintenance of information technology systems

1 All designated operators shall have separate production and testing systems. The production system shall be used solely for processing and transmitting real data. All basic communication tests shall be performed using the test system. All designated operators shall have a back-up system.

2 All designated operators shall be responsible for maintaining their production, back-up and testing infrastructure (hardware, software and network) required for the processing and transmission of data, whether these infrastructures are hosted by the designated operator or by a third party.

Article RP 1404

Data security

1 Data messages relating to postal payment orders shall be digitally signed. Personal data shall be encrypted.

2 Where an online system is used, the database shall be made secure.

3 Data transmitted with an electronic signature of the designated operator shall be deemed authentic, complete and non-repudiable.

4 Access to data shall be strictly reserved for staff authorized by the designated operator.

Article RP 1405

Data back-up

1 The database used by designated operators shall be hosted in a secure manner. It shall have a back-up system and procedures which are sufficient to enable the resumption of activities in an emergency.

2 All designated operators shall inform the other designated operators of any planned interruption of service. In the event of an unplanned interruption, the designated operator concerned shall set up an emergency unit and inform other designated operators as quickly as possible of the reasons for the interruption and the measures taken to remedy the problem and to prevent a recurrence.

3 In the event of a serious security alert, the designated operator shall inform the other designated operators as rapidly as possible of the suspension of the service, of the possible duration of the interruption, and of the restoration of the service.

Article RP 1406

Access to archived data

Subject to the national legislation, archived data shall be accessible and available within three working days following their request, for postal payment orders exchanged electronically, and within one month from their request, for letter-post postal payment orders.

Article RP 1501

Track and trace

1 Any system used by designated operators shall contain functional acknowledgements to provide track and trace information for postal payment orders.

2 Any change in the status of a postal payment order shall give rise to the sending of an EDI message.

- 3 Designated operators shall send an acknowledgement of receipt or notification of rejection for each EDI message received.
- 4 The sender may ask to receive an advice of payment, transfer or reimbursement.
- 5 The status of a postal payment order or of a request relating to the execution of a postal payment order shall be accessible to the designated operators involved in the execution of this postal payment order.
- 6 Data shall be stored online for at least six months.

## Part II Rules governing the postal payment services

### Chapter I Processing of postal payment orders

#### Article RP 1601 Forms

- 1 Forms shall be generated by the system used by the designated operator or prepared in hard-copy form.
- 2 The forms generated by the system shall contain fields corresponding to those provided for in the forms annexed to the Regulations.
- 3 Forms shall provide the additional sections required by designated operators within the framework of their service agreements.

#### Article RP 1602 Information common to execution forms

- 1 Mandatory information
  - 1.1 Forms linked to the execution of users' postal payment orders shall contain references to the service access point of the designated operator.
  - 1.2 In accordance with UPU standard S10, the postal item identifier shall be indicated on the special forms for COD money orders.
- 2 Optional information
  - 2.1 A "personal messages" section may be used on forms intended for relations with users.

#### Article RP 1603 Status of a postal payment order or a request

- 1 Designated operators shall, by the most appropriate means, inform each other of any change in the status of the postal payment order or request.
- 2 If the change in status is not automatically generated by the system of the designated operator, the latter shall immediately enter the status change data for exchanges by electronic means.

3 The execution statuses of a postal payment order entered by the issuing or paying designated operator shall include at least the following:

- 3.1 pre-processing postal payment order – issuing designated operator;
- 3.2 postal payment order processed – issuing designated operator;
- 3.3 pre-processing postal payment order – paying designated operator;
- 3.4 postal payment order submitted for payment following pre-processing – paying designated operator;
- 3.5 notification that payment is impossible or delay information – paying designated operator;
- 3.6 payment to payee – paying designated operator;
- 3.7 advice of payment or crediting to payee's account (optional) – paying designated operator;
- 3.8 cancellation of payment to payee (if entry error noted within agreed time) – paying designated operator;
- 3.9 new payment following cancellation – paying designated operator;
- 3.10 issue of request for revocation – issuing designated operator;
- 3.11 notification of acceptance or otherwise of request for revocation – paying designated operator;
- 3.12 notification that reimbursement is possible or impossible – paying designated operator;
- 3.13 notification to sender of reimbursement (optional) – issuing designated operator;
- 3.14 notification of reimbursement owing to expiry of validity – paying designated operator;
- 3.15 reimbursement – issuing designated operator;
- 3.16 cancellation of reimbursement of sender (if entry error noted within time agreed in the service agreement) – issuing designated operator;
- 3.17 new payment following cancellation – issuing designated operator;
- 3.18 notification that reimbursement is impossible and finalization – issuing designated operator;
- 3.19 prescription of postal payment order – issuing designated operator;
- 3.20 issue of monthly or periodical account – paying designated operator;
- 3.21 finalization of postal payment orders included in the monthly account – paying designated operator.

4 The execution statuses of a request for information/inquiry shall include at least the following:

- 4.1 registration of the request;
- 4.2 information about the request to the other designated operator, except where the designated operator contacted by the user can respond to the request and take the necessary measures without consulting the other designated operator;
- 4.3 response to the request;
- 4.4 informing of the user – issuing designated operator.

#### Article RP 1604

##### Postal payment order request

1 The issuing designated operator shall gather the information required for the execution of the postal payment order.

2 The sender shall complete the postal payment order request form and pass it to the issuing designated operator. The conditions of service of the issuing designated operator shall be annexed to the postal payment order request user form. In the case of COD money order requests, they shall be completed by the sender of the COD postal item.

- 3 Postal payment order requests for letter-post money orders and COD items shall be drawn up on form conforming to form MP 1, or form MP 1bis, or any other appropriate form for electronic money orders agreed between designated operators.
- 4 Postal payment order requests for transfers shall be drawn up on a user form conforming to the specimen VP 1, or any appropriate medium for electronic transfers.
- 5 The information provided for the execution of the postal payment order shall be precise and complete. Abbreviated addresses shall not be admissible.
- 6 Postal payment order requests may be entered in the system by the sender, subject to compliance with the conditions relating to:
  - 6.1 prevention of money laundering, terrorist financing and financial crime;
  - 6.2 security;
  - 6.3 track and trace;
  - 6.4 confidentiality.
- 7 Entries on letter-post postal payment orders shall preferably be machine-printed. They may be handwritten, in block letters if possible. The information provided for the execution of the letter-post postal payment order shall be legible. Pencilled entries shall not be accepted. Postal payment orders shall be without erasure or alteration, even if certified.
- 8 In general, postal payment orders shall be written in roman letters and arabic numerals. Information such as the full name (including patronymic, if any) and address of the sender and payee may, however, be written in characters of a language agreed between the designated operators. The family name and given name (including patronymic, if any) shall be written in the nominative case only. When a designated operator undertakes to transliterate the family name, given name and patronymic (if any) to complete the postal payment order, the transliteration of such names shall be performed using the relevant transliteration tables of ICAO.
- 9 Postal payment order requests for COD items shall include the identifier of the postal item.

#### Article RP 1605

##### Checking of the postal payment order request by the issuing designated operator

- 1 Before accepting the postal payment order request from the sender, and subject to the provisions designed to combat money laundering, the official of the issuing designated operator shall check that:
  - 1.1 the postal payment order conforms to the conditions set in the Agreement, the Regulations and the national legislation;
  - 1.2 the postal payment order is executable in accordance with the service agreement between designated operators;
  - 1.3 the postal payment order is accompanied by the remittance of funds from the sender or by an order to debit his account;
  - 1.4 where applicable, the sender's account contains sufficient funds.

#### Article RP 1606

##### Entry of postal payment orders

The data shall, in principle, be entered in the system of the issuing designated operator by the accredited service access point official. In this case, the issuing designated operators shall check that the data entered are in conformity with the information contained in the postal payment order request.

Article RP 1607

Frequency of connections to system

- 1 The designated operator shall connect to the system at least once an hour every working day.
- 1.1 If urgent international electronic money orders are provided, the designated operator shall connect to the system at least every five minutes in order to ensure that the transmission times are met.

Article RP 1608

Acceptance of postal payment order

The application of the stamp on the postal payment order request or its receipt shall denote acceptance of the postal payment order by the issuing designated operator.

Article RP 1609

Issue of postal payment order

- 1 The postal payment order shall be issued on a form conforming to MP 1 or VP 1, on the special form for COD money orders, or any other appropriate form for electronic transmission of money orders.
- 2 It shall be prohibited to make any entries on postal payment orders other than those allowed for in the contents of the forms, except for service instructions.
- 3 Following issue of the postal payment order, a duplicate of the electronic postal payment order or a letter-post service coupon shall be provided free of charge to the sender as a receipt. It shall contain information about the order validated by the sender, the rates and charges relating to the order, the exchange rate applied, if applicable, and the service conditions.
- 4 The information system used by the issuing designated operator shall automatically issue the time-stamped form.
- 5 In order to allow for payment of an urgent or ordinary electronic money order to be made to the payee, the issuing designated operator shall inform the sender of the identifier and amount of the postal payment order.
- 6 In order to allow for payment of an urgent money order to be made to the payee, the issuing designated operator shall inform the sender that he must communicate to the payee the identifier and amount of the postal payment order as well as the name of the issuing country.

Article RP 1610

Request for revocation

The sender of a postal payment order may request the withdrawal of a postal payment order, except in the case of a COD money order.

## Article RP 1611

## Period of validity of money orders

- 1 The validity period of money orders sent by electronic means shall be 30 calendar days from their date of issue.
- 2 The validity period of letter-post money orders shall extend until the end of the second month following the month of issue.
- 3 The issuing designated operator and paying designated operator may agree on a period other than the one mentioned above.

## Article RP 1612

## Advice of payment or of crediting to payee's account

- 1 If the service agreement of the designated operators so allows, the sender may ask to be advised of the payment to the payee or crediting to his account.
- 2 The advice shall be prepared on a form CN 07, in accordance with the Convention Regulations. It shall be prepared by the paying designated operator where postal payment orders are sent by electronic means. In the case of letter-post postal payment orders, form CN 07 shall be attached to form MP 1, or VP 1 by the issuing designated operator.
- 3 The data for the advice shall be entered electronically for postal payment orders sent by electronic means, and a field is provided on forms MP 1 and VP 1 for entry of the advice reference. The paying designated operator shall complete this field when the postal payment order is entered. The payment advice shall be prepared in accordance with form CN 07 and addressed to the sender by the issuing designated operator.

## Article RP 1613

## Indication of amounts

- 1 The amounts of postal payment orders and remunerations shall be given in figures, with the abbreviation of the name of the currency unit. Fractions of the currency unit shall be expressed using two (or three) figures, including zeros, corresponding to tenths, hundredths (and thousandths) respectively.
- 2 For postal payment orders relating to letter-post money orders, the amount and the name of the currency unit must also be written out in full in the language agreed on between the designated operators. The amount may also be expressed in words written digit by digit separately. In the sum in words, where repetition of the fractions is not obligatory, they may be expressed in figures after the indication of the number of currency units.

## Article RP 1614

## Sending of postal payment orders

- 1 Postal payment orders shall be sent to the paying designated operator by the quickest means.
  - 1.1 Letter-post postal payment orders shall be addressed to the paying designated operator and shall be inscribed "Service des postes" (on postal service) or similar.
- 2 The sending of a postal payment orders by electronic means shall take place on the date of its issue of the order or within two working days if the order was issued from a service point not connected to the electronic network.
- 3 In principle, the frequency of transmission of the items by electronic means shall not be less than twice a day during working hours. Designated operators may, however, agree a greater frequency.

4 Postal payment orders issued after the official closing time of the service access point shall be sent by electronic means the following working day.

5 Letter-post postal payment orders shall be sent by priority mail and, in the absence of special agreement, à découvert.

5.1 Letter-post postal payment orders shall be inserted in mails in accordance with the Convention Regulations. The postal payment order shall leave the territory of the country of issue by priority mail no later than six working days after its deposit at the service access point.

5.2 By agreement between designated operators, letter-post money orders may benefit from the supplementary registration service provided for in the Universal Postal Convention.

5.3 The Convention Regulations shall apply for the dispatch of postal payment orders under registered cover.

#### Article RP 1615

##### Rules specific to transfers

1 The total amount of transfer orders shown on the VP 104 lists and destined for the same centre shall be carried over to a daily dispatch of VP 105 transfers prepared in duplicate.

2 The grand total of the transfer orders shall be given in words or printed in figures.

3 The entry number on the form VP 105 shall be carried forward to each VP 104 list.

4 The VP 105 daily dispatches shall contain at least the serial number, whose series shall be renewed for each new settlement period for each postal giro centre or service point of the paying designated operator.

#### Article RP 1701

##### Treatment of postal payment orders by the paying designated operator

1 The date of receipt of the postal payment order by electronic means shall be deemed to be the same as the date of arrival of the postal payment order at the payment service access point of the paying designated operator.

2 The date of receipt of the letter-post postal payment orders by the paying designated operator shall be deemed to be the same as the date of arrival of these postal payment orders.

#### Article RP 1702

##### Treatment specific to money orders

1 Incoming letter-post money orders shall be immediately forwarded to the payment service access point if they require no intermediate processing.

2 Money orders shall be payable upon arrival at the service access point of the paying designated operator, subject to the necessary checks.



## Article RP 1703

## Endorsement and forwarding of money orders

- 1 If the legislation of the destination country allows, and if the designated operators have concluded a service agreement to this effect, the payment of postal money orders may be executed by means of endorsement. The endorsement of electronic money orders is not permitted.
- 2 The reforwarding of a money order to another country shall not be permitted.

## Article RP 1704

## Treatment of requests for revocation

- 1 Upon receipt of the request, the paying designated operator shall complete the form MP 2 or VP 2, once it has gathered the necessary information.
- 2 The paying designated operator shall send the duly completed form MP 2 or VP 2 back to the issuing designated operator by the quickest means, attaching the corresponding form MP 1 in the case of a letter-post postal payment order.
- 3 Where the funds have not been remitted to the payee or his account has not yet been credited, the paying designated operator shall act on the request.

## Article RP 1705

## Replacement of money orders mislaid, lost or destroyed before payment

- 1 Any money order mislaid, lost or destroyed before payment may be replaced, at the request of the sender or the payee, by a new money order issued by the issuing designated operator.
- 2 Before replacing a money order presumed mislaid, lost or destroyed before payment, the designated operators shall consult with each other and satisfy themselves that the original money order has not been paid or reimbursed. Every precaution shall be taken to avoid a money order presumed mislaid, lost or destroyed from being paid later.
- 3 Where the paying designated operator declares that a letter-post money order has not reached it, the issuing designated operator may replace it with a new one if the money order in question does not appear in any of the monthly accounts covering the validity period of the money order.
- 4 If no reply is obtained from the paying designated operator within a period of one month from the day following the date of the inquiry and if the instrument does not appear in any of the monthly accounts received by the end of that period, the issuing designated operator shall be authorized to reimburse the funds, in accordance with the Convention Regulations in the case of a letter-post money order.
- 5 Notification of the indemnification of the claimant shall then be sent under registered cover to the paying designated operator and the letter-post money order, henceforth deemed definitively lost, may not subsequently be entered in an account.

## Article RP 1706

## Checking by the paying designated operator for the purpose of payment or crediting to the payee's account

- 1 For transfer and inpayment orders, the paying designated operator shall check, upon receipt, that the letter-post orders received or listed in the database awaiting crediting to the payee's account are free of irregularities.

2 For cash payments of postal payment orders at the service access point, the accredited official shall also check that the postal payment orders are free of irregularities. Before paying the payee, the accredited official shall check the payee's identity and confirm that the request corresponds to the postal payment order received.

#### Article RP 1707

##### Treatment specific to transfers

1 Incoming transfers shall be credited to the payee's account immediately or no later than the working day following their arrival.

2 Once the total of the VP 105 daily dispatch has been checked, the total amount of the transfer orders shall be immediately debited to the concentration account for instalments or a liaison account opened in the name of the issuing designated operator.

3 A copy of the VP 105 daily dispatch stamped with the date-stamp of the designated operator shall be attached to the daily account statement, sent the same day as the transaction to the designated operator holding the concentration account for instalments or liaison giro account debited.

#### Article RP 1708

##### Irregular postal payment orders

1 Postal payment orders shall be deemed irregular if they have one of the following irregularities:

- 1.1 incorrect, incomplete, unclear or erroneous indication of the full name (including patronymic, if any) or address of the payee, or of the postal giro account details;
- 1.2 incomplete or obviously incorrect postal payment order references, according to the national legislation;
- 1.3 discrepancies in or omission of amounts;
- 1.4 amount exceeding the maximum amount or below the minimum amount authorized;
- 1.5 erasures or alterations in the entries of letter-post orders;
- 1.6 obvious error in the currency conversion or rate of exchange used;
- 1.7 missing stamp;
- 1.8 indication of amount to be paid in a currency other than that agreed;
- 1.9 use of a non-regulation form;
- 1.10 other reasons arising in particular from the service agreement.

#### Article RP 1709

##### Treatment of irregular postal payment orders

1 Any EDI message relating to postal payment orders shall be rejected where the data entered do not satisfy the conditions necessary for the execution of a postal payment order, an inquiry or a request to revoke.

2 The designated operator that sent the message shall be notified of the rejection as soon as the reason for it has been determined. The data shall be corrected or supplemented by the designated operator that sent the message and sent back to the other designated operator on the first working day following notification of the rejection. Where a combination of technologies is used, the time limit concerned shall be set in the service agreement and may not exceed three working days.

3 The rejection shall be automatically generated by the designated operator's system in the following cases:

- 3.1 non-compliance with the service agreement;
- 3.2 message customization error;
- 3.3 database error;
- 3.4 message title error;
- 3.5 postal payment order corresponding to message not found;
- 3.6 absence of essential element;
- 3.7 incorrect operational sequence;
- 3.8 incorrect version of message;
- 3.9 suspension of service.

4 Irregularities detected by the accredited agent of either of the designated operators concerned by the postal payment order shall be reported immediately to the other designated operator by the quickest means.

#### Article RP 1710

##### Treatment of irregular letter-post money orders

1 As an exception to returning the order to the issuing designated operator, the paying designated operator may, on its own responsibility, automatically rectify any minor errors. Such rectification shall be indicated in red and signed by the accredited agent.

2 Where a request to rectify an irregularity has been made, the money order concerned shall be kept by the paying designated operator, which shall proceed to rectify the irregularity upon receipt of the reply. The reply to the request for rectification shall accompany the money order.

#### Article RP 1711

##### Treatment of irregular letter-post transfers

1 In case of irregularities or omissions involving summary lists, lists or transfer advices, the paying designated operator shall bring this to the notice of the issuing designated operator by the quickest means. The latter shall reply by the same means and, if necessary, send a copy of the missing documents. Regularization by post shall be carried out by means of a VP 3 form.

2 If the irregularity concerns a discrepancy between the amounts on the transfer advice and the transfer list, the paying designated operator shall carry out the transfer for the lower of the two amounts; if this is done, the transfer advice or the transfer list and daily dispatch, as the case may be, shall be amended accordingly in red ink on a VP 3 regularization list.

#### Article RP 1712

##### Regularization of irregular postal payment orders

Where irregularities have been detected by the accredited agent of the designated operator, the latter shall, by the quickest means, either notify the other operator of any delay or enter or send a regularization request by means of an MP 3 or VP 3 form.

#### Article RP 1713

##### Payment to the payee and tracking

- 1 For outpayment and cash money orders, the payee shall sign a receipt conforming to form MP 1, or MP 1bis, or any other appropriate form.
- 2 If the postal payment order is accompanied by an advice of payment or entry made out to the payee, the sender shall be notified by the quickest means once the postal payment order has been paid to the payee or credited to the payee's account.
- 3 To obtain payment of an urgent money order, the payee must provide the destination designated operator with the identifier and amount of the postal payment order and the name of the country of issue.

#### Article RP 1714

##### Procedures for replacement of letter-post money orders mislaid, lost or destroyed after payment

- 1 The paying designated operator may replace any money order mislaid, lost or destroyed after payment with a new instrument prepared on form MP 1. The form shall bear all the necessary indications of the original instrument, as well as the words "Titre établi en remplacement d'un mandat égaré (perdu ou détruit) après paiement" (Instrument prepared to replace a money order mislaid (lost or destroyed) after payment) as well as the designated operator's stamp and the date.
- 2 A statement by the payee attesting that he has received the funds shall be given, preferably on the back of the replacement instrument itself. Exceptionally, this statement may be taken on a slip attached to the latter as a supporting document; such a statement shall take the place of the original receipt.
- 3 If this statement cannot be requested of the payee, an official note shall be made on the back of the replacement instrument or on a special supporting document, stating that the amount of the money order has in fact been paid.

#### Article RP 1901

##### Reasons for reimbursement

- 1 Reimbursement shall be warranted:
  - 1.1 for reasons relating to the payee (non-acceptance, payee unknown or deceased or current address unknown, including cases in which it is impossible to credit the payee's account);
  - 1.2 for reasons relating to the sender (incomplete or inaccurate data provided or revocation of the postal payment order before expiry of the money order's validity period and payment to the payee);
  - 1.3 for reasons relating to the designated operators (irregularity of postal payment order);
  - 1.4 if the validity period of the money order has expired.

#### Article RP 1902

##### Method of reimbursement

- 1 The amount remitted by the sender in the currency of the country of issue shall be reimbursed to the sender or credited to his account.
- 2 The amount shall be refunded free of charge.
- 3 The paying designated operator shall return the unpaid order to the issuing designated operator without amendment of the amounts or nor of the currencies of issue of the order.

**Article RP 1903****Reimbursement upon expiry of period of validity of a money order**

Upon expiry of the validity period of a letter-post money order, the paying designated operator shall immediately send form MP 1 or MP 2 to the sending designated operator for reimbursement. In cases where an electronic system is used, the postal payment order shall be returned automatically to the issuing designated operator for reimbursement to the sender with indication of the reason for non-payment.

**Article RP 1904****Treatment of reimbursements**

1 Once the conditions of reimbursement have been fulfilled, the paying designated operator shall complete a CN 15 form, indicating the reasons for the return, in accordance with the Convention Regulations. It shall also complete at that time an MP 3 form or a VP 3 form.

2 The duly completed MP 3 forms, accompanied by the MP 1 form, shall be sent by the quickest means to the issuing designated operator.

3 Refused transfers shall be entered on the VP 3 form in the amount debited in the currency of the country of issue.

4 The total amount of the VP 3 form shall be credited to the concentration account for instalments or a liaison account opened in the name of the issuing designated operator of the refused transfers.

5 The VP 3 form and the transfer advices attached thereto shall be attached to the daily account statement accompanying the VP 105 daily dispatch, which shall be sent the same day as the transaction to the designated operator whose liaison giro account is debited.

**Article RP 1905****Stale money orders**

1 Sums paid for the issue of international money orders which have not been claimed before prescription shall be processed by the issuing designated operators, in accordance with their national legislation.

2 Upon expiry of the period of validity, unpaid COD money orders shall be retained by the party responsible for payment of the postal order and cannot be returned.

3 Sums paid for the issue of COD money orders that have not been claimed by the designated operator responsible for their payment shall be automatically sent back to that operator, which shall process them in accordance with its national legislation.

**Chapter II****Inquiries and liability****Article RP 2001****Inquiries**

1 The sender or the payee may lodge an inquiry with his designated operator.

2 Inquiries shall be prepared by the user on a form conforming to the MP 2 or VP 2 form.

3 Inquiries shall be entertained within a period of six months from the day on which the postal payment order was issued.

4 The inquiry shall be recorded as soon as the stamp of the designated operator has been applied to the form.

5 Designated operators shall issue a receipt to the user lodging the inquiry certifying the recording of the inquiry.

6 Where an inquiry is due to an error on the part of the designated operators, any charges collected for the inquiry shall be reimbursed to the claimant.

7 Any inquiry about a letter-post transfer shall be sent to the postal giro centre holding the account to be credited.

#### Article RP 2002

##### Time limits for processing

1 The inquiry shall be processed immediately by the designated operator that received it from the customer. If the matter cannot be resolved by that designated operator, the other designated operator concerned shall be informed at the latest by the next working day following receipt of the inquiry. The designated operator concerned shall provide a preliminary (or definitive) response within one working day for electronic postal payment orders, and within 10 working days for letter-post postal payment orders.

2 Where the paying designated operator's service access point is in a position to supply definitive information on the status of the instrument, it shall return the MP 2 form, or its electronic equivalent, duly completed, to the service access point of the issuing designated operator. In cases of fruitless investigations or disputed payment, a statement by the payee attesting that he has not received the amount of the money order shall be obtained on form MP 2, or otherwise attached to the form.

3 A definitive reply to the inquiry shall be given no later than:

3.1 three working days after the arrival of the inquiry concerning a postal payment order sent by electronic means in the country of destination;

3.2 one month after the arrival of the inquiry concerning a letter-post order in the country of destination.

4 The sender shall be reimbursed or his account credited by the issuing designated operator. The reimbursement or credit shall become payable once a definitive reply has been given.

#### Article RP 2101

##### Extent of liability of the issuing designated operator vis-à-vis the user

The liability of the issuing designated operator vis-à-vis the user shall be limited to the proper execution of the postal payment order.

#### Article RP 2201

##### Determination of liability

1 Subject to paragraphs 2 to 5 below, liability shall rest with the issuing designated operator.

2 Liability shall rest with the paying designated operator if it cannot establish that payment was made under the terms prescribed in its regulations, and in particular if, after due notification of the postal payment order's reimbursement by the issuing designated operator to the paying designated operator, the latter nevertheless pays the postal payment order to the payee.

- 3 Liability shall rest with the designated operator of the country where the error occurred:
  - 3.1 if it is a service error, including an error of conversion;
  - 3.2 if it is an error of data capture or transmission.
- 4 Liability shall rest with the issuing designated operator and the paying designated operator equally:
  - 4.1 if the error is attributable to both designated operators or if it is not possible to establish in which country the error occurred;
  - 4.2 if an error in transmission occurred in an intermediate country;
  - 4.3 if it is not possible to establish the country in which such error of transmission occurred.
- 5 Liability shall rest:
  - 5.1 in the case of payment of a spurious order, with the issuing designated operator or with the paying designated operator if it is not able to establish that the payment was made under the conditions prescribed in its regulations;
  - 5.2 in the case of payment of an order whose amount has been increased fraudulently, with the designated operator of the country in which the order was falsified; however, the loss shall be borne equally by the issuing and paying designated operators where it is not possible to establish the country in which the falsification occurred or when it is not possible to obtain compensation for a falsification committed in an intermediate country which does not participate in the postal payment services on the basis of the Agreement.
- 6 Designated operators shall be liable for the actions, errors and omissions of their subcontractors.

#### Article RP 2202

##### Payment of sums due in respect of indemnification

- 1 The obligation to indemnify the claimant shall rest with the issuing designated operator.
- 2 The designated operator which indemnified the claimant shall have right of recourse against the designated operator which is liable.
- 3 The designated operator which ultimately bears the loss shall have the right of recourse, up to the amount paid, against the person benefiting from the error.
- 4 Payment of the amounts owing to a claimant shall be made as soon as liability has been established and not later than two months from the day following the day of the inquiry.
- 5 If the designated operator presumed to be liable, although duly informed, has allowed one month to pass without finally settling a claim, the designated operator to which the inquiry was made shall be authorized to indemnify the claimant on behalf of the other designated operator.

#### Article RP 2203

##### Reimbursement of the designated operator involved

- 1 The designated operator which was liable shall be bound to reimburse the issuing designated operator which indemnified the claimant, within one month of the dispatch of the advice of payment.
- 2 If, at the end of that period, the operation could not be executed, the issuing designated operator involved shall be authorized to credit the reimbursed sum to its own account by means of an automatic amendment of the PP 1 (or PPM or PPV) account received from the designated operator presumed to be liable. Also included shall be the sums corresponding to the interest on overdue payments at a rate set:

- 2.1 in accordance with the national legislation;
- 2.2 in the service agreement between designated operators; or
- 2.3 according to the national practices of the issuing designated operator.

## Chapter III Financial relations

### Article RP 2501 Accounting rules

- 1 All debit and credit operations linked to the execution of postal payment orders shall give rise to accounting vouchers and entries.
- 2 Each accounting entry relating to the execution, reimbursement and settlement of a postal payment order shall have an identifier corresponding to that postal payment order.
- 3 Each designated operator shall draw up a list of postal payment orders paid to the payee or credited to the payee's account:
  - 3.1 by checking the daily reports of postal money orders paid (MP 6) and postal transfers credited (VP 6) against the respective periodical accounts (PP1, PPM and PPV);
  - 3.2 by reconciling the movements in the concentration account or the transactions in the mirror account of lists of postal payment orders issued, reimbursed and paid.
- 4 The intervals for accounts relating to funds or remunerations shall be monthly. Designated operators may decide in the context of bilateral agreements or in the context of the centralized clearing and settlement system to settle accounts over shorter intervals.

### Article RP 2502 Daily reports prepared automatically by the system

- 1 For the purpose of good cash management for postal payment services and sound financial relations with other designated operators, the system used by a designated operator to execute postal payment services shall automatically generate daily bilateral reports of money orders (MP 4, MP 5, MP 6 and MP 7) and transfers (VP 4, VP 5, VP 6 and VP 7) issued, reimbursed, paid/credited to the payee and received, according to various useful parameters. Daily summary reports (MP 8 and VP 8) prepared by the designated operator shall also be generated in the same manner. All of these reports shall be available each day in a form that can be printed or exported.
- 2 The amount of the postal payment orders issued or reimbursed shall be expressed in the currency of the issuing country and in the currency of issue. The amount of the postal payment orders paid or credited to the payee's account shall be expressed in the currency of issue and in the currency of payment. The amount of the remunerations shall be expressed in SDR. Other ways of expressing remuneration may be set bilaterally.

### Article RP 2503 Preparation of summary reports/lists for postal payment orders

- 1 The summary reports/lists of postal payment orders paid or credited to the payee, (MP 104 and VP 104), and the VP 105 daily dispatch if necessary, shall be generated by the system or prepared manually by the paying and the issuing designated operators respectively.
- 2 The MP 104 reports/lists shall be prepared in chronological order according to the following parameters: service category, month and year of issue, issuing office and money order number.



3 The VP 104 reports/lists shall be prepared in chronological order according to the following parameters: postal giro centre of destination, account number, payee's name, forename and address and sender's account number.

#### Article RP 2504

##### Preparation of periodical accounts for postal payment orders

1 The periodical accounts for postal payment orders shall be prepared on the specific form for the service provided (PPM or PPV) or prepared directly on form PP 1 at the end of the accounting period and according to the rules laid down in the service agreement for the paying designated operator. These forms shall be automatically generated by the system used by the paying designated operator, except for corrections to previous accounts to be entered or completely prepared manually by the designated operator on the basis of the summary lists MP 104 and VP 104 and the VP 105 daily dispatches.

2 The periodical accounts shall summarize the postal payment orders paid, including any corrections with respect to previous accounts and the amount of sums paid in indemnification and interest on overdue payments, according to:

- 2.1 the chronological order of the months of issue;
- 2.2 the alphabetical or numerical order of the issuing service access points and the numerical order of each point;
- 2.3 the chronological order of the transfers.

3 The periodical accounts of electronic postal payment orders and letter-post postal payment orders shall be sent by the paying designated operator to the issuing designated operator by the quickest means, no later than one week after the end of the accounting period for orders transmitted electronically, and no later than one month after the end of the accounting period for orders transmitted by letter post. Letter-post money orders, accompanied by supporting instruments (receipted money orders or digitized copies deemed authentic according to national legislation) and arranged in the same order as on the MP 104 summary list, shall accompany that list. For monitoring quality of service, any delay in the dispatch of these accounts shall be notified to the issuing designated operator, together with an explanation.

4 The issuing designated operator shall settle the postal payment order accounts within one month for orders transmitted electronically, and within two months for letter-post orders, except where, within the framework of the service agreement, the settlement is based on the general account.

5 If there are no instruments paid and no other service agreement, a "Nil" periodical account shall be sent to the issuing designated operator, unless the designated operators concerned agree otherwise.

6 Discrepancies concerning the total of postal payment orders noted in the periodical accounts by the issuing designated operator shall be taken up in the next periodical account. Discrepancies shall be ignored if the amount does not exceed 3 SDR.

#### Article RP 2505

##### Preparation of periodical accounts of remunerations

1 Periodical accounts of remunerations shall be automatically generated by the system used by the paying designated operator or prepared manually by that operator on form PP 2 on the basis of the periodical account PP 1.

2 In principle, remuneration shall be expressed in SDR and converted into the currency of payment of the postal payment orders on the basis of the yearly average value of the SDR published by the International Bureau of the Union. Designated operators may agree on another currency by means of a service agreement.

Article RP 2506

Preparation of general accounts

- 1 Provided that a general account is prepared in conformity with the designated operator's national legislation, periodical accounts shall be incorporated, at the same intervals, into a general account by the paying designated operator.
- 2 The general account shall be sent to the issuing designated operator by the quickest means no later than two weeks after the end of the period to which it pertains. It shall give rise to a net balance.
- 3 The designated operators of each of the contracting countries shall prepare the general accounts.
- 4 The general account shall be settled by the issuing designated operator within six weeks following expiry of the month to which it pertains.

Article RP 2507

General account of postal payment orders

- 1 The general account of postal payment orders shall be prepared on form PP 3 by the paying designated operator.
- 2 The general account of postal payment orders shall include instalments.
- 3 It shall give rise to a net balance of postal payment orders in favour of the creditor, in principle expressed in the currency of the creditor country.

Article RP 2508

Preparation of general accounts of remunerations

- 1 The general account of remunerations shall be prepared on form PP 4.
- 2 It shall give rise to a net balance of remunerations in favour of the creditor, in principle expressed in the currency of the creditor country.

Article RP 2509

Instalment

- 1 Payment of an automatic instalment may be requested by the paying designated operator immediately after settlement.
- 2 The issuing designated operator shall agree to pay an automatic instalment:
  - 2.1 where the imbalance of exchanges exceeds the allowance of 6,000 SDR per month;
  - 2.2 where the paying designated operator is not an issuing operator;
  - 2.3 where a new exchange relationship has been established between designated operators and the conditions for instalments have been fulfilled.

- 3 The amount of the instalment shall be set by a service agreement, and may be spread out over time.
- 3.1 In case of an imbalance of exchanges and after deduction of the allowance of 6,000 SDR, the amount of the instalment shall be calculated on the basis of the average amount for the last three periodical accounts (PP 1, PPM and PPV). For postal payment orders transmitted electronically, the daily reports of the money orders/transfers issued (MP 4 and VP 4), reimbursed (MP 5 and VP 5), paid/credited (MP 6 and VP 6) and received (MP 7 and VP 7), may also be used as a basis for calculating the amount of the instalment.
- 3.2 Where the designated operator is not an issuing operator, the allowance may be set in the service agreement at a figure below 6,000 SDR.
- 4 In the case of a new exchange relationship, the average amount of the periodical account shall be estimated for the first period, and then calculated on the basis of the averages for the preceding periods.
- 5 If an instalment is not paid, the paying designated operator shall be entitled to charge interest on overdue payment at a rate conforming to:
  - 5.1 its national legislation;
  - 5.2 the rate agreed in the designated operators' service agreement;
  - 5.3 its national commercial practices.
- 6 If an instalment is not paid and the service agreement permits, the paying designated operator may also suspend service.
- 7 Where the total instalment payments exceed the amount owed to the paying designated operator for the period in question, the difference shall be included in a future account.

#### Article RP 2510

##### Procedures concerning concentration accounts of funds and instalments

- 1 The daily summary reports (MP 8 and VP 8), generated by the designated operator's system, shall be centralized by that operator immediately after the close of the postal payment service.
- 2 Users' funds shall be paid into the issuing designated operator's concentration account no more than one day after the issue of the postal payment orders concerned.
- 3 In accordance with the principle of prudence applying to the management of third-party funds, designated operators each day shall compare the daily summary reports (MP 8 and VP 8) generated by the system and the variances in assets in the concentration accounts.

#### Article RP 2511

##### Security deposit

- 1 In the event of non-execution or poor execution of payments between designated operators, the defaulting operator shall provide the creditor operator with a security deposit at the latter's request.
- 2 The amount of the security deposit shall be agreed between the designated operators according to the net balance of the amounts owed at the time the deposit is requested.

Article RP 2601

Centralized settlement

1 In principle, designated operators shall participate in a centralized system for the settlement of the reciprocal debts and credits resulting from the execution of postal payment orders, and their reciprocal remunerations.

2 Multilateral settlements between designated operators shall be performed through a centralized clearing house and one or more settlement banks, according to a common settlement frequency.

3 The clearing house shall calculate the net balances for postal payment orders for each designated operator on the basis of the PP 1 (or PPM or PPV) forms provided by the paying designated operators.

4 The clearing house shall calculate the net balances for remunerations for each designated operator on the basis of the PP 2 forms provided by the paying designated operators.

5 Each designated operator shall settle the net balances for postal payment orders and remunerations prepared by the centralized clearing house at one or more settlement banks, in accordance with the clearing house rules.

6 The date of settlement shall be established in the clearing house rules so that the settlement of all creditor designated operators may be carried out simultaneously, regardless of the settlement bank.

7 The rules of the centralized clearing house shall be adopted by the designated operators with regard to the following principles and elements:

- 7.1 risk management by the clearing house;
- 7.2 implementation of procedures for the admission, suspension and removal of designated operators;
- 7.3 Postal Operations Council and Council of Administration recommendations for combating money laundering;
- 7.4 a clear sharing of responsibilities between the centralized clearing house and the designated operators;
- 7.5 data confidentiality;
- 7.6 data protection;
- 7.7 the secure transmission of data (Internet);
- 7.8 the simplicity of a centralized clearing system;
- 7.9 the financial accessibility of designated operators to a centralized clearing system;
- 7.10 implementation of a procedure to settle disputed accounts.

Article RP 2602

Bilateral settlement

1 Designated operators may decide to settle their accounts bilaterally.

2 Methods of settlement

2.1 As part of a bilateral arrangement and subject to compliance with the national legislation of the country of the paying designated operator, settlement shall be carried out on the basis of the PP 3 and PP 4 general accounts; in all other cases, it shall be carried out on the basis of the total amounts of the PP 1 and PP 2 periodical accounts, or through a liaison account.

2.2 Expenses arising from the execution of the postal payment service incurred in the country of the issuing designated operator, in third countries and under the liaison account (other than bookkeeping charges) shall be payable by the issuing operator.

- 2.3 The expenses incurred in the country of the paying designated operator, as well as bookkeeping charges for the liaison account, shall be payable by that operator.
- 3 Settlement on the basis of the general account or the monthly or periodical account
  - 3.1 Settlement shall be carried out by the debtor designated operator within one month from the end of the month in question, where periodical accounts are settled, and within six weeks, where general accounts are settled.
  - 3.2 In the event of disagreement between designated operators on the amount to be paid, only settlement of the contested portion may be postponed; the issuing designated operator shall notify the paying designated operator of the reasons for the dispute within the period provided for settlement.
  - 3.3 In cases of non-payment within the period provided for settlement, the sums due shall be chargeable with interest. The rate applied shall be based on the national regulations or, if there are no such regulations, the commercial practices in the country of the designated operator or agreements between the designated operators.
- 4 Liaison accounts
  - 4.1 Within the framework of bilateral relations, designated operators may reciprocally open liaison accounts instead of instalment concentration accounts. If designated operators do not have a postal giro system, the liaison account may be opened with another financial institution.
  - 4.2 Each issuing designated operator shall maintain sufficient credit in the liaison account opened in its name with the paying designated operator to allow the amounts owed to the latter to be debited. Designated operators shall inform each other bilaterally of the procedure for obtaining information on debits and credits.
  - 4.3 The creditor designated operator shall have the right at any time to demand payment of the amounts owing; it may fix the date upon which payment is to be made, taking into account the time required for transfer.
  - 4.4 Where an uncovered balance is found in a liaison account, the creditor designated operator shall be entitled to charge overdraft interest in accordance with the business practice of the designated operator or the financial institution holding the account. Calculation and charging policies shall be agreed on a bilateral basis.
  - 4.5 Sums transferred to constitute a credit balance and postal payment orders which it has not been possible to pay to the payee or credit to the payee's account shall be credited to the liaison account.

## Part III

### Transitional and final provisions

#### Article RP 2801

#### Application of the Regulations of the Universal Postal Convention

In all cases not expressly governed by these Regulations, the provisions of the Regulations of the Universal Postal Convention shall be applicable to the postal payment services.

Article RP 2901

Entry into force and duration of the Regulations

These Regulations shall come into force on 1 July 2022 and shall remain in force for an indefinite period.

Done at Berne, on 24 November 2021.

For the Postal Operations Council:



Chair: France  
Represented by Jean-Paul Forceville



Bishar A. Hussein  
Secretary General

## Final Protocol to the Postal Payment Services Regulations

At the moment of proceeding to approval of the Postal Payment Services Regulations the Postal Operations Council has agreed the following:

Article RP I (existing reservation)  
Instalments

In order to ensure normal payments to payees in its country, Viet Nam requires all countries exchanging money orders with it to automatically pay it an instalment, without it being necessary to wait to invoke the procedures set out in article RP 2509.2.

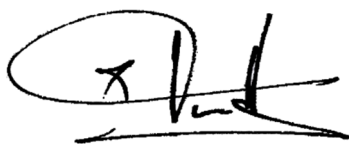
Article RP II (existing reservation)  
Sending of postal payment orders

Thailand shall be authorized not to apply the provisions of article RP 1614.2 with respect to the obligations of the sending designated operator.

This Protocol shall have the same force and the same validity as if its provisions were inserted in the actual text of the Regulations to which it refers.

Done at Berne, on 24 November 2021.

For the Postal Operations Council:



Chair: France  
Represented by Jean-Paul Forceville



Bishar A. Hussein  
Secretary General