

H2C Rulebook

Home/Host Cooperation Rulebook

for Operations between Deposit Guarantee Schemes
under Article 14(5) of Directive 2014/49/EU of 16 April 2014

Edited by the European Forum of Deposit Insurers (EFDI)

Version 1.0.3 – 18 March 2024

The H2C Rulebook” or “the Rulebook” has been elaborated, by the European Forum of Deposit Insurers (EFDI).

This H2C Rulebook constitutes a part of the Agreement under Articles 14 of Directive 2014/49/EU of 16 April 2014 on deposit guarantee schemes edited by EFDI.

The H2C Rulebook is structured as follows:

- Chapters 1 to 7 for cross-border payouts;
- Chapter 8 for the transfer of contributions;
- Chapter 9 for mutual lending and borrowing.

Versioning trail

Any changes of the H2C Rulebook contents will be identified within the versioning trail below.

State	Author	Note	Date of enforcement
Final v1.0.0	H2C team	Official version	December 2016
Draft v1.0.1	DNB	Changes proposed by the EFDI H2C Operations Subgroup (12 December 2018). Allocating miscellaneous fields for specific purposes. Clarifying format of the Header elements. Adding cross-reference in Payment Method Matrix to the PIF. Removed mentioning of CSV file by Exchange Mechanism. Corrected a minor mistake in an example.	January 2019
Final v 1.0.2	H2C team	Changes proposed to Chapter 2 and 3: (i) amendments to Chapter 2, <i>Preparedness and tests</i> and (ii) amendments to Chapter 3, <i>Cooperation process between the home DGS & the host DGS</i> .	Immediate
Final v 1.0.3	CBWG co-chairs	Changes proposed by the EFDI H2C Communications Subgroup to Chapter 6. Approved by EU Committee on 18 March 2024.	Immediate

Glossary

Legal definitions in the main body of the Agreement apply to this Rulebook. This glossary provides with reminders or operational descriptions of some key wording

Term	Description
EFDI	European Forum of Deposit Insurers
DGSD	Deposits Guarantee Scheme Directive
DGS	Deposits Guarantee Scheme
Home DGS	The DGS under which a deposit taker operates and for the purposes of this paper the DGS in which a banking default has occurred requiring payout.
Host DGS	The DGS where a deposit taker’s branches operate in, with the deposit taker still being subject to Home DGS scope rather Host DGS.
Destination DGS	The DGS who is the intended recipient of the file uploaded by the Source DGS

**Payment
information
document**

A document that is attached to the Payment Method used by the DGS. Its aim is to inform the depositor about the Repayment. It can be provided to the depositor before the Repayment (e. g. letter with general or personalised content) or after the Repayment is made (as a confirmation of the transaction).

Preparedness Phase	Time before any Payout Event occurs, time for preparation of all necessary steps to perform a cross-border Payout.
Point of Entry	Contact information relevant for a given area (name, position, e-mail address, phone number, etc.)
Source DGS	The DGS who has uploaded a file to a Destination DGS
SCV	A Single Customer View is an aggregated, consistent and complete representation of the customer's claim, as well as basic id and address information about the customer. See also Wikipedia's interesting definition on a wider scope.
UML	From Wikipedia : The Unified Modeling Language (UML) is a general-purpose modeling language in the field of software engineering, which is designed to provide a standard way to visualize the design of a system
Use Case	In software and systems engineering, a use case is a list of steps, typically defining interactions between a role (known in Unified Modeling Language (UML) as an "actor") and a system, to achieve a goal. The actor can be a human or an external system.

References

Number	Title	Sort of document	Version	Date
1	Payment_instructions.xsd	XSD	1.0.1	January 2019
2	Payment_Instruction_IT_ES_01010_201505121400.xml	XML (example)	1.0.1	January 2019
3	Payment_status_report.xsd	XSD	1.0.1	January 2019
4	Payment_Status_Report_IT_ES_01010_201505131500.xml	XML (example)	1.0.1	January 2019
5	Payment_cancellation_instruction.xsd	XSD	1.0.1	January 2019
6	Payment_Cancellation_Instruction_IT_ES_01010_201505141600	XML (example)	1.0.1	January 2019

Table of Contents

CHAPTER 1: DIRECTORIES.....	7
CHAPTER 2: PREPAREDNESS AND TESTS	8
CHAPTER 3: COOPERATION PROCESS BETWEEN THE HOME DGS & THE HOST DGS	12
1. Prior notification of a Payout Event	12
2. Confirmation of the Payout Event.....	13
3. Payout preparation	13
4. Payout by the Host DGS	14
5. Claims handling and Temporary High Balances (THB).....	14
6. Final operations and ex post assessment.....	15
7. Template for exchanging information on the Relevant Credit institution and Branch	16
CHAPTER 4: PAYMENT INSTRUCTIONS PROCESS	17
1 Overview.....	17
2 Scenarios	20
3 General considerations for file specification.....	33
4 File Validation	39
CHAPTER 5: EXCHANGE MECHANISM	41
1 Glossary	41
2 Background to DGSD and Article 14.....	41
3 Background to Requirements.....	41
4 Functional Requirements	42
5. Non-Functional Requirements	45
6. Payment Solution Use Cases	52
CHAPTER 6: DEPOSITORS & MEDIA COMMUNICATION TOOLS AND INSTRUCTIONS.....	54
1 <i>De minimis</i> set of tools	55
1 A/ Payout Announcement document	55
1 B / Press release document.....	58
1 C/ Question & Answers document.....	61
1 D/ Queries and Claims form for Depositors correspondence	64
1 E/ Web page	66
1 F/ Phone Service and e-mails answering.....	68
2 Other communication tools	69
2 A/ External Call Center Phone Service.....	69
2 B/ Letter to Host Depositors with general content	70

2 C/ Letter to Host Depositors with personalized content	70
2 D/ Printed documents, posters	70
2 E/ Media buying (press, radio, or other media)	71
2 F/ Social media platforms contents (of the Host DGS, failed bank, Payment Agent Bank).....	71
2 G / Communication Reporting sheet about Messages and Communication Tools.....	72
2 H / Media monitoring	74
2 I / Payment Confirmation Document	74
CHAPTER 7: FINANCIAL SPECIFICATIONS AND COSTS	75
1 Acknowledgement form.....	75
2 Cash reconciliation report	75
3 Costs assessment prior to the Payout	75
4 Cost monitoring during the payout and final costs billing procedure.....	77
CHAPTER 8: SPECIFICATIONS FOR TRANSFERRING CONTRIBUTIONS	79
CHAPTER 9: SPECIFICATIONS FOR MUTUAL LENDING AND BORROWING	80
APPENDIX	81
APPENDIX 1: Payment Method Matrix.....	82
APPENDIX 2: Preferences of Home DGSs for Exchange Mechanism.....	84
APPENDIX 3: Payout timeframes of Home DGSs.....	85
APPENDIX 4: Temporary High Balances (THB) regimes of Home DGSs.....	86

CHAPTER 1: DIRECTORIES

This Chapter shall be completed with the data provided by the Parties to the Agreement, at the latest when sending the letter of adherence to EFDI.

The following directories, by alphabetical order of country, provide with the Contact List of DGSs' key people for handling the Payout Event.

Instructions for filling this section:

- *This document should be filled-in and updated in English by the Parties at any change and all along the Payout.*
- *Other key people involved may be added (i.e. liquidator, supervisory ...).*

DGS XXXX

Name, title, role, subordinated areas, email, deputy person, direct phone extension, mobile phone,... for :

- Cross-border payout point of entry
- Mutual lending point of entry
- Transfer of contributions point of entry
- Managing Director of the DGS
- Legal Officer
- Operations
- Communications
- SCV/IT
- Payment/finance

DGS XXXX

Name, title, role, subordinated areas, email, deputy person, direct phone extension, mobile phone,... for :

- Cross-border payout point of entry
- Mutual lending point of entry
- Transfer of contributions point of entry
- Managing Director of the DGS
- Legal Officer
- Operations
- Communications
- SCV/IT
- Payment/finance

CHAPTER 2: PREPAREDNESS AND TESTS

Note: This chapter will be further updated by EFDI stress test working group considering the EBA guidelines on stress testing.¹

Cross-border Payout process arrangements can only be truly effective if the contents and the components of the arrangements have been prepared and tested.

1. Exchange of information between DGS's

In order to prepare “in peace time” for a cross border payout case, regular and timely information exchange between Parties is key. Part II – CROSS-BORDER PAYOUT OF DEPOSITORS AT BRANCHES of the Cooperation Agreement *shall apply bilaterally between a Home DGS and a Host DGS provided that a branch of a Home DGS's Member Institution has been established in the territory of the Member State of the Host DGS*. Provision 4 – Exchange of information between parties and Provision 5 – Preparedness and tests, set the principles. This Chapter 2 of the Rulebook develops them at an operational level.

i) Collection of information

The Parties shall share within the H2C community the following information in the Preparedness Phase. This information will be provided as an attachment to the Rulebook (in an Excel Spreadsheet or other later found solution). The information will be updated at least annually or earlier ad hoc if necessary.

- List of Relevant Credit Institution and Branches in the Host member State will be provided by the Home
- DGS Directory (Cross border payout general Point of Entry, Operations Point of Entry, Communication Point of Entry, etc.)
- Payment methods used by the DGS (see APPENDIX 1: Payment Method Matrix)
- Exchange mechanisms used by the DGS (see APPENDIX 2: Preferences of Home DGSs for Exchange Mechanism)
- Payout timeframes applicable in the DGS legislation (see APPENDIX 3: Payout timeframes of Home DGSs)
- Cases of temporary high balances applicable in the DGS legislation (see APPENDIX 4: Temporary High Balances (THB) regimes of Home DGSs)

¹EBA/GL/2016/04 "Guidelines on stress tests of deposit guarantee schemes under Directive 2014/49/EU", published 24 May 2016 ("EBA Guidelines").

- List of Communication Tools that are available and actionable at the Host DGS and time needed to activate them when a Payout Event occurs
- Type of Payment information document attached to the Payment Method (if applicable)
- Cost estimates as described in Chapter 7 of the Rulebook

ii) Exchange of information on a bilateral basis

Besides sharing the information described above, the Parties also share other information on a bilateral basis, given the Bilateral Specifications signed.

It is advisable that, under the terms of their Bilateral Specifications, the Parties proceed to a regular exchange of the **name** of the involved Member Institution branches established in the territory of the Host DGS, the **number of depositors** per branches, and the **total covered deposits** amounts per branches.

This applies at least for Member Institutions that will be resolved by liquidation, i.e. non-significant banks or banks that are out of the scope of either Single Supervision Mechanism or State resolution mechanisms.

If national legal rules prevent the transmission of these data, a downgraded mode is suggested to be specified bilaterally. This can be done by pseudonymized names (e.g. “Bank 1”, “Bank 2” ...), or by grouping number of depositors and/or total amounts of deposits in layers for instance.

The frequency of updating this information shall be agreed bilaterally. Recommended frequency to exchange this data is **at least annually** unless specific restrictions apply.

More specific guidelines concerning the data on depositors to be exchanged in a **cross-border Payout** are included in this Rulebook - Chapter 4.

2. Communication Preparations

Proper communication towards depositors during a Payout Event requires instantaneous coordination and consistency of messages between Parties. To fulfil this obligation, an intensive cooperation of Parties in the Preparedness Phase (i.e. in the peace time, before any Payout occurs) is crucial.

i) Set up of an Exchange Mechanism for communication management

The Parties set up an Exchange Mechanism or any alternative solution for the exchange of communication documents and other communication related instructions that will be transmitted from the Home DGS to the Host DGS and *vice versa*. The Exchange Mechanism

will be used both in the Preparedness Phase (for sharing Communication Tools templates, for testing purposes, etc.) and in a Payout Event. Both Parties shall test the Exchange Mechanism and procedures regularly, with frequency agreed bilaterally.

ii) Readiness of Communication Tools and Messages

The readiness to activate Communication Tools in case of a Payout Event is required for De Minimis Communication Tools for all DGSs and for additional Optional tools that are agreed bilaterally. The list of De Minimis and Optional Communication Tools is included in the Chapter 6 of this Rulebook.

Both Parties shall set up the procedures for activating De Minimis and optional Communication Tools at prescript days and hours all along a Payout Event at different phases: announcement of the failure, start of the payment, running the payment and claims, end of the procedure.

The Home DGS shall prepare templates of De Minimis and Optional Communication Tools in Cooperation Language adapted to its own practices and transmit them to the Host DGS for local adaptation.

The Host DGS shall readapt them in the official language(s) of the Host DGS and be ready to integrate them in its own Communication Tools.

More specific guidelines for each of the Communication Tools are included in Chapter 6 of this Rulebook.

3. Stress testing

Testing can be done in various ways and can be full fletch as well as partial depending of the objectives of the test.

EBA has issued Guidelines on stress testing to be performed by DGSs, which endorses an operational cross-border pay-out test as one of four priorities and describes the steps of such a test.²

More generally, formats of testing to be considered are:

- Orientation test: getting acquainted with (parts of) the arrangements,
- Table-top exercise: walking through (parts of) the arrangements and identifying the shortcomings,
- Simulation: executing (parts of) the arrangements.

² EBA Guidelines text number 85 to 90, indicators i15 to i19.

Good practice is to vary in types of testing and in focus of testing. Focuses to be considered (non-limitative):

- Exchanging a test payment instruction file,
- “Local” pay-out process,
- “Local” pay-out system,
- Communication process,
- Crisis management process.

i) Communication Tools Testing

According to Article 5 of the main body of the Agreement, the Parties agree to test their systems and processes as related to a Payout Event. This includes among others tests of communication processes. Both Parties shall test the readiness and the activation procedures of Communication Tools regularly, with frequency agreed bilaterally.

CHAPTER 3: COOPERATION PROCESS BETWEEN THE HOME DGS & THE HOST DGS

This chapter details the various steps of the cooperation process between the Home DGS and the Host DGS along the phases of the Payout.

1. Prior notification of a Payout Event

In case the Home DGSs becomes aware of a Potential Payout on a Relevant Credit Institution, it:

- Checks on the possible branches of that Relevant Credit Institution abroad
- Gathers all the available information of those branches
- Sends a preliminary notification to the Host DGS using contact list in Chapter 1 of this Rulebook
- Provides the Host DGS with the relevant information it had gathered using the list at Section 7 below
- Tests the Payment Instructions File transfer channel with sending a test material to the Host DGS under the specifications according to the protocol chosen by the two parties
- Tests the Payout Amount transfer channel with a test material under the specifications of the Rulebook
- Provides the Host DGS with the set of Communication Tools to Host Depositors and Media written in English or the Cooperation language as defined in the Rulebook
- Confirms the entire list of the Communication Tools that have to be set up.

Accordingly, the Host DGS:

- Handles the notification with due care and in no case with less care than it would do for a similar event involving one of its member banks, including by checking its Payout solution and Payout Process, preparing the Communication Tools listed in the Rulebook and alerting its external providers if so needed
- Tests the Payment Instruction File communication channel with analysing the test material from the Home DGS
- Provides the Home DGS the scale of communication means and resources needed considering the volume and profile of incoming enquiries of Host Depositors and media
- Reports to the Home DGS on the completion of the checks and tests above.

2. Confirmation of the Payout Event

Upon receiving notification of the Payout Event on a Relevant Credit Institution, the Home DGS:

- Confirms immediately the failure to the Host DGS
- Performs all the checks, tests and information-sharing with the Host DGS that were required during the Potential Payout phase if that one had to be skipped
- Assesses and communicates to the Host DGS the calendar of the Payout Process at the Host DGS
- Completes the Host DGS's information in all possible extent using the list at section 7 below
- Finalises the Communication Tools to be used by the Host DGS according to the Rulebook.

The Host DGS:

- Performs all the checks, tests and alerts required during the Potential Payout phase if that one had to be skipped
- Handles the Payout with due care and in no case with less care than it would do for a similar event involving one of its member banks
- Finalises the Communication Tools and means for Host Depositors and Media in the Host language
- Starts to inform and communicate with the public through tools and means referred to in the Rulebook;
- Provides the Home DGS with the references of the Dedicated Account to be used for the Payout.

3. Payout preparation

After it receives and validates a proper SCV file from the Relevant Credit Institution, also using the list in section 7 below, the Home DGS:

- Extracts from the SCV file the number of eligible depositors and communicates it to the Host DGS with no delay
- Confirms the exact calendar expected for the Payout for the Host DGS
- Builds the Payment Instruction File to be sent to the Host DGS
- Determines and communicates with no delay to the Host DGS the number of Host Depositors who should be compensated and the average amount of the compensation in the same way and with the same diligence as it does for the home depositors' payout

- Sends the Payment Instruction File and the Payout Amount to the Host DGS following the prescriptions of Provisions 7.3.b and 14.1 of the main body of the Agreement, and at the latest at the same time than it starts the Payout for Home Depositors.

4. Payout by the Host DGS

After the Host DGS receives the Payment Instruction File and the Payout Amount, the Host DGS:

- Activates its Payment Solution with due care and in no case with less care than it would do for a similar event involving one of its member banks.
- Unless otherwise agreed bilaterally, the Host DGS shall, if it is entitled to, use its bank account in the Central Bank of the Host Member State instead of a commercial bank in order to avoid any counterparty risk. The Host DGS may transfer funds from the Host Central Bank to a bank (a Credit Institution directly supervised by the European Central Bank or any other Credit Institution in the Host Member State supervised by an EEA National Authority) which will be effectively in charge of processing the payout. In this case, several instalments shall be made if possible, in order to match the amount of the compensations corresponding to payout instructions received from the Home DGS.
- If the Host DGS is not entitled to use a bank account in the Central Bank of the Host Member State, the Host DGS may use a bank account held with a commercial bank (a Credit Institution directly supervised by the European Central Bank or any other Credit Institution in the Host Member State supervised by an EEA National Authority). However, when selecting the commercial bank, the Host DGS shall use best efforts to mitigate any potential counterparty risk.
- Communicates to Host depositors and media, under the prescriptions of this Rulebook and instructions by the Home DGS.
- Adjusts the Communication tools and means considering the volume and profile of Host depositors and media enquiries, in accordance with the Home DGS, and provides the Home DGS the additional costs impact if any.
- Starts paying out the Host Depositors following the prescriptions of Provision 7.3.c of the main body of the Agreement and at the latest within the delay needed for a similar domestic event, between the moment the Instruction of Payments are completed and at the moment depositors' Payout process starts.
- Monitors the Payout Process with due care and in no case with less care than for a similar domestic event.
- Operates payment and financial flows reconciliation as prescribed in the Agreement and the Rulebook.

5. Claims handling and Temporary High Balances (THB)

The Host DGS:

- Receives claims and requests for Temporary High Balances treatment of Host Depositors, according to the Template for Depositors claims in this Rulebook
- Provides in that field to the Home DGS the minimum and additional Services mentioned in Schedule 2 of the Agreement
- Pays out Host Depositors after receiving the according Payment Instruction File and Payment Amount with due care and in no case with less care than for a similar domestic event
- Transmits to the Host Depositor copy of the correspondence coming from the Home DGS about the Claim.

The Home DGS:

- Takes the decisions needed on those claims and THB requests
- Sends to the Host DGS the corresponding Payment Instruction File, Payment Amount and Correspondence to the Host DGS with the same diligence and promptness than for Home Depositors.

6. Final operations and ex post assessment

After the Payout, the Host DGS:

- Provides the Home DGS with the final valuation of Costs and the corresponding bills.
- Transfers back to the Home DGS the remaining part of the Payout Amount that is left available after the completion of the Payout, as well as the excess between the advance payment received on costs and the actual costs it has borne, if any
- Performs a depositor satisfaction survey and/ or evaluation under the Home DGS's request, specifications and expenses.
- Provides the Home DGS with the data it needs for an assessment of the Payout
- Publishes the announcement of the closing of the Payout Event using the template in this Rulebook.
- Exchanges view with the Home DGS on their analysis of the Payout Process.

The Home DGS:

- Reimburses the Host DGS for the Costs with the same diligence and promptness as for its own service providers.
- Exchanges view with the Host DGS on their analysis of the Payout Process.
- Transmit to the Host the official announcement of the closing of the Payout Event in English or agreed cooperation language using the template in this H2C Rulebook.

7. Template for exchanging information on the Relevant Credit institution and Branch

The prescribed template list for exchanging information about the failed institution is the following one:

1. Name of the Relevant Institution
 - official (legal) name
 - short name
2. Possible timeframes: date of the closing, start of the payout process
3. Background information on the Relevant Institution: short history, market share, possible market impact of the closing if relevant, e.g. in case of an exchange listed bank, any specific information useful for understanding the Payout Event
4. Depositors: profile and volume
5. Payout Process: methods, time, and other specificities
6. Amount of Deposits and categories of products
7. Currency of the payout
8. Communications Message: main architecture, background information, fact sheet
9. Number of branches in the Host Country, geographical locations, even agencies/ outlets that are not officially branches but suitable for the Communication Message
10. Information on the other DGSs, and points of entry within those DGSs, that may be also involved in the upcoming Payout Event
11. Estimated reaction from the stake holder groups: e.g. depositors, media, public life actors in the Home country for public declaration of the failure
12. Estimated number of incoming calls in the Host country based on the estimated number of incoming calls in the Home country during the whole Payout as well as an estimation of the biggest daily peak of incoming calls
13. Communication set of Tools used at the Home Country
14. Key visuals: logo of the Relevant Institution and of the Home DGS in appropriate file formats
15. Language(s):
 - Cooperation language
 - Host media and Depositor language
16. Any other information the Host DGS should take into consideration

CHAPTER 4: PAYMENT INSTRUCTIONS PROCESS

This chapter describes the scenarios for Home DGS and Host DGS file interactions when the Host DGS will compensate customers on behalf of the Home DGS.

The following scenarios have currently been identified in section 2:

- 2.1 2.1 Payment Instructions from Home to Host;
- 2.2 2.2 Rejection of a Payment Instruction from Host to Home;
- 2.3 2.3 Payment Status Reports from Host to Home;
- 2.4 2.4 Payment Cancellation Instruction from Home to Host; and
- 2.5 2.5 Acknowledgement of File

The chapter specifies scenarios, syntaxes and formats for the files sent between Home and Host.

1 Overview

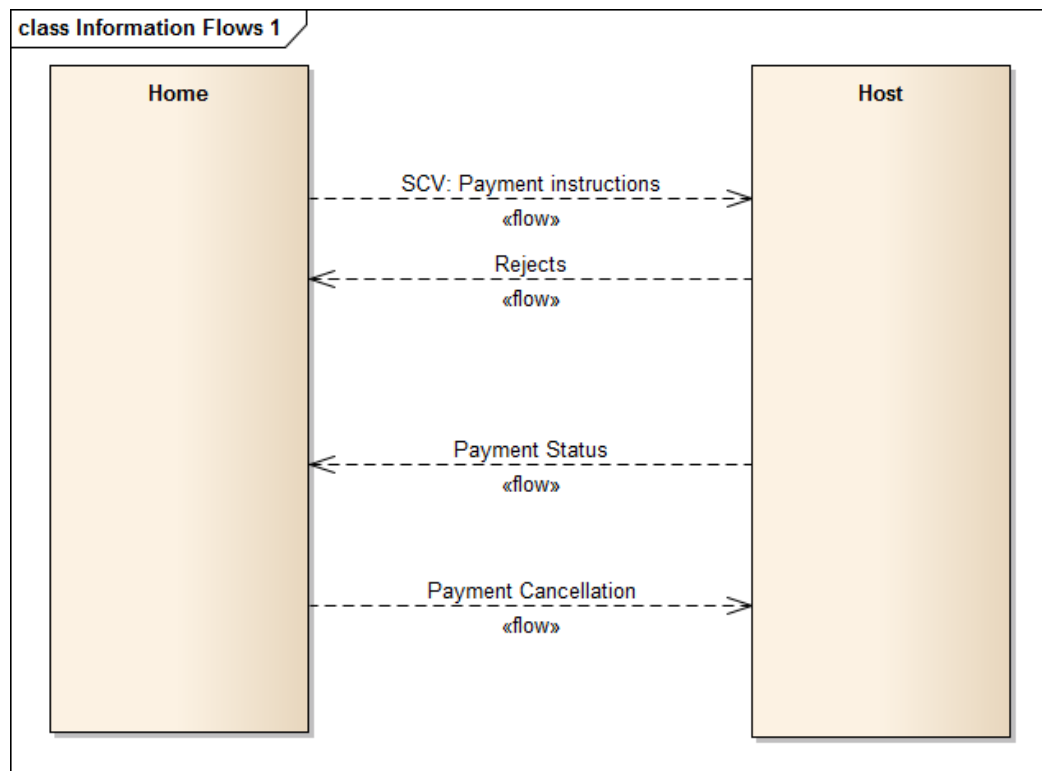
This document describes the process for Home DGS (Home) and Host DGS (Host) file interactions when the Host will compensate customers on behalf of the Home. This process will be referred to in this document as the “Article 14 Payout Operation”.

1.1 In Scope

The following core scenarios have currently been identified

- 2.1 2.1 Payment Instructions from Home to Host.
- 2.2 2.2 Rejection of a Payment Instruction from Host to Home.
- 2.3 2.3 Payment Status Reports from Host to Home.
- 2.4 2.4 Payment Cancellation Instruction from Home to Host.
- 2.5 Acknowledgement of File.

The following figure shows the major flows of information between Home and Host.



- Information flow between Home and Host

1.2 Outside of Scope

This payment specification has been produced with the express objective of supporting a payout operation.

Whilst the solution may have some capability to support the following items, it has not been designed to specifically meet these requirements.

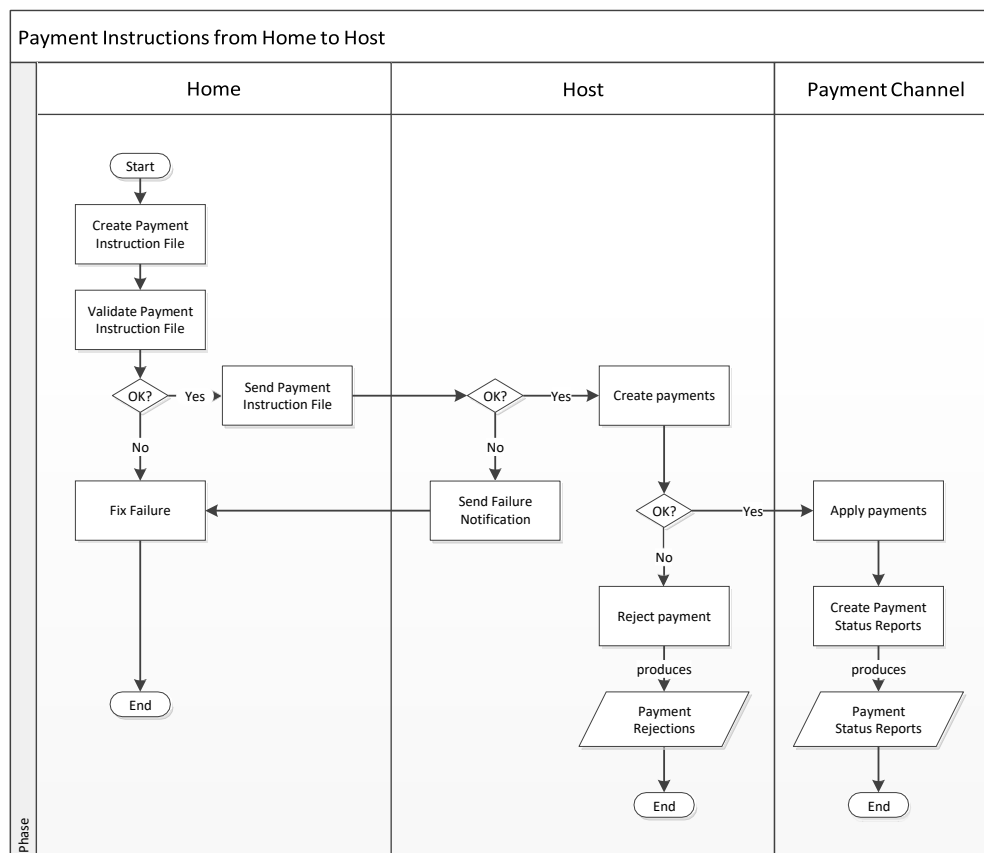
- Real time information exchange – this solution has not been designed to support a real time exchange of claim information, and as such should not be used for this purpose. Examples include:
 - Temporary High Balance (THB) - it is anticipated that for cross border processing of THB claims, the Home and Host will need to communicate with each other.
 - Customer queries – the Host might need to relay information between the Home and the branch customer
- Account-level or compensation queries – this solution does not cater to the exchange of account-level information or provide the Host DGS with any information as to what the payment is in relation to.
- Top up agreements
 - Certain member states have topping up agreements in place. This is where a deposit taking branch has agreed with the Host DGS, whereby the Home DGS will handle compensations up to the Home DGS' statutory limit and the Host DGS will top up the compensation to the Host DGS' statutory limit. These agreements could exist at a specific default level.
 - The Host DGS would therefore require account-level data as well as the knowledge of how the balances in these accounts link to the Home Payment Instructions. The Home DGS is reasonably expected to have access to such information.
 - As such, the Home DGS could either make available this data to the Host DGS, or in fact to calculate the amounts the Host is required to top up and provide the end result of these calculations in the form of a Payment Instruction File.
 - It is entirely up to the Home and Host to agree this.

2 Scenarios

The following five scenarios have been identified that would need to be fulfilled by the payment solution.

These documented scenarios are based very loosely on the UML use case standard for the purposes of illustrating process.

2.1 Payment Instructions from Home to Host



• Create and process payment instructions

- There will be (conceptually) no limitation to the number or frequency of payment instruction files that could be sent from Home to Host.
- Each payment file will form an instruction to the Host to try and process until the achievement of a number of end states.
- Each record in the file will result in one payment transaction.
- There will be no updates to a payment instruction file— if more payments are needed this should be a new file.

- If a payment instruction should be stopped then this should trigger a Payment Cancellation; see 2.4 Payment Cancellation Instruction from Home to Host
- It is the responsibility of the Home DGS to ensure the accuracy of the file, any liability due to errors in the payment instruction should be borne by the Home DGS.
- The Host DGS will be free to select the Payment Method, and will notify the Home DGS of its choice; see 2.2.1.4.
- The Home DGS will choose the Payout Currency taking into consideration the limitations of the Host DGS capability and constraints of its selected Payment Method.
- The current working assumption is that the Home DGS will select only one currency, and it will either be the Home currency or Host currency. This has no bearing on this specification, however is included for a full context.
- The Payment Rejects file is in the form of a Payment Status Report file; see 2.2

2.1.1 Payment Instructions File Format

Every Payment Instruction File starts with a header. For specification see 3.1

Ref	Field	Description	Length	Mandatory	Format
Personal					
PIFF-P01	Payment Instruction Unique Identifier	A unique reference number for the payment instruction record; this will support easier coordination between Home and Host DGS when processing the Payment file.	1-150	Y	Extended alphanumeric
PIFF-P02	SCVID	A unique reference number for the customer record.	1-150	Y	Extended alphanumeric
PIFF-P03	Full Name	Name of customer which the payment is due to. This could be an Individual or a Legal Entity, but must only contain one Individual or Legal Entity.	2-250	Y	Extended alphanumeric
PIFF-P04	Forename	Forename of Individual, or blank if Legal Entity.	0-100	N	Extended alphanumeric
PIFF-P05	Surname	Surname of Individual or name of Legal Entity.	0-150	N	Extended alphanumeric
PIFF-P06	National ID	Host Country National identification number for the customer	0-250	C	Extended alphanumeric
PIFF-P07	DateofBirth	The date of birth for the customer, or blank if Legal Entity	10	N	3.4 Date Format, see 3.4
PIFF-P08	Language Preference	The preferred language with which the customer would want all communications.	2	N	3.6 ISO Codes Format, see 3.6
Contact					
<u>PIFF-C01</u>	<u>Full Address</u>	<u>Fully constructed address in a format that would be fit for purpose for mailing.</u> Field deprecated in release 0.3.0	<u>1-800</u>	<u>Y</u>	<u>Extended alphanumeric</u>
PIFF-C02	Address Line 1	First line of address (e.g. Number, Building Name, Street Name)	1-200	Y	Extended alphanumeric
PIFF-C03	Address Line 2	Second line of address	0-200	N	Extended alphanumeric
PIFF-C10	Address Line 3	Third line of address	0-200	N	Extended alphanumeric
PIFF-C04	Postcode	Postcode or zipcode	1-30	Y	Extended alphanumeric
PIFF-C05	City	City	1-250	Y	Extended alphanumeric
PIFF-C06	Province / State	Province, state or region	0-100	N	Extended alphanumeric
PIFF-C07	Country	Country for the address in 2 character country code	2	Y	3.6 ISO Codes Format, see 3.6

Ref	Field	Description	Length	Mandatory	Format
PIFF-C08	BIC	Business Identifier Codes, which is the unique code to identify financial and non-financial institutions. This should contain the customer's bank BIC to which payment should be made	0-11	C	3.6 ISO Codes Format , see 3.6
PIFF-C09	IBAN	International Bank Account Number, which is the internationally agreed system of identifying bank accounts. This should contain the customer's account IBAN to which payment should be made	0-34	C	3.6 ISO Codes Format , see 3.6
Misc					
PIFF-M01	MISC01	Miscellaneous text column added for future proofing	0-4000	N	Extended alphanumeric
PIFF-M02	MISC02	Miscellaneous text column added for future proofing	0-4000	N	Extended alphanumeric
PIFF-M03	MISC03	Miscellaneous text column added for future proofing	0-4000	N	Extended alphanumeric
PIFF-M04	MISC04	Miscellaneous text column added for future proofing	0-4000	N	Extended alphanumeric
PIFF-M05	MISC05	Miscellaneous text column added for future proofing	0-4000	N	Extended alphanumeric
PIFF-M06	MISC06	Miscellaneous text column added for future proofing	0-4000	N	Extended alphanumeric
PIFF-M07	EmailofDepositors	Email of Depositors	0-4000	N	Extended alphanumeric
PIFF-M08	TelephoneLandline	Telephone Number of Depositor / landline	0-4000	N	Extended alphanumeric
PIFF-M09	TelephoneMobile	Telephone Number of Depositor / mobile	0-4000	N	Extended alphanumeric
PIFF-M10	Individual	Depositor is an Individual (possible answers: "Y" (yes) or "N" (no))	0-4000	N	Extended alphanumeric
Amount					
PIFF-A01	Payment Instruction Amount	Amount that should be paid.	1-19	Y	3.3 Financial Number Format , see 3.3
PIFF-A02	Payment Instruction Currency	Currency of the Payment Instruction Amount in 3 character currency code	3	Y	3.6 ISO Codes Format , see 3.6

- It is recognized that in most cases the file format may need to be transformed to be consistent with internal Host data interfaces; the Host will be responsible for managing this transformation and ensuring that transformations have been conducted appropriately with minimal loss of data such as to ensure the integrity of the original payment instruction from the Home.
- Where the file format is incompatible with Host internal systems e.g. PIFF-P01 Payment Instruction Unique Identifier is longer than currently supported, the Host DGS is responsible for mapping those values to compatible internal values such. However, the Home provided values should be persisted and used for end-to-end reconciliation.
- Where a field is indicated as mandatory or the record has fulfilled the conditional mandatory requirements, but the Home or Host does not have the necessary data to populate it, a full stop character "." (ASCII 46) should be used to populate that field.
- The mandatory or conditional mandatory conditions need to be read together with the information contained in the Payment Method Matrix in Appendix 1, which lists any additional data requirements a Host might need in order to carry out the Article 14 Payout Operation.

2.1.1.1 PIFF-P01 Payment Instruction Unique Identifier

- The unique ID for the payment should be unique across all Payment Instruction Files for a specific default, with no duplicates.
- It should be used in the Payment Status Reports (see 2.3) and Payment Cancellation Instructions (see 2.4) where a status update or Payment Cancellation Instruction relates to it.
- This unique ID will be generated by the Home DGS and persisted throughout the four use cases for the purposes of end to end reconciliation.
- Home can reuse the same ID for another default. It is also possible that two different Home DGSs can use the same ID. It is the responsibility of the Host to ensure that their systems can support such a scenario.

2.1.1.2 PIFF-P02 SCVID

- It is possible for there to be multiple records with the same SCV ID in a Payment Instruction File, as long as the SCV ID provides a consistent single customer view.
- It is possible for there to be records with the same SCV across different Payment Instruction file (e.g. subsequent top up payments) as long as the SCV ID provides a consistent single customer view.
- This SCV ID will be generated by the Home DGS and persisted throughout the four use cases for the purposes of end to end reconciliation.

2.1.1.3 PIFF-P03 Full Name

- It is possible for there to be commas in this field.
- For countries where Fore Name and Surname is required but only Full Name is provided, this would fail second tier validation and therefore be subject to remediation to be agreed between Home and Host. It is possible that the Fore Name and Surname can be parsed from the Full Name field.

2.1.1.4 PIFF-P05 Surname

- In the case of a Legal Entity, the legal entity name should be recorded in this field. The company's representative or contact person should not be recorded in this field. The Host DGS will carry out its regular processes to pay a legal entity (e.g. contacting the Chamber of Commerce to identify the correct representative) in order to fulfil the payment if necessary.

2.1.1.5 PIFF-C01 Full Address

- This field has been removed from the specification as of release 0.3.0, and as such will no longer need to be present in any files.
- The reference has been retained for full traceability of changes.

2.1.1.6 Address Fields PIFF-C02 to PIFF-C07

- It is possible for there to be commas in the following fields:
 - PIFF-C02 Address Line 1
 - PIFF-C03 Address Line 2
 - PIFF-C10 Address Line 3
 - PIFF-C04 Postcode
 - PIFF-C05 City
 - PIFF-C06 Province / State
- In the case of a Legal Entity, the legal entity address should be recorded in these fields. The address for the company's representative or contact person should not be recorded in these fields. The Host DGS will carry out its regular processes to pay a legal entity (e.g. contacting the Chamber of Commerce to identify the correct representative and their contact address) in order to fulfill the payment if necessary.
- The names of any representatives could be included in PIFF-C02 Address Line 1 for example, as a "care of" entry.

2.1.1.7 PIFF-C08 BIC and PIFF-C09 IBAN

- These fields are mandatory for Hosts where electronic payment is the only payment method available. Refer to the Payment Method Matrix in Appendix 1 for a full list of such Hosts.
- Where the Home has this data available in its SCV file, it must be provided to the Host.
- Where the Home does not have this data available in its SCV file, the Home can request that the Host collect this data on its behalf.
- It is anticipated that the Host will be in a better position to collect this data on behalf of the Home due to language constraints and the fact that Host will likely have a communications method readily available to it.
- Where the Host has collected this data, it is not required for the Host to provide this back to the Home for confirmation as there is no way for the Home to verify that this information is correct. The Host should do all in its power to ensure the accuracy of this data and the robustness of the data collection method, and proceed immediately to payout once this data has been collected.

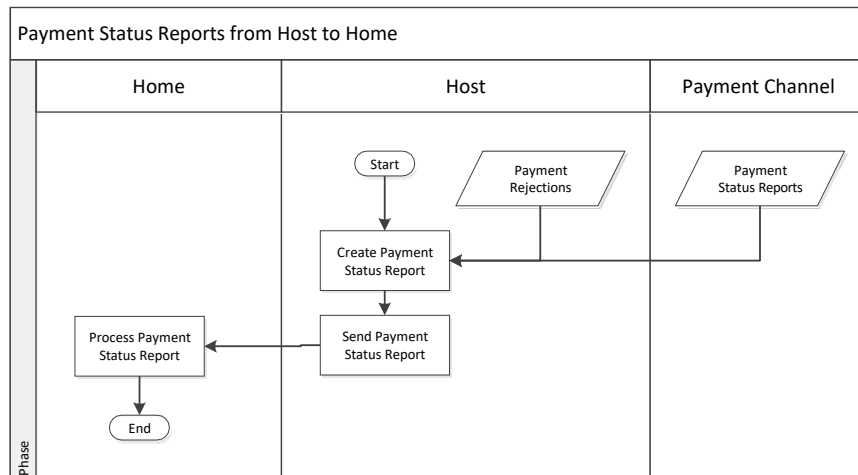
2.1.1.8 PIFF-P06 Host Country National ID

- These fields are mandatory for certain Hosts in order to carry out a payout operation. Refer to the EFDI DGSD Art 14 Preferred Payout Mechanism and Minimum Data Requirements document for a full list of such Hosts.
- Where the Home has this data available in its SCV file, it must be provided to the Host.
- Where the Home does not have this data available in its SCV file, the Home can request that the Host collect this data on its behalf.

2.2 Rejection of a Payment Instruction from Host to Home

- There are a number of instances where a Host can reject one or more Payment Instructions and not continue processing it e.g. where the Host cannot legally fulfill the payment due to regulatory sanctions.
- This should be reported back to the Home in the form of a Payment Status Report with an appropriate rejection status code, see 2.3

2.3 Payment Status Reports from Host to Home



- **Create and process payment status**

- Host is responsible for providing the Home with a status for each Payment Instruction.
- Host should periodically provide Home with updates to the status.
- Statuses depend on lifecycle of the payment instruction, and will be dependent on the channel used. See 2.3.2 for a list of these status codes.
- Host should NOT attempt to re-process failed payments; this is a uni-directional exercise that ceases when a payment reaches one of three end states: Payment Complete, Payment Failed or Payment Cancelled.
- Where a payee contacts the Host to cancel a payment or request a re-issue, the Host is obliged to initiate a payment cancellation process with the end result of the payment ending in the Payment Cancelled state.
- All other statuses are “Work In Progress” statuses.
- Host will be responsible for transforming the payment status reports provided by the payment channels into the format prescribed in 2.3.1

2.3.1 Payment Status Report Format

Ref	Field	Description	Length	Mandatory	Format
Instruction					
		All fields in the Payment Instruction File Format to be replicated here for the purposes of detailed reconciliations, see 0			
Amount					
PSRF-P01	Payment Made Amount	Amount that has been paid, rejected, cancelled, etc.	1-19	Y	3.3 Financial Number Format, see 3.3
PSRF-P01	Payment Made Currency	Currency in which the payment was made in.	3	Y	3.6 ISO Codes Format, see 3.6
Status					
PSRF-S01	Status Code	Status code for the payment record, see 0	4	Y	Four digits
PSRF-S02	Status Change Date	The date and time when the status changed	10-25	Y	3.5 Date Time Format, see 3.5
PSRF-S03	Status Supporting Info	Any supplementary information that might be relevant to this status over and above the Status Code	0-4000	N	Extended alphanumeric
PSRF-S04	Payment Method	The payment method used by Host to fulfill this payment	1-50	Y	Extended alphanumeric
PSRF-S05	Payment Provider	The payment provider used by the Host to fulfill this payment	1-50	Y	Extended alphanumeric
PSRF-S06	Payment Reference	Any payment reference provided by the Payment Provider, this could be a Cheque Number or even a SEPA payment reference	0-100	N	Extended alphanumeric

2.3.1.1 PIFF-C08 BIC

- Where the Host selects electronic payment as the method of payment, and the BIC is not provided by the Home, it is expected that the Host will contact the customer using the address details provided to obtain the BIC.
- Host then will report back to Home with the captured BIC in this field.

2.3.1.2 PIFF-C09 IBAN

- Where the Host selects electronic payment as the method of payment, and the IBAN is not provided by the Home, it is expected that the Host will contact the customer using the address details provided to obtain the IBAN.
- Host then will report back to Home with the captured IBAN in this field.

2.3.1.3 PSRF-S03 Status Supporting Info

- Occasionally a Host may need to provide some supplementary information in support of the payment status code. Refer to Section 2.3.2 Payment Status Codes for the situations when this applies.

2.3.1.4 PSRF-S04 Payment Method

- The Host provides the Home with details on what Payment Method was used to fulfill the payment.
- This Payment Method field has a restricted list of possible values, listed as follows:
 - Electronic
 - Cash
 - Cheque
 - Pre Paid Card
 - Payment Advice
- The Payment Method Matrix in Appendix 1 is the key document that provides the following information for each DGS:
 - The payment methods it has available
 - The mapping between that method to the payment status codes, refer to 2.3.2 Payment Status Codes
 - The order of preference with which it will use the payment methods
 - The minimum data requirements it would need to fulfill that payment method
 - The currencies supported by that payment method
- The Host will be free to select the Payment Method, and will notify the Home DGS of its choice.
- A single Payment Instruction File may be fulfilled by the Host through one or many Payment Methods.

2.3.1.5 PSRF-S04 Payment Provider

- The Host provides the Home with details on which Payment Provider was used to fulfill the Payment Method.
- The Payment Method Matrix in Appendix 1 shows the Payment Providers each Host has at its disposal.
- In particular, where Payment Method is Electronic, the name of the payment network should be given as the Payment Provider, e.g. SEPA, SWIFT, BACS, GIRO, etc.

2.3.2 Payment Status Codes

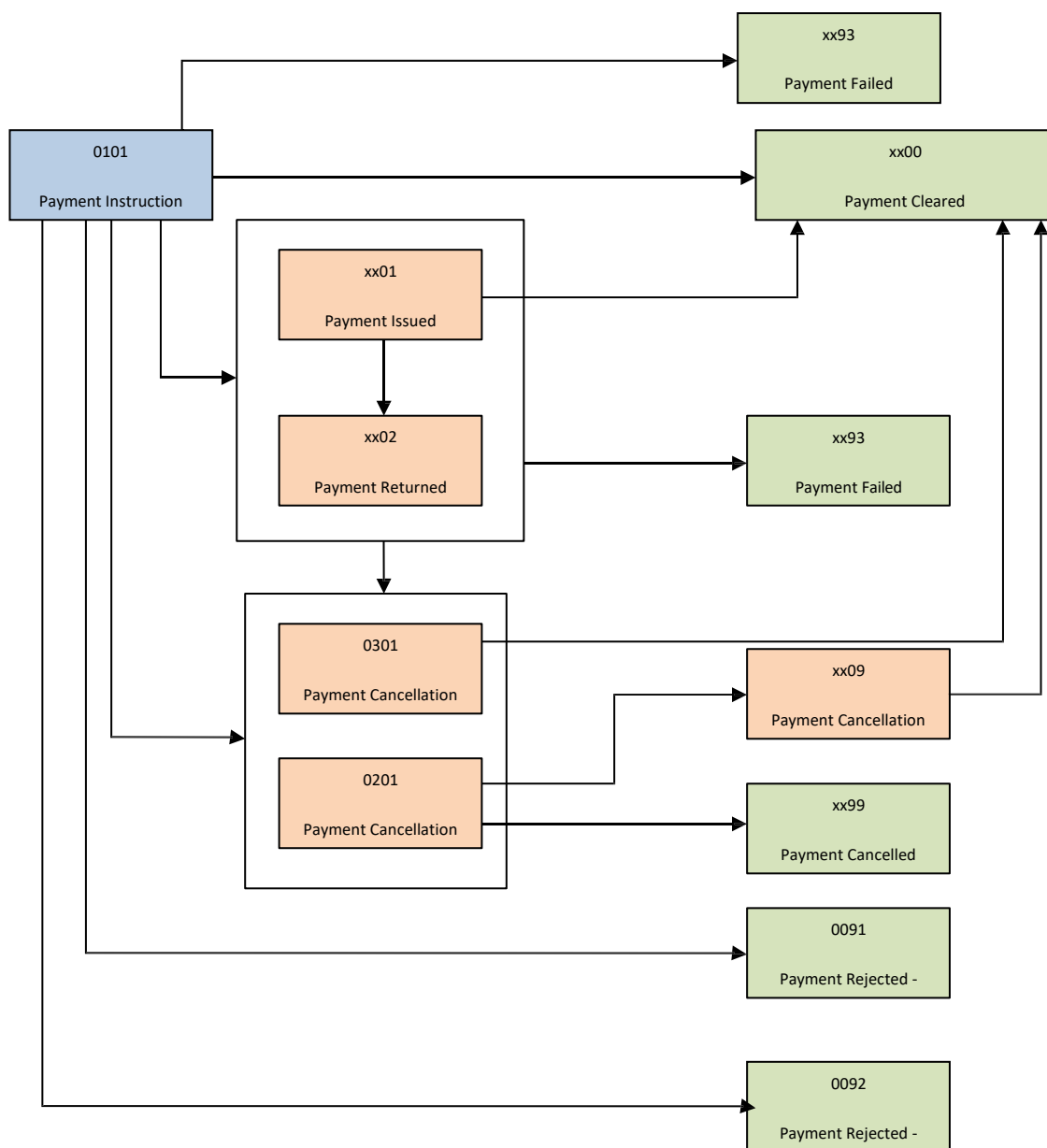
These are the payment status codes that will be included in the Payment Status Report PSRF-01 Status Code.

- xx9x signals an error or terminal non-completion of the payment transaction;
- xx00 signals success i.e. the payment provider has reported that the payee has successfully collected the money;
- xx00 and xx9x status codes are end states, all other status codes reflect payment instructions that are work in progress.

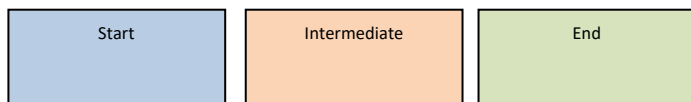
Payment Status	Status Code	Comments
DGS Feedback		
Payment Instruction Accepted	0101	Set when Host DGS accepts and acknowledges the payment instruction for processing
Payment Cancellation Instruction Accepted	0201	Set when Host DGS accepts and acknowledges the payment cancellation instruction for processing
Payment Cancellation Instruction Rejected	0301	Set when Host DGS rejects the payment cancellation instruction
Payment Rejected – Sanctions	0091	Set when Host DGS rejects the payment record due to possible sanctions match
		<u>PSRF-503 Status Supporting Info</u> Sanctions list; date of sanctions file used; date sanctions screening was conducted; and the unique reference to the sanctions record from the list.
Payment Rejected – Others	0092	Set when Host DGS rejects the payment record due to any other reason
Payment Cleared	1000	Set when the customer collects the money
Payment Issued	1001	Set when the payment has been issued to the customer, but no confirmation of cleared funds
Payment Returned	1002	Set when the payment has been returned to the Host
Payment Cancellation Failed	1009	Set when the Payment Provider failed to cancel a Payment Cancellation Request
Payment Failed or Expired	1093	Set when the Host or Payment Provider has not been able to make the payment, or the payment has expired
Payment Cancelled	1099	Set when a payment is successfully cancelled

2.3.3 Payment State Model

This state model defines the valid transitions between the payment statuses.

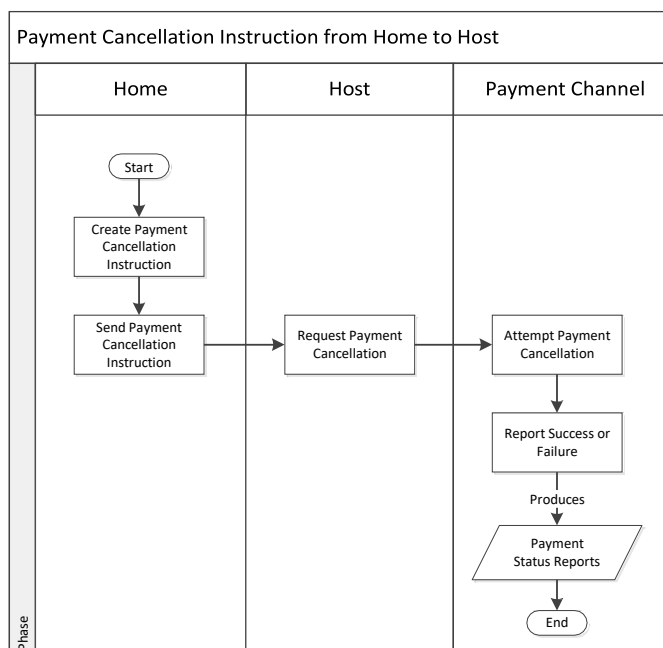


Legend



- Payment State Model

2.4 Payment Cancellation Instruction from Home to Host



- **Create and process payment cancellation instructions**

- This provides the Home DGS with the ability to halt a payment in process.
- The confirmation of successful or unsuccessful processing of the Payment Cancellation Instruction would be provided by the Host to the Home via the Payment Status Report, see 2.3
- The exact procedure to raise this and the standards governing the Host DGS' response should be agreed as part of the MoU.

2.4.1 Payment Cancellation Instruction File Format

Ref	Field	Description	Length	Mandatory	Format
Cancellation					
PCIFF-P01	Payment Instruction Unique Identifier	The unique reference to the payment instruction that should be cancelled. See PIFF-P01 Payment Instruction Unique Identifier	1-150	Y	Extended alphanumeric

2.5 Acknowledgement of File

Whenever a file is transferred between Home and Host, it is recommended that the recipient should provide the sender an acknowledgement that the file has been received successfully.

This specification does not provide an exact method to be used for this (e.g. it could be via email), and leaves this to be agreed between the Home and Host.

3 General considerations for file specification

3.1 Technical File Format

All files described in Section 2 Scenarios must be provided in XML format.

Every XML file has a mandatory header, containing the following elements:

Ref	Field	Description	Length	Mandatory	Format
Header		General Header elements for the Payment Instruction File, Payment Status Report and Payment Cancellation Instruction			
PIFF-H01	Version	Version number of the XSD used		Y	Extended alphanumeric
PIFF-H02	File Generation Time	Time the file is generated	19	Y	3.5 Date Time Format, see 3.5
PIFF-H03	Home DGS	Country code of Home DGS	2	Y	3.6 ISO Codes Format, see 3.6
PIFF-H04	Host DGS	Country code of Host DGS	2	Y	3.6 ISO Codes Format, see 3.6
PIFF-H05	Bank Reference	Home DGS' unique reference for the defaulting Bank	1-10	Y	Extended alphanumeric
PIFF-H06	Count of payments	Redundant with PIFF-H07 (to be removed when other structural changes are performed)		Y	Positive integer
PIFF-H07	Count of Payment Instruction Unique Identifiers	Count of every PIFF-P01 within the Payment Instruction File		Y	Positive integer
Specific Header		Additional Header elements for the Payment Instruction File and Payment Status Report			
PIFF-H08	Count of Unique SCV IDs	The count of unique SCV IDs (see PIFF-P02)		Y	Positive integer
PIFF-H09	Sum of Payment Instruction Amounts	The sum of the payment instruction amount (see PIFF-A01)		Y	3.3 Financial Number Format, see 3.3

The actual records should then be in the body of the file. Each record must contain all fields listed in the payment specification in Section 2; this will allow for easy conversion into a flat text file should this be required by any DGS'.

The Common XML Schema Definition (XSD) file has been included in the XML Pack for a full technical description of the file. Note that the version number has deliberately not been included in the XSD file name so as to minimize the amount of system re-configuration should the specification change in future. These XSD files support the validation of file formats described in 2 Scenarios; for a full description of the validation protocols, refer to 4 File Validation.

As XML is being used as the file transfer format, certain restrictions apply on characters. Refer to 3.2 Character Set and Encoding.

3.2 Character Set and Encoding

The file encoding is UTF-8 and character set is Unicode to accommodate national characters like €, £, ç, ü, ß, š, œ, å, ä, ö (and several more). UTF-8 was selected as the encoding method of choice as it is consistent with European payment standards.

Please note that only a subset of the available characters is allowed in some fields, and the use of some character sets may not be permitted due to Host system or Host payment method limitations.

The Home should therefore be aware of these limitations; the reference document Payment Method Matrix in Appendix 1 lists these limitations.

The responsibility to transform the data to a format that is acceptable by the Host should be agreed bilaterally.

As the file format being transferred is XML, this specification has applied the following restrictions in all cases:

- < character is not allowed, to be replaced by Home with <
- & character is not allowed, to be replaced by Home with &
- > character is not allowed, to be replaced by Home with >
- ' character is not allowed, to be replaced by Home with '
- " character is not allowed, to be replaced by Home with "

3.3 Financial Number Format

All "financial" numbers must be expressed as decimal values with two decimals. The standard XML Schema Definition Numeric Data Type of xs:decimal must be adopted.

- Decimal point is full stop (".")
- No thousand delimiters are allowed
- Maximum length is 19 characters
- Upper limit of 9999999999999999.99 and lower limit of 0.00
- No spaces are allowed
- Leading plus and minus signs are not allowed
- No currency characters allowed
- Only characters 0 to 9 and full stop (.) are allowed

Please note that "Floating Point" or "Double" values are NOT allowed. They are a complete different breed of number formats intended for scientific purposes and generally not suitable for financial calculations.

Valid examples:

- 100000.00
- 99999.99

NOT allowed examples:

- 100,000,00 (no thousand delimiters are allowed, wrong decimal point)
- 100 000.00 (no thousand delimiter or spaces are allowed)
- 100,000.00 (no thousand delimiter allowed)
- 2.2250738585072009×10−308 (a double value)
- 100000 (mandatory decimal digits are missing)

3.4 Date Format

The standard XML Schema Definition Date Data Type of xs:date must be adopted; this is YYYY-MM-DD.

The use of time zones in the dates is not required, as this format only covers dates, not times.

Valid examples:

- 2014-05-25

3.5 Date Time Format

The standard XML Schema Definition DateTime Data Type of xs:dateTime must be adopted. This is YYYY-MM-DDThh:mm:ss.

The use of time zones in the dates is not required; the time to be stamped is the local time of the party creating the file.

Valid examples:

- 2014-05-25T09:00:00

3.6 ISO Codes Format

- Currency codes are expressed in ISO 4217 in 3 characters.
- Country codes are expressed in ISO 3166-1 alpha-2 in 2 characters.
- Language codes are expressed in ISO 639-1 in 2 characters.
- BICs or Business Identification Codes are expressed in ISO 9362 in 8 or 11 characters.

- IBANs or International Bank Account Numbers are expressed in ISO 13616 up to 34 characters.
- All codes must be upper case with no leading or trailing spaces, except for language codes which must be lower case

Refer to <http://www.iso.org/iso/> for details of the standards.

3.7 Extended Alphanumeric Characters

In the world of software engineering, the term “Alphanumeric Characters” is a very strict definition of characters A-Z, a-z, 0-9. The definition does NOT include spaces, punctuation, +/- etc, etc.

Therefore we introduce the term “Extended Alphanumeric”, which is a subset of the software engineering term “Printables”. This means most characters that can be visually printed, but excludes “control characters” and a number of characters used for graphics.

Note that the use of Unicode allows for a great number of characters to be supported and transferred. It is also recognized that there might be character restrictions on Host DGS or payment network systems. This is detailed in the Payment Method Matrix in Appendix 1 for each Host DGS’ payment method.

3.8 File Naming Convention

Files transferred between the Home DGS and Host DGS should capture a unique date, time, host country, home country and file type (payment instruction, payment status report and payment cancellation request) and a bank reference. The following three examples depict this:

- Payment_Instruction_<Home>_<Host>_<Bank>_YYYYMMDDhhmm.xml
- Payment_Status_Report_<Home>_<Host>_<Bank>_YYYYMMDDhhmm.xml
- Payment_Cancellation_Instruction_<Home>_<Host>_<Bank>_YYYYMMDDhhmm.xml

YYYYMMDDhhmm is the date and time the file was created.

<Home> and <Host> is the two character ISO3166 country code for the respective Member States, see 3.6

The <Bank> is the Home DGS’ unique reference for Bank (10 characters max).

3.9 Encryption of files

All files transferred between the Home DGS and Host DGS should be PGP encrypted to ensure the integrity, confidentiality and completeness of the files being transferred.

The files will be encrypted using the receiver's public key, and decrypted using the receiver's private key; the public key information must be shared beforehand.

Use of certificates is encouraged but no specific recommendation made as yet regarding choice of certificates and issuing parties.

4 File Validation

This specification proposes a two tier file validation protocol.

4.1 First Tier Validation

The first tier of validation is implemented by the Common XML Schema Definition (XSD) as provided in [3.1 Technical File Format](#).

The primary purpose of this validation tier is to minimize any data integration errors by ensuring that the internal structure of all payment files and payment reports being exchanged between the Home and Host are consistent with the specifications of this document.

The secondary purpose of this validation tier is to ensure that the quality of data being transferred through the adoption of an enumerated set of ISO values. For example, it ensures that the currency codes being used are part of an acceptable set of values, i.e. EUR, GBP, etc.

This validation should be run by both the Home and Host thereby guaranteeing that the files being exchanged are of a common format. It is the responsibility of the Home and Host to ensure that the files they are creating are compliant and successfully passes the first tier validation.

The validations are as follows:

- Data or field length for all fields, see [2.1.1 Payment Instructions File Format](#) and [2.3.1 Payment Status Report Format](#)
- ISO code values, see [3.6 ISO Codes Format](#)
- Data type, see [3.3 Financial Number Format](#), and [3.4 Date Format](#)

4.2 Second Tier Validation

The second set of validation is not covered by this specification document.

The primary purpose of this validation tier is for a Host to ensure that the transferred file is fit for purpose and acceptable for its operations.

A file could potentially pass the First Tier Validation, however may not be fit for purpose for a Host payout for the following reasons:

- The file is not consistent with the terms of the bilateral agreement (e.g. the currency value is not as expected)

- The file contains characters that are not allowed or permitted by the Hosts' payment providers (e.g. SEPA character restrictions), refer to the Payment Method Matrix in Appendix 1
- The file does not contain sufficient data to operate its payout method, refer to the Payment Method Matrix in Appendix 1

The Home and Host must agree on which party will be responsible for the resolution of any second tier validation exceptions.

It is the responsibility of the Host to communicate and share the extent of the scope of its second tier validation with its Home.

CHAPTER 5: EXCHANGE MECHANISM

Statement of Requirements

1 Glossary

See the glossary at the beginning of the Rulebook.

2 Background to DGSD and Article 14

Article 14 of the Deposit Guarantee Scheme Directive (“DGSD”) requires that depositors at branches set up by credit institutions in another Member State shall be repaid by a DGS in the host Member State on behalf of the DGS in the home Member State. Therefore, if an EEA credit institution with branches in another member state were to fail, the host DGS would be required to administer payments to branch depositors on behalf of the home DGS.

The approach being taken forward (through the EFDI SCV Working Group) is for the host DGS to act purely as a pay box and for the home DGS to assume all liability for the data integrity. A standardised payout file has been developed by the group, which will be used to exchange the depositor information required to facilitate the payment of compensation. The proposal is that this file will contain the minimum amount of data required to enable the host DGS to make a payment through their preferred mechanism.

A secure solution for exchanging this depositor data needs to be put in place to enable the host DGS to make payments on behalf of the home DGS.

3 Background to Requirements

The EFDI SCV Working Group has met on several occasions to discuss the implementation of DGSD, and in particular Article 14: Co-operation with the Union. To enable DGSs to make payout on behalf of other member states, a common data exchange mechanism needs to be established so that payment information can be shared between home and host DGSs.

The high level requirement and focus of this document is the establishment of a secure cross-border file exchange mechanism between all involved DGSs and the ancillary services required in support of the process (collectively called the “Exchange Solution”).

The following sections outline the detailed functional and non-functional requirements of the Solution as well as other services required in its implementation and operation.

Requirements are stated in MoSCoW format and have reference numbers REQ-XX for ease of reference.

Supplementary information is also included for context, however those are not mandatory requirements.

4 Functional Requirements

At a high level, the Exchange Solution must allow users to carry out the following actions:

- Login to the Exchange Solution
- View a list of all files the user profile has access to
- Upload of files and the selection of a Destination DGS
- Download of files
- Deletion of files
- Accessing audit trail information
- Password changes

The requirements in the following sections describe these functions in more detail.

4.1 Exchange of files

- REQ-1 The Exchange Solution must enable a Source DGS to send one or more files to one or more Destination DGSs.
- REQ-2 The Exchange Solution must allow a Source DGS to specify which Destination DGS to send a file to.
- REQ-3 An uploaded file must only have one Source DGS and one Destination DGS. A single file must not be accessible by more than one Destination DGS.
- REQ-4 The Exchange Solution must allow a DGS access to only those files where it has been specified as a Destination DGS or where it is the Source DGS.

The positive confirmation from users are required to cater for instances where a download has been interrupted, or the downloaded file is corrupted.

- REQ-5 The Exchange Solution must not allow files to be edited.
- REQ-6 The Exchange Solution should allow a user to have 5 simultaneous downloads or uploads.

It is unlikely that a DGS will need to exchange files with all other DGSs at any one time.

4.2 File types

- REQ-7 The Exchange Solution must enable the transfer of the following file types:

- XML files that contain payment instructions, rejection of payment instructions, payment status reports and payment cancellation instructions.
- Scanned documentation (PDFs, Word documents)

REQ-8 The Exchange Solution should be flexible enough to accommodate the transfer of any other file type.

The Exchange Solution must have restrictions on the size of each individual file, each file to have a maximum file size of 2GB, subject to capacity restrictions as dictated in **Error! Reference source not found. Error! Reference source not found.** File size restriction of 2GB is to facilitate easy download or upload of files and also backwards compatibility to FAT16 environments. Whilst text-based payment instruction files are typically quite small, the large file limit is to provide for a future situation where larger database files can be transferred.

4.3 Cross border

REQ-9 The Exchange Solution must enable the exchange of files between the respective DGSs.

REQ-10 The Exchange Solution access permissions (addition or removal of Member States and DGSs) must be configurable.

4.4 File transfer frequency

REQ-11 The Exchange Solution must not have a system limit to the number of files transferred or accessed aside from the inherent bandwidth and storage capacity limitations.

It is anticipated that any Home DGS / Host DGS arrangements will be subject to a maximum lifespan of 6 months. The anticipated usage of the Exchange Solution is low / infrequent. This is subject to agreement between Home DGS and Host DGS.

4.5 Users and Permissions

REQ-12 All **Error! Reference source not found.** respective DGSs must have access to the Exchange Solution; however the permission attached to the access would vary on a number of factors as set out below.

	System Administrator	User acting as Source DGS	User acting as Destination DGS
Login to system	Yes	Yes	Yes
<u>View a list of uploaded files</u>	Yes	Yes	Yes

Upload a file	No*	Yes	N/A
Download an uploaded file	No*	Yes	Yes
Delete an uploaded file	No*	Yes – only where the file • has not been downloaded by Destination DGS; • a download is not in progress; and • was previously uploaded by the Source DGS (refer REQ-4)	No
Access audit trail information	Yes	Yes – only related to this DGS' activities	Yes – only related to this DGS' activities
Password changes	Yes	Yes	Yes

* Note that System Administrators would occasionally have super user or root access to the system; this is required as standard for systems support. However, if for example the Exchange Solution involves a front end, it should not extend the functionality marked with * to the System Administrator when he / she is logged in.

- REQ-13 The Exchange Solution must provide all DGSs with one or more DGS user accounts to a limit of 5 per DGS.
- REQ-14 The creation of new users will be through an IT Support request to the system administrator.
- REQ-15 The Exchange Solution must have the capability to have one or more system administrators ("System Admin") with the ability to create and maintain Source DGS and Destination DGS users.
- REQ-16 A DGS User won't have permission to create and maintain System Administrator accounts.
- REQ-17 All DGS Users must only be related to one DGS.
- REQ-18 The Exchange Solution must allow deletion by the system, subject to the rules indicated in **Error! Reference source not found.**. Therefore, an uploaded file will have one of two end states:
- Deleted by a Source DGS User
 - Deleted by the Exchange Solution when the file being older than a system-configured setting of 30 days after upload.

4.6 Audit Trail

REQ-19 The Exchange Solution must maintain a non-editable log of all transactions that have occurred. This must include the following:

- Successful logins (user name, IP address, date and time)
- Failed logins (user name, IP address, date and time)
- File uploads (user name, date and time upload complete, file name, destination, file size)
- File downloads (user name, date and time download complete, file name)
- File deletions (date and time deleted, file name)

REQ-20 The Exchange Solution must provide a DGS user the capability to view a sub population of the log file. The only transactions a DGS must have a view of are the file uploads, downloads and deletions that are related to the files it has uploaded or downloaded, and the login history of its users.

REQ-21 The Exchange Solution must allow a DGS user to download the audit log data pertaining to all the interactions listed in REQ-20 that are related to his or her DGS. This will include but not be limited to:

- Successful and failed logins for all of the DGS' users (active or inactive)
- File uploads, downloads and deletions activity carried out by the DGS' users
- For each file the DGS has uploaded, the file download activity around that file carried out by the Destination DGS' users;

REQ-22 The Exchange Solution must retain audit log data pertaining to a DGS for as long as required by the DGS. Any archival or permanent removal of audit log data must be raised and managed through an IT incident and managed as a system support activity.

5. Non-Functional Requirements

5.1 Security

- REQ-23 The Exchange Solution must enable the secure exchange of files.
- REQ-24 The configuration, implementation and maintenance of the Exchange Solution could be consistent with the security standards set out in ISO/IEC 27001:2013. Note that certification in ISO/IEC 27001:2013 is not a mandatory requirement.
- REQ-25 The Exchange Solution must secure the data whilst it is being transmitted consistent with industry standards.
- REQ-26 The Exchange Solution must meet industry standard user authentication and administration practices.
- REQ-27 The Exchange Solution won't encrypt the data at rest; it will be the responsibility of the Source DGS to encrypt any files prior to transmission.
- REQ-28 The Exchange Solution must use encryption methods that are consistent with the standards defined in ISO/IEC 18033 Information technology – Security techniques – Encryption algorithms.
- REQ-29 Passwords must be changed every 3 months and digital certificates (if used) annually, and in all cases to be consistent or more restrictive than the password and access policies of all DGSs **Error! Reference source not found..**
- REQ-30 The Exchange Solution must be able to support and provide evidence of compliance against the security requirements.

5.2 Performance

- REQ-31 The Exchange Solution should achieve a UI response time of under 5 seconds for all the following activities:
- Login to the Exchange Solution
 - Commence upload of files *
 - Selection of a Destination DGS for a file upload
 - Commence download of files *
 - Deletion of files
 - Accessing audit trail information
 - Password changes

* Note that the response time stated does not include the upload or download time required for a file which is in any case subject to bandwidth limitations on both the server and client side.

5.3 Scalability

REQ-32 The Exchange Solution should have scalable processing, storage and bandwidth capacity if required; this will be managed as part of the standard change management process.

There are currently no anticipated processing, storage and bandwidth scalability requirements over the next 5 years.

5.4 Availability

REQ-34 The frequency of use of the Exchange Solution and elongated payment time frames do not warrant a high availability requirement. The minimum that the system should be available for is to set up a connection on demand within 2 hours, and with a low level of availability (90%).

REQ-35 The IT Support capability must be available during standard working hours 5 days a week and, where reasonable, outside standard working hours eg in the event of a payout.

5.5 Reliability

There are no system or infrastructure reliability requirements over and beyond what is required to support the Availability requirements.

5.6 Usability

REQ-36 All users must be able to complete the following activities on the Exchange Solution with minimal training.

- Login to the Exchange Solution
- Upload of files and the selection of a Destination DGS
- Download of files
- Deletion of files
- Accessing audit trail information
- Password changes

5.7 Global/Multi-Language Support

- REQ-37 The default language of the system and any supporting services must be English at a minimum.
- REQ-38 The Exchange Solution could provide support for other languages.

5.8 Compatibility

- REQ-39 The Exchange Solution must be compatible and accessible by all involved DGSs
- REQ-40 At a minimum, the Exchange Solution must be compatible with the following software, depending on the ultimate platform of the Exchange Solution:
- MS Internet Explorer 9.0

5.9 Data Back Up and Recovery Requirements

- REQ-41 The Exchange Solution won't provide any data backup capabilities to reduce the storage footprint of files.

The nature of the Exchange Solution is transitional in nature. It is the expectation that Home DGS will backup and maintain any files that they own within their internal IT estates. Host DGS will comply with home DGS instructions on how to handle all files related to the Home DGS. It is beyond the remit of this paper to specify this.

5.10 Archive and Retention

- REQ-42 The Exchange Solution won't have any archival capability beyond the functionality already described in the other sections of this document.
- REQ-43 Whilst the Exchange Solution won't have any specific functionality to manage archival of audit logs, the archival of audit logs will be possible per **Error! Reference source not found..**

Users of the Exchange Solution are responsible for ensuring that the retention and archival of aged files are compliant with their own internal policies.

The expectation is that the functionality defined within this document will allow all users to operate the Exchange Solution consistently with internal policies.

5.11 Training Requirements

REQ-44 The Exchange Solution must provide all DGS' with an instruction manual on the following use cases:

- Login to the Exchange Solution
- Upload of files and the selection of a Destination DGS
- Download of files
- Deletion of files
- Accessing audit trail information
- Password changes

REQ-45 The Exchange Solution or any possible suppliers of the service won't provide any training for DGS staff on how to operate the exchange mechanism.

5.12 Incident Management

REQ-46 The Exchange Solution must include IT support capability to resolve IT issues and incidents within 1 one working day or otherwise agreed.

REQ-47 System Administrators must only be provided super user or heightened access for a time bound period to allow him or her to perform support activity. After completing support activity, he or she must log off in order to no longer have heightened access.

5.13 Configuration/Change Management

REQ-48 The Exchange Solution must include a configuration or change management capability.

REQ-49 All major changes must be approved, impact assessed by all configured DGSs, with fully documented requirements and functional and technical specifications and undergo system, integration, UAT and performance testing.

5.14 Decommissioning

- REQ-50 If required the decommissioning of the entire Exchange Solution must be carried out within the space of 6 months on receipt of unanimous agreement amongst all configured users.
- REQ-51 All audit trail data that a DGS has access to up to date of decommissioning must be extracted and provided to the DGS in a flat file.
- REQ-52 All remaining files on the Exchange Solution must be permanently deleted as part of the decommissioning.

5.15 Testing Requirements

- REQ-53 The Exchange Solution must support at a minimum annual testing of all connections (access, upload and download) between all DGS'.
- REQ-54 All major configuration changes and change requests must undergo system, integration, UAT and performance testing.
- REQ-55 If required the Exchange Solution must be available for connectivity testing within 24 hours.

It is expected that as part of the initiation of a Home / Host DGS payout arrangement, a connectivity test would be conducted between the Home DGS and all the Host DGS' to ensure that files can be successfully transferred.

5.16 Monitoring & Alerting Requirements

- REQ-56 The Exchange Solution must monitor system performance and capacity and alert IT Support when the system is reaching its limits, or a system failure has occurred.

5.17 System Management Requirements

- REQ-57 All system management must be handled by IT Support.

5.18 Volume and Storage Capacity and Capacity Management

- REQ-58 The Exchange Solution must provide each Source DGS a minimum of 5GB storage capacity for files to be transferred.

- REQ-59 The Exchange Solution must provide each Source and Destination DGS a minimum of 1GB storage capacity for audit trails.
- REQ-60 The Exchange Solution should have scalable storage capacity should the storage limitations be reached.

5.19 Connectivity

- REQ-61 The Exchange Solution must support a minimum bandwidth of 10 Megabits per second (Mbps) for both file uploads and downloads.

5.20 Accreditations

If the Exchange Solution is not ISO 27001:2013 accredited, then the following shall be applicable:

- REQ-62 If the Exchange Solution is to be delivered by a central supplier, the Supplier should be ISO9000 accredited or have an equivalent quality assurance approach for the full scope of the services.
- REQ-63 If the Exchange Solution is to be delivered by a central supplier, the Supplier should comply with the ISO22301 industry standard for Disaster Recovery / Business Continuity or have an equivalent quality assurance approach for the full scope of the services.

5.21 Implementation Schedule

- REQ-64 The Exchange Solution should be fully stood up and functionally tested, by 8 December 2016 as far as possible and in any case in the shortest possible delay after the adherence to the Cooperation Agreement.
- REQ-65 Connections between all **Error! Reference source not found.** via the Exchange Solution (both upload and download) should be fully tested, by 31 December 2016 as far as possible and in any case in the shortest possible delay after the adherence to the Cooperation Agreement; however, the exact scope of the testing will be confirmed at a later date.

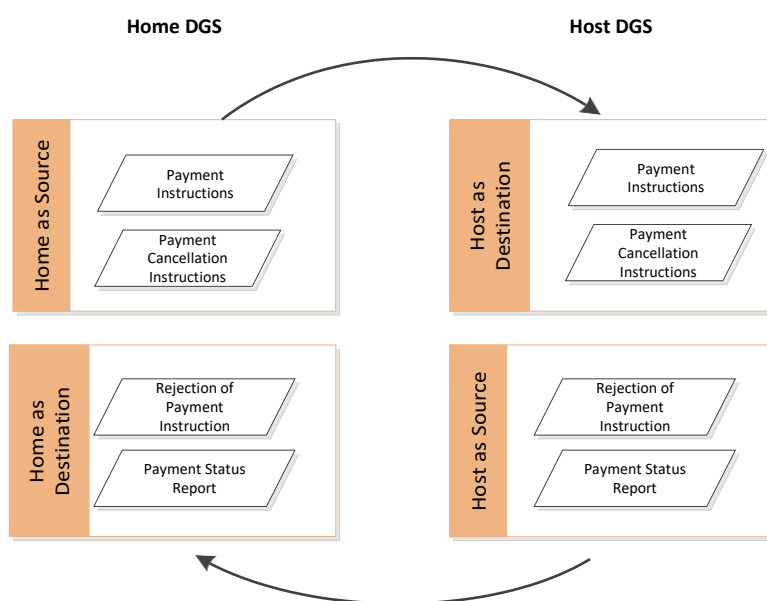
6. Payment Solution Use Cases

Four use cases have been identified and documented covering how the Exchange Solution will be used.

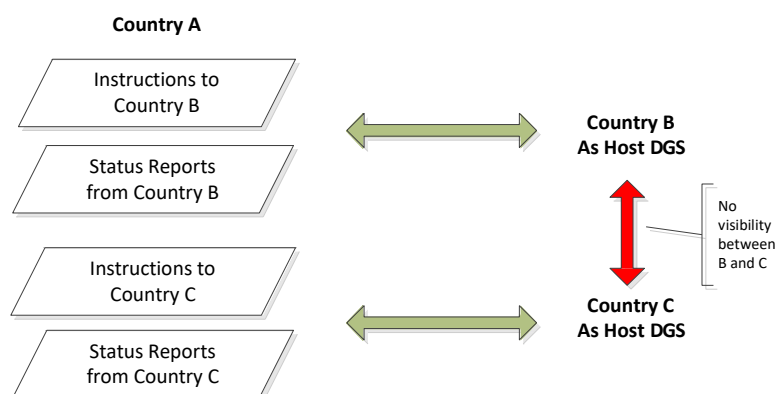
The four use cases cover the transferring of files related to:

- Payment Instructions from Home to Host;
- Rejection of a Payment Instruction from Host to Home;
- Payment Status Reports from Host to Home; and
- Payment Cancellation Instruction from Home to Host.

A Home DGS and Host DGS can both play the role of Source and Destination. The following is an illustration of a typical lifecycle of an Article 14 payout operation. This assumes a default has occurred at the Home DGS, and there is only one Host DGS.



There could also be instances where there are multiple Host DGS for the same default. The following is an illustration of a default happening in Country A which has branches in Country B and Country C.



There could also be instances where a country can be both a Home DGS and a Host DGS i.e. it is managing a defaulting deposit taker within its scheme, and also supporting another country in making compensation for branches within its borders.

CHAPTER 6: DEPOSITORS & MEDIA COMMUNICATION TOOLS AND INSTRUCTIONS

The Cooperation Agreement stated that for all Communication Messages and Communication Tools, the Parties shall follow the prescriptions specified in the H2C Rulebook. This Chapter provides substance to the terms of Provision 12 of the Cooperation Agreement, by setting detailed prescriptions for the Communication Tools used by the Parties along the Payout Process. This chapter is to ensure key arrangements are mutually recognized, addressed, and prepared by the Home and Host DGSs for smooth functioning of a Payout Event communication.

The main goal for the Tools and Instructions included in this Chapter is to describe the process and to prepare the communication materials with the necessary translations in advance of a Payout Event. The aim is to enhance capabilities to respond inquiries from the depositors affected by the Payout Event and, when relevant, from the media representatives and wider public. For each Communication Tool there is a separate paragraph (see list below).

Home and Host DGSs are entitled to adapt the texts included in the templates to adjust the messages to the specificities of the Payout Event, market, or other particular needs.

The Communication Tools will be exchanged by the Home and Host DGSs via the Exchange Mechanism as described in Provision 10 of the Cooperation Agreement and the corresponding provisions about the Exchange Mechanism.

In addition to the documentation preparation process, this Chapter facilitates the Parties to inform each other about:

- (1) general background of the Payout Event;
- (2) anticipated timeline of the Payout Event;
- (3) contact details of the communication experts.

Communication Tools	Template
1/De minimis set of Tools:	
1 A/ Payout Announcement Document	Y
1 B/ Press Release Document	Y
1 C/ Questions &Answers Document	Y
1 D/ Queries and Claims Form	Y
1 E/ Web page	Y
1 F/ Phone Service and e-mails answering	N
2/ Other communication Tools: Optionally and bilaterally triggered	
2 A/ External Call Center Phone Service	N
2 B/ Letter with general content	N
2 C/ Letter with SCV/personalized content	N
2 D/ Printed documents, posters	N
2 E/ Media buying	N

2 F/ Social media platforms contents	N
2 G/ Communication Reporting Sheet	Y
2 H/ Media monitoring	N
2 I/ Payout Confirmation Document	N

1 De minimis set of Tools

This section provides substance to Provision 12.2 of the Cooperation Agreement, which lists the Minimum communication set of tools, which “unless otherwise agreed by the Parties in the Bilateral-Spec., the Parties shall use in the course of the Payout Process”.

Each prescription is defined with:

- **Function:** description of the tool and its main communication objectives;
- **Instructions:** main steps of procedure between Home and Host DGSs;
- **Contents:** description of the information contained;
- **Template** for inspiration: a pattern on how to design it as a result.

1 A/ Payout Announcement Document

Function :

The Payout Announcement Document officially describes the Payout Event, in terms that are legally approved. By this document, Home DGS informs Host DGS on the main facts of the failure, compensation procedure and timing. This document can also be published for the Host Depositors. This document is updated at the main stages of the Payout Process:

- a) start of the Payout Event;
- b) start of the Payment Process;
- c) intermediary steps (in option).

Instructions:

1. Written in Cooperation Language by the Home DGS;
2. Sent with no delay to the Host DGS;
3. Translated by the Host DGS to their official language(s), if needed;
4. On a set release date, it could be published on the Host DGS website;
5. Sent to the Host media and press contacts by the Host DGS as attachement of the Press Release document (1B);
6. Distributed internally to inform employees, and distributed to phone/call center operators in charge of receiving and answering incoming calls;
7. Distributed to any other operators in charge of other Communication Tools (i.e. social media community managers, or customer services at agent banks for instance) by agreed principles.
8. Displayed on the windows of branches of the failed bank as well as on website/ social media platforms of the failed bank;
9. Displayed at the Agent Bank public spaces, if any;
10. Used as the Reference Document for any other Communication Tools and Communication Messages that would be developed all along the Payout Process

Contents:

- a. Time/day of the bank closing
- b. Time/day of starting the Payout
- c. Legal references, the closing Decision of the competent authority and further reasoning of the Decision if needed

- d. Role of Home DGS and role of Host DGS, legal references and modalities of the cooperation between DGSs
- e. Covered products
- f. Amount covered, compensation limit and currency of the Repayment
- g. Payment timeframe, Tools and processes
- h. What the depositors need to do (if required: what is expected from them to be compensated (opening a new bank account,...), how to proceed with claiming depositors
- i. The right to additional compensation in case of THB's – legal requirements, compensation process and what depositors may need to do
- j. Release date and time if the Payout Announcement Document is published (embargo until DATE, for immediate release, note possible time zone differences)
- k. Other documentation at disposal to depositor and media for further information
- l. Host DGS Contact for further enquiry: web site, phone, address and opening hours and days.

+ Optionally:

- m. Resource of the money
- n. Financial condition of the DGS (e.g. issued bonds, extraordinary premiums etc.)
- o. List of other branches of the failed bank
- p. Country statistics on the bank and its depositors
- q. Numbers on the reimbursement (number of depositors, amount of payable, average deposit size etc.)
- r. Link to the liquidator

Template:

See below.

Template: Payout Announcement

logo(s)

(Date of announcement)

ANNOUNCEMENT

about the compensation of the depositors of (Credit Institution) on behalf of (Home DGS)

Cause:

On (Date) in its resolution (No.), the (Competent Authority) revoked the operating licence of (Credit Institution).

or

On (Date), the Court made a bank insolvency order against (Credit Institution) with the result that it is in default.

or

On (Date), the (Competent authority) determined that in their view (Credit institution) appears to be unable for the time being, for reasons which are directly related to its financial circumstances, to repay the deposit and the institution has no current prospect of being able to do so.

Trigger and legal reference:

According to (Relevant Act), (Host Country) depositors of the (Credit Institution) will be compensated by the (Host DGS) on behalf of the (Home DGS). (Home DGS) therefore asks (Host DGS) to start preparations for Payout of depositors in (Host Country).

Time of starting the Payout:

According to the (relevant agreement) signed on (date), (Host DGS) should start paying out the depositors of the (Credit Institution) within (Number) working days.

Amount of compensation:

The maximum compensation amount payable to a depositor on insured deposits and interest is 100,000 EUR.

or

Pursuant to the (Relevant Act), (Host DGS) will make personalised payments on deposit and interest claims calculated up to (Date of Closing) in the amount of (Host Currency), equivalent of maximum EUR 100,000 per person.

Covered products:

(Host DGS) on behalf of the (Home DGS) will compensate owners of the protected savings products (list to be completed) of the (Credit Institution).

Method of Payment:

Host DGS on behalf of the (Home DGS) will compensate depositors of (Credit Institution) via (method of payment description)...

(Host DGS) will use the following Payment channels to complete the compensation of depositors...

What depositors need to do:

Depositors of (Credit Institution) do not need to submit a claim for compensation.

Payments will be automatic and based on the personal details (names, addresses,...) and corporate details kept in the database of (Credit institution).

THB owners:

Depositors with THB need to (process for THB claim) in order to have their compensation.

Claiming depositors:

Claiming depositors need to fill the Complaint form (...), the complaint will be assessed within (...) days.

If national legislation so provides, the DGS may also accept complaints from depositors which have presented it using a method different to the Complaint form.

Also, if national legislation so requires, a reference to the time to deal with the complaints will be added.

Contact:

Contact details:

1 B / Press Release Document

Function of the document:

The Press Release describes the Payout Event and is used primarily for media purposes considering that the Host DGS shall inform and may comment to the media in the Host Country:

1. Explain in general terms the respective roles of the Host DGS and Home DGS under the Agreement and Art. 14 of DGSD2;
2. Announce the Payout Event;
3. Describe the Payout Process, i.e. the timeframe of depositors compensation process ;
4. Comment on the receipt and processing of payment Instructions from the Home DGS, including their timing;
5. Refer to facts regarding the Payout Event that are already publically available; and explain basic Instructions for depositors to present a Payout Claim to the Home DGS (including in relation to Temporary High Balances, where relevant).

The Press Release is published on the occasions of:

- Announcement of the Payout Event
- Start of the Payout Process
- Intermediary steps (in option)
- End of the Payout Process

Instructions for Preparedness Phase:

The Press Release is written in the Cooperation Language and sent to the Host DGS through the Exchange Mechanism as defined in the RB Chapter 2, 2(i). Host DGS may add local adjustments or adaptations.

Host DGS translates it in their official language(s) and stores it for later use if needed.

Instructions when a Payout Event occurs:

Home DGS fills the template of Press Release with data relevant for the Payout Event and sends it without delay to the Host DGS. Host DGS publishes it on its own communication channels (i.e. DGS web site, social media platforms if they are agreed as a Communication Tool, etc.) and distributes it to the media and/or press agencies at the release date predefined by the Home DGS for respecting a consistency of information through all jurisdictions implied.

Host DGS answers any enquiries and questions coming from external public (depositors and media) after the publication of the Press Release.

Contents:

1. Relevant information from the Payout Announcement Document , see **A/** Payout Announcement document above
2. + the appointed Press contacts (name, mobile phone, email) who is authorized
3. Release date and time (embargo until DATE, for immediate release, note poss. time zone differences)

+ Optionally covered topics:

4. Source of the money
5. Financial condition of the DGS (e.g. issued bonds, extraordinary premium etc.)
6. List of other branches of the failed bank
7. Country statistics on the bank and its depositors
8. Numbers on the reimbursement (number of depositors, amount of payable, average deposit size etc.)
9. Link to the liquidator

Template:

Template for the Press Release announcing the Payout Event is provided. The current version of the H2C Rulebook does not provide templates of Press Releases corresponding to other Payout Event phases.

Template: Press Release

Logo(s)
(Dateline)
(“For Immediate Release”)

Headline:

(Host DGS) to start paying out the depositors of the (Credit Institution) in the (Host Country)

Cause:

As a result of Decision (No.) of the (Competent Authority/Competent court) (...), the DGS was activated within the meaning of the (Relevant Act). According to the Directive on Deposit Guarantee Schemes and following agreements signed by the (relevant DGSs), (Host Country) depositors of the (Credit Institution) will be compensated by the (Host DGS) on behalf of the (Home DGS).

Lead:

(Host DGS) will start paying out the depositors of the (Credit Institution), within (Number) working days. The depositors of (Credit Institution) can receive a maximum compensation of (Number in EUR or local currency) independent of whether they are individual or corporate customers.

Body:

Depositors of (Credit Institution) will soon be informed by the Host DGS about how they will receive compensation, how they can make sure that they are compensated, what they can expect in general and how they will be informed.

(Host DGS) will use the following Payment channels to pay compensation to the depositors.

Other information:

To be completed if needed

Contact Information:

For further information:
(Spokesperson or media contact name)
(Mobile)
(Email)

1 C/ Questions & Answers Document

Function:

This document summarizes the predicted and most frequently asked questions and tells the right formulation of answers and messages to be communicated.

This document is produced for mainly internal purposes, designed to be used by the Host DGS people in charge of press/media contact, official speakers, and call center teams for answering consistently all incoming questions.

Each question has a response written in „simple language” that is the exact wording to be used by operators in charge of relation with external public.

The Questions & Answers Document is for official use between DGSs/Parties. Extract from the Question & Answers document shall also be published on Host DGS website.

*Instructions for **Preparedness Phase**:*

- Home DGS writes the Q&A template (list of general Q&A's that usually occur in a Payout and are related to a Payout) in Cooperation Language
- Home DGS provides this template to Host DGS through the Exchange Mechanism as defined in the RB Chapter 2, 2(i)
- Host DGS translates it to their official language(s), adds any other Q&A's if relevant and stores it for later use if needed

*Instructions when a **Payout Event occurs**:*

Home DGS reviews the provided Q&A template, adds specific Q&A's relevant for the given Payout and informs the Host DGS about the update.

Host DGS distributes it and trains the operators it has dedicated to be in contact with external public, media and depositors.

All answers have to be written carefully to deliver the right message and to be adjusted at the specificities of the Case: clear and comprehensive, real information, facts, figures, legal foundations and procedures.

The Q&A's should be updated regularly during the Payout Event. Updates should be marked clearly into the document.

Contents:

The Q&A document lists the main frequently asked questions and their answers that Depositors and Media can ask all along the Payout. It can involve those topics:

1. General questions on the DGSs
2. Resources of the DGS
3. the Case and its set off
4. Limit/Amount of compensation
5. Depositors-related questions
6. Deposit types
7. Process of Payout
8. Over the limit
9. Others

Template: Questions & Answers

This Q&A template lists, for inspiration, the main recurring questions that might occur during a case. The list is informative and not exhaustive. Parties can agree on different or additional Q&A's or specific Q&A's related to the Payout Event.

Host DGS:

Date:

Credit Institution :

Generalities on DGSs:

1. *What is the purpose of a DGS?*
2. *What are the respective roles of the Host DGS and the Home DGS?*

Resources of the DGS:

3. *What is the DGS's size?*
4. *Does the DGS has enough money?*

Limit/amount:

5. *How much compensation will I get?*
6. *What about any exchange rate?*
7. *Is interest on a deposit included in compensation?*
8. *What will be the currency of the compensation?*
9. *How much interest is paid on deposit insurance if the interests due under the deposit contract have not been credited yet? Is anything deducted from the interest (interest tax)?*

Depositors-related:

10. *Who are the eligible clients?*
11. *What shall I (as Depositor) do?*
12. *What do I have to do to claim for the compensation?*
13. *What happens if I am not happy with the amount the [DGS] pays me?*
14. *I have lost access to my main bank account so I do not have any money. Can I get a priority payment?*
15. *What is the coverage limit for depositors?*
16. *What about a joint account holder who is underage?*
17. *What about if the deposit owner is deceased?*
18. *What about underage depositors?*
19. *What about legal entities?*
20. *What about foundations?*
21. *What about local municipalities?*
22. *What about school cooperatives?*
23. *My name has recently changed (divorce, marriage), what do I need to do?*
24. *My address has recently changed (divorce, marriage), what do I need to do?*
25. *I live abroad, what do I need to do?*
26. *Are proxy holders entitled to compensation?*

Deposit types:

27. *What about Temporary High Balances (THB)?*
28. *What are the covered and non-covered products?*
29. *What about a joint account?*

30. *What about other specific accounts, such as long-term investment account, life insurance accounts, securities etc.*

31. *What about guardianship deposits?*

32. *Are bonds and certificates of deposits covered by the DGS?*

33. *Does the DGS cover bonds, repos and other investment types?*

34. *What about collective deposits?*

Process of Payout:

35. *What are the Method(s) of Payout?*

36. *Role of agent bank if any?*

37. *What to do for claiming?*

38. *When will the compensation start?*

39. *What is the order of Payout (will you pay depositors in alphabetical order)?*

40. *What to do with the pre-paid card the DGS has sent to me?*

Over the limit:

41. *What will happen with money in a deposit beyond the guaranteed limit (100,000 EUR)?*

Other questions:

42. *Any fees or taxation?*

43. *How long can the money stay unclaimed?*

44. *If I keep my money in a safe-deposit box in a bank, is it guaranteed by the DGS?*

45. *Which other banks participate in the DGS?*

46. *How soon and from which institution will I receive my compensation in the event of deposits in a credit institution being unavailable?*

47. *How does the coverage limit of 100,000 euro per depositor per bank apply after a merger between two banks?*

48. *Does co-insurance apply to deposit insurance?*

49. *Do deposit insurance claims have a limitation period?*

50. *Where are the branches of the paying agent bank?*

1 D/ Queries and Claims Form for Depositors correspondence

Function:

Home DGS provides a form for specific correspondence for queries and claims addressed to Home DGS through the Host DGS. The Home DGS may also include in the form the THB claims. Home DGS requests Host DGS to distribute these documents to Host Depositors or to the public in Host DGS Country.

*Instructions for the **Preparedness Phase**:*

1. Home DGS provides its template(s) to Host DGS in the Cooperation Language.
2. Host DGS translates it/them in their official language(s) and stores it/them for later use if needed

*Instructions when a **Payout Event** occurs:*

1. Home DGS reviews and adjusts, if needed, the prepared template(s) for the specific Payout Event
2. Home DGS informs the Host DGS about the update
3. Host DGS posts it on its Web site at the dedicated page on the Payout Event
4. It transmits it to its operators in relation with external public
5. Host DGS receives the claims, translates them in the Cooperation Language before transitting them to Home DGS.
6. Host DGS translates the answer of Home DGS in the depositor language, then transmits the response to the depositor.

Contents:

This form is a simplified one-page document:

1. with headings to be filled in by the depositor: identity, name, address, telephone, postal code, personal code and any other relevant information;
2. a text area to be filled in for explanation of the claim, reduced at a minimum with boxes to be ticked;
3. the list of required supporting documents required for analysis.

Template:

See below

A template form for queries and claims is provided.

Template: Queries and Claims Form

Host DGS Name/Logo CLAIM FORM Name of the Credit Institution	
DEPOSITOR INFORMATION (PRIVATE INDIVIDUAL): Bank for which this claim is submitted: Depositor Identification number: [ID number, Tax Identification number,] SCV number: Mr ☐ Ms ☐ Surname: Middle name: First name: Permanent or Current? Address: Postal Code: City: Country: Telephone: E-mail address:@.....	
DEPOSITOR INFORMATION (LEGAL ENTITY): Company name: Trade Register No.: Bank Account Identification:	
PROXY HOLDERS / REPRESENTATIVE OF THE DEPOSITOR: Mr ☐ Ms ☐ Surname: Middle name: First name: Relationship (parent, child, legal guardian) or role for the claimant (legal representative, etc.) Permanent or Current? Address: Postal Code: City: Country: Fixed-line telephone: Mobile telephone: E-mail address:@.....	
REASON FOR CLAIMING: 1. Accounts: 1.1 <i>I disagree with my account/s balance/s</i> ☐ Additional data: (e.g. account number, source of error...): 1.2 <i>All my deposits accounts are not included in the compensation</i> ☐ Additional data: (e.g. number of the missing account,): 1.3 <i>I have claimed Temporary High Balance Deposits (THB), I was not compensated yet</i> ☐ Additional data: (e.g. proof of bank transactions, proof of THB):	
2. Eligibility: 2.1 <i>I should be entitled to compensation</i> ☐ Additional data: (e.g. proof of identity, proof of account/s)	
3. Overdue claims and other claim issues: (describe briefly and clearly) Additional data: (e.g. any other appropriate document).	
Attachments: Presentation of supporting documents is required. Those can be, depending on the circumstances and legal requirements of the given country: Proof of identity (identity card, passport) - Proof of address (rent receipt, property owner costs, EDF, GDF or telephone bill) - Last bank statement received from the failed bank - For legal entities, registration certificate - Proof of bank transactions in case of disagreement with the compensation amount...	
Date:/...../20... Declarer: (signature)	

1 E/ Web page

Function :

The web page on the Host DGS official web site presents the key information and contacts related to the Payout Event relevant in the Host country.

In addition to country-specific information, the website of Host DGS shall contain all information regarding the Payout Process in the aim of informing depositor and media and reassuring them considering the anxiety of the situation.

*Instructions for **Preparedness Phase**:*

Both Parties ensure that a specific Web Page section is prepared on the Host DGS website for any Payout Event. They shall anticipate its finalisation to meet the demand in case a Payout Event occurs.

*Instructions when a **Payout Event** occurs:*

1. Home DGS sends to the Host DGS the content to be published in an adequate format (doc or rich text file format + images in jpeg format).
2. Host DGS translates the content into their official language(s).
3. Host DGS posts the information at the Day/Hour required by the Home DGS (for cross border consistency of information)
4. Host DGS is committed to publish it on its web site with a sufficient visibility and user-friendly access
5. The content is reviewed and updated regularly during the Payout Event.

Contents (in web page and in downloadable format):

This web Page shall provide at a minimum the following content:

1. Payout Announcement
2. Press releases for different phases of the Payout Event (announcement, start of the payment, etc.)
3. Contact, phone number and Postal adress of the Host DGS for depositors
4. Contact and phone number for media
5. Queries and Claims form, if relevant, in downloadable and editable formats

Additional comprehensive information:

6. Process and timeframe of compensation
7. THB procedure
8. Claims handling procedure
9. Process in specific cases (joint account in case of death of one beneficiary, ...)
10. Frequently asked questions/answers (extract)
11. Email access for direct submission or questions (optional)
12. Home DGS contact (optional)

Template:

See below.

Template: Host DGS web site page dedicated to the Payout Event Information

Header		
	Announcement of the Payout Event Press releases - downloadable documents 	
	Contact: <i>phone number of the Host DGS : 0 800 800 12 12</i> <i>Email access:</i> <i>Postal address of the Host DGS:</i> <i>Home DGS web site : www..... (in option)</i> <i>Contact for the media:</i>	
	Other: Queries and Claim Form - downloadable document  THB Form - downloadable document 	
Footer		

Press Release - downloadable document  : to be integrated under the PRESS or MEDIA menu point of the Host DGS web site.

1 F/ Phone Service and e-mails answering

Function :

The Phone Service is a main point of touch for external public that provides confidence and closeness. It is the only direct and human contact for answering questions from depositors, media and any other audience (clients of other banks, general public), reducing the anxiety of the situation and reassuring public. At the same time, it is also important to answer the incoming e-mails from this audience. First 48 hours are crucial in order to establish confidence.

*Instructions for the **Preparedness Phase**:*

The Parties ensure that a Phone service and an official e-mail address for questions from depositors and general public is available for any Payout Event at the time of the announcement of the bank failure. The phone service and e-mails answering can be provided either internally by the Host DGS employees or if this is not sufficient, by an external call center (see section 2A/ of this Chapter), depending on the bilateral agreement between the Parties.

*Instructions when a **Payout Event** occurs:*

1. Home DGS provides to Host the Q&A's and any specific Instructions for receiving and answering incoming calls and incoming e-mails.
2. Host DGS publishes a phone number accessible to any external public enquiries of Host Depositors or media, available at opening hours. Host DGS also publishes an official e-mail address. Numbers and e-mail address are posted on all documents of the communication set.
3. Operators are to be trained by Host DGS for receiving and answering calls and e-mails.
4. (optionally) Phone numbers and/or operators may be splitted into two specific lines, for media and depositors or any other relevant audiences.

Contents to be provided to operators:

1. Technical Instructions to operators
2. Q&A document for receiving and answering calls and e-mails in easy and short sentences, and real examples
3. Payment Announcement Document (for deeper background information)
4. Press Releases (for journalists and press contacts)

2 Other Communication Tools

Those Tools are optionally and bilaterally triggered, as well as further defined by the Parties. Only a description of function and Instructions, if any, is provided below.

2 A/ External Call Center Phone Service

Function:

Initially use an internal Call Center (section 1F/ of this Chapter). A complementary Call Center Service may be opened considering the number of incoming calls and e-mails to be treated and resources available.

Instructions:

Practical considerations for setting up and managing call centers are:

Telephone number:

- ☐ one unique number
- ☐ or more

Rate:

- ☐ local rate (black)
- ☐ reduced rate (blue)
- ☐ total free rate (green)

Activation:

- ☐ Ready to operate at the time of the announcement of the bank failure or the internal Call Center runs out of capacity.

Servicing hours:

- ☐ working hours / working days
- ☐ working hours / 7 days a week
- ☐ 24 hours / working days
- ☐ 24 hours / 7 days
- ☐ Extended hours /...

Estimated capacity requirements and other functional requirements:

1. Number of clients:
2. Number of calls per day:
3. Number of e-mails per day:
4. Average length of calls (min.)
5. Estimated number of calls/e-mails the first 24 hours
6. Estimated maximum daily peak (number of calls/e-mails)
7. Target waiting time for calls and answering e-mails
8. Abandoned/missed calls (rate)
9. Assignment for incoming calls, out coming calls (call back process)
10. Assignment of who may reply to e-mails
11. Reporting and daily statistic required

Content of answers:

- ☐ General answers to questions = i.e. no answer about accounts and amounts at the Host
- ☐ SCV treatment to be processed from the Host back to the Home DGS.

Other IT and legal specifications:

- ☐ recorded calls (for legal requirements/claims proofs) and IT requirements on how to record, store, handle and search recorded files
- ☐ registration of incoming and outgoing e-mails

Disaster Recovery Site Process:

- ☐ Yes, Maximum reactivation time (hours)
- ☐ No

Maintenance:

- ☐ A dedicated team trained during peace time, ready to intervene
- ☐ No dedicated team in peace time

2 B/ Letter to Host Depositors with general content

Function:

When a one-to-one message is required by legislation or any national policy, or can be necessary to carry out the payment through the selected Payment Method.

Instructions:

1. Such a general letter would be drafted in close cooperation between Home and Host DGS, taken in consideration specific local circumstances like Payment method.
2. Host DGS translates it in their official language(s)

2 C/ Letter to Host Depositors with personalized content

Function:

It may occur that a one-to-one personalized message to Host depositors is required by legislation or any national policy or may be necessary to carry out the payment through the selected Payment Method. An example of such a personalized message is that the Home DGS may send an official 'decision letter' stating the amount of compensation of a certain depositor.

Instructions:

1. Host DGS will send the official decision letter unless (i) there were technical constraints of the Host DGS to carry out the sending or (ii) Home and Host DGSs agree otherwise.
2. Host DGS translates the content in Host official language(s)
3. If the letter is sent by Home DGS in the language of Home DGS, the translation to the official language(s) of Host DGS will be added as a cover letter

2 D/ Printed documents, posters

Function:

When a one-to-many message is required for reinforcing the delivery of detailed information for the

1. Payment Instructions about the Payment Method,
2. specific type of deposits,

Instructions:

1. Language requirements: local language with clear and comprehensive wording
 2. Placing: easily visible places (e.g. window of the bank branches)
 3. Size: for visibility reasons suggested to place at least in A3 format or bigger
 4. Layout: in accordance with the DGS corporate identity handbook
- Content: description of the process including contact information for more details and questions.

2 E/ Media buying (press, radio, or other media)

Function:

In some jurisdictions it is legal obligation to buy media space in order to inform the public about the Payout Event. It might also be used to support spreading the message about the Payout Event and compensation procedure for depositors. The content of the advertisement is based on the Payout Announcement Document.

Instructions:

When buying media space/time the below information are important:

1. Targeted date of the appearance:
2. Target group(s):
3. Type and name of the media channels:
4. Main messages of the paid media:
5. Content (in compliance with legal requirements if occur):
6. Time it takes to create an advertisement
7. Circulation/demographic/broadcasting zone:
8. Language(s):
9. Costs:
10. Size/length of the paid space/time:

2 F/ Social media platforms contents (of the Host DGS, failed bank, Payment Agent Bank)

Function:

If there are social media platforms (e.g. X, Facebook, LinkedIn, Instagram) used by the Home and/or Host DGS, the failed bank, or the Paying Agent Bank, it is worth to tailor the Communication Messages of the Payout Process for these platforms and add a link to the dedicated website, press release.

Instructions:

In order to manage effectively the social media platforms (in case the followers ask questions, require additional info or explanations), cooperation and coordination on the content and used resources are needed between the Parties.

When using social media, it is important to take into consideration the specific features of the different platforms especially regarding text (number of characters - e.g. on X - up to 280 characters for a tweet), pictures and short videos. Facebook and LinkedIn are more appropriate for longer

Communication Messages and also enable multimedia content. Instagram and Tik Tok have a younger audience (millennials).

When social media is actively used, there should also be active monitoring and responding on the platforms (webcare). This activity should be well coordinated between Home and Host DGS, from a content perspective but also from the perspective of costs/resources.

2 G / Communication Reporting sheet about messages and Communication Tools

Function:

One-sheet document (if possible -also- graphically designed) to monitor and evaluate communications flows all along the entire Payout Event provided by the Host DGS to the Home DGS.

Instructions:

Frequency of reporting

- Preferably once a day on the first week
- Weekly summary of coverage and key issues.
- End of Payout report on total coverage and key themes as well as an assessment of the favourability of coverage.

Contents:

Short overview of communications activity, coverage and key message delivery and reactions, with qualitative and also quantitative indicators:

a/ Number of incoming calls/e-mails, media enquiries, media coverages, letters sent etc.

b/ Qualitative appraisal: positive / neutral / negative tone

c/ Number of visitors on the website (if possible per page/article) and social media

Parties can also agree on a more detailed media monitoring provided by an outsourced company. For more Instructions, see **2 H/ Media monitoring**.

Template:

See below.

Template: Reporting Sheet

REPORTING SHEET

Host DGS: *(institutional name)*

Dateline:

Reported time period:

Contact person regarding report content:

Summary of the report: *(evaluation, suggestion)*

.....
.....

Earned media:

1. Number of media enquiries: *(Number)* ☐ Increasing ☐ Decreasing ☐ Stagnate
2. Main focus topics of the enquiries:
3. Tone of coverages: *(neutral, positive, negative)*
4. Unexpected topic need to be handle:

Paid media:

5. Number and place of coverages:

(Identification of the Media 1): *(Number):* *(Place):*

(Identification of the Media 2): *(Number):* *(Place):*

Social media:

6. Volume of mentions/retweets/shares: *(Number)*
7. Main place of activity: *(Twitter, Facebook, else)*
8. Tone of mentions: *(neutral, positive, negative)*
9. Unexpected topic need to be handle:

Call Center and e-mails answering:

10. Number of operators in charge:
11. Volume of incoming calls */(per Day/Week)*: ☐ Increasing ☐ Decreasing ☐ Stagnate
12. Number of e-mails */(per Day/Week)*: ☐ Increasing ☐ Decreasing ☐ Stagnate
13. Rate of abandoned calls: (%)
14. Tone of the calls/e-mails (average): *(neutral, positive, negative)*

2 H/ Media monitoring

Function:

In any crisis communication, including a Payout Event, media monitoring is essential to keep track of media reports. The ability of a DGS to react quickly (when needed) to inaccurate media reports is critical. In the case of a Payout, the Host DGS can on request of the Home DGS provide media reports bought among outsourced specialists so that involved institutions are aware of the PR situation in the Host country.

Instructions:

Media can be monitored by the Host DGS staff itself. It is however advisable to outsource media monitoring to a specialized company or an external PR consultancy. Please note that some platforms cover only traditional media (i.e., press, TV, radio, online), while others cover only social media. However, there are platforms and providers of media monitoring that cover all media landscapes. It is important not to leave social media without monitoring.

During a crisis situation, such as a Payout Event, a crisis mode can be triggered so that DGSs receive media updates every couple of hours. It is recommended that the media monitoring provider produces a brief executive summary along with a list of articles, etc. A PR agency could provide additional services, such as assessment and recommendations if DGSs should take any further communication steps.

The Host DGS shares the above-mentioned executive summaries (preferable with its own analysis). The Host DGS checks in which language the report should be provided. Some media monitoring platforms, as well as probably any PR consultancy, can provide those in English.

2 I/ Payment Confirmation Document

Function:

This document confirms the Payment instruction operated by the Host DGS to the client on behalf of the Home DGS. It contains the date and amount of compensation that was paid out, under the terms of the given DGS.

Instructions:

The document might be provided either by the Home or Host DGS, depending on any bilateral agreement between the Parties. If the document is provided by the Home DGS in the language of the Home DGS, a cover letter with the same content in the official language(s) of the Host DGS should be provided.

CHAPTER 7: FINANCIAL SPECIFICATIONS AND COSTS

1 Acknowledgement form

To be completed later on

2 Cash reconciliation report

The Host DGS shall provide on a weekly basis (or otherwise agreed in bilateral agreement) a report in which the balance between cash received from the Home DGS and cash paid when performing the Payout Process.

The prescribed report format is the following one:

Cash reconciliation file provided by Host to Home (template)					
	week 1	week 2	week 3	week 4	week 5
Bank account starting balance	0	14	14	3	4
Cash received	20	0	10	0	0
Depositors Payout	-5	0	-20	0	0
Host costs repayment	-1	0	-1	0	0
Interests received	0	0	0	1	0
Bank account closing balance	14	14	3	4	4

3 Costs assessment prior to the Payout

The Host DGS shall provide on a yearly basis a list of services it can provide under the Cooperation agreement and the associated costs. It shall revise on a yearly basis the estimated Costs.

The prescribed cost matrix to be used by the Host DGS splits the Costs between external costs and internal costs as well as between fixed costs and variable costs. It is communicated on a yearly basis to the Home DGS after its update by the Host DGS.

The cost matrix shall reflect estimated costs for a standard cross border payout with [500] and [10 000] depositors. The Host DGS shall inform the Home DGS, as soon as it becomes aware of it, of any significant cost slippage compared with cost estimates.

Definitions

Fixed costs represent costs which do not vary much with the number of depositors

Variable costs represent costs which are directly linked to the number of depositors.

Prescribed template for the cost matrix:

Cost estimate database (in Host currency)

Two databases should be completed with 500 Depositors assumption on one hand, and a 10 000 Depositors assumption on the other hand.

	Agreed Services	Fixed costs	Variable costs
Expenses categories			
De minimis Communication Tools			
Editing and printing documents	Y/N		
Press Relations management	Y/N		
Phone number activation	Y/N		
Web Page development and maintenance	Y/N		
Translation/interpretation	Y/N		
Other Communication Tools			
Media buying expenses	Y/N		
Social media management	Y/N		
Editing, printing and sending general letters to Depositors	Y/N		
Editing, printing and sending personalized letters to Depositors with SCV data	Y/N		
Tools at the Host Relevant Institution: web site, social media platform, printed documents at branches...	Y/N		
Tools at the Paying Agent Bank: web site, social media platform, printed documents at branches...	Y/N		
Other:	Y/N		
Costs related to Payout process			
Bank fees	Y/N		
Fee per payout: agent bank fee, issue of cheques, postal costs	Y/N		
Fee related to money transfers Home / Host	Y/N		
Currency conversion costs	Y/N		
Payment instructions processing	Y/N		
Man hours related to manual checks / control	Y/N		
Man hours related to processing Home's instructions	Y/N		
IT	Y/N		
Mobilisation of IT resources	Y/N		

External IT costs related to the Payout	Y/N		
Reconciliations and reports to Home DGS	Y/N		
Claim handling			
Lawyers	Y/N		
Claim on Temporary High Balances	Y/N		
Legal fees	Y/N		
Depositors requests management	Y/N		
General			
Administration	Y/N		
Management of the outsourcing contracts entailed by the pay out	Y/N		
Reconciliations/ Accountings	Y/N		
Depositor's relationship (other than mail handling and call center)	Y/N		
Training	Y/N		
Storage and retrieval of documents	Y/N		
Home DGS' auditor requests	Y/N		

The total salary costs of the employees working for the Payout Process are included in the costs matrix above, nevertheless, the Host DGS specifies average total salary costs for managers and staff.

A daily manager cost is: [●]

A daily staff cost is: [●]

This cost matrix is used as a basis to assess a cost per depositor and therefore the amount to be paid in advance by the Home DGS to cover the Host DGS costs using the actual Payout Event figures. The Host DGS, therefore inform the Home DGS about an estimated cost per depositor using as a reference the cost forecast in 2 Repayment scenarios (500 Depositors and 10000 Depositors) and the scope of service defined in the Agreement.

4 Cost monitoring during the payout and final costs billing procedure

The Host DGS is responsible for maintaining a cost tracking database between the Payment Event date and the date of the last Repayment. This database is sent at least on a monthly basis in order for the Home DGS to follow costs build up and also perform its accounting duties. The cost tracking format has to be similar to the costs matrix used prior to the Payout Event to assess advance payments.

Costs cross charged are also included in one or several invoices, the Host DGS sends to the Home DGS.

Moreover, the Home DGS and the Host DGS agree at some point but not later than 6 months after the end of the payout on a final reconciliation, in regard to the payout only, and any remaining funds shall be returned to the Home DGS. The final reconciliation document includes:

- a list of costs by cost categories
- the Payout Process costs amounts with a split between internal and external cost
- the amounts paid to Eligible Depositors.

CHAPTER 8: SPECIFICATIONS FOR TRANSFERRING CONTRIBUTIONS

This chapter might be completed in a later version of this Rulebook, as far as it appears needed by EFDI.

CHAPTER 9: SPECIFICATIONS FOR MUTUAL LENDING AND BORROWING

This chapter might be completed in a later version of this Rulebook, as far as it appears needed by EFDI.

APPENDIX
(Additional information)

- 1 Payment Method Matrix**

- 2 Preferences of Home DGSs for Exchange Mechanism**

- 3 Payout timeframes of Home DGSs**

- 4 Temporary High Balances regimes of Home DGSs**

APPENDIX 1: Payment Method Matrix

(as of MM/YY)

This Appendix shall be completed with the data provided by Host DGSs, at the latest when sending the letter of adherence to EFDI. It might be attached to the Rulebook as an Excel spreadsheet in a later version.

Alphabetical order per country, per DGS

DGS XXXX Payment Method 1

Element	Reference to PIF	Explanation
Payment Provider	N.A.	(Agent Bank/ Postal Office/ SEPA/ CHAPS/ SWIFT/ BACS/ External Provider/ ...)
Payment Method	N.A.	(Electronic/ Cash/ Cheque/ Pre Paid Card/ Payment advice/...)
Preference (ranking)	N.A.	(1/ 2 /3 /...)
Character Set Restrictions	N.A.	
Currencies Supported	N.A.	(EUR - GBP - CHF - SEK - BGN - HRK - CZK - DKK - HUF - ISK - L TL - NOK - PLN - RON - others)
Payment Instruction Unique Identifier	PIFF-P01	Mandatory
SCV ID	PIFF-P02	Mandatory
Full Name	PIFF-P03	Mandatory
Forename	PIFF-P04	(Y = required by Payment Method/ C = Conditional Mandatory (please detail)/ N = Not Necessary)
Surname	PIFF-P05	(Y = required by Payment Method/ C = Conditional Mandatory (please detail)/ N = Not Necessary)
National ID	PIFF-P06	(Y = required by Payment Method/ C = Conditional Mandatory (please detail)/ N = Not Necessary)
Date of Birth	PIFF-P07	(Y = required by Payment Method/ C = Conditional Mandatory (please detail)/ N = Not Necessary)
Language Preference	PIFF-P08	(Y = required by Payment Method/ C = Conditional Mandatory (please detail)/ N = Not Necessary)
Address Line 1	PIFF-C02	(Y = required by Payment Method/ C = Conditional Mandatory (please detail)/ N = Not Necessary)
Address Line 2	PIFF-C03	(Y = required by Payment Method/ C = Conditional Mandatory (please detail)/ N = Not Necessary)
Postcode	PIFF-C04	(Y = required by Payment Method/ C = Conditional Mandatory (please detail)/ N = Not Necessary)
City	PIFF-C05	(Y = required by Payment Method/ C = Conditional Mandatory (please detail)/ N = Not Necessary)
Province / State	PIFF-C06	(Y = required by Payment Method/ C = Conditional Mandatory (please detail)/ N = Not Necessary)
Country	PIFF-C07	(Y = required by Payment Method/ C = Conditional Mandatory (please detail)/ N = Not Necessary)
BIC	PIFF-C08	(Y = required by Payment Method/ C = Conditional Mandatory (please detail)/ N = Not Necessary)
IBAN	PIFF-C09	(Y = required by Payment Method/ C = Conditional Mandatory (please detail)/ N = Not Necessary)

Email of Depositors	PIFF-M07	(Y = required by Payment Method/ C = Conditional Mandatory (please detail)/ N = Not Necessary)
Telephone Landline	PIFF-M08	(Y = required by Payment Method/ C = Conditional Mandatory (please detail)/ N = Not Necessary)
Telephone Mobile	PIFF-M09	(Y = required by Payment Method/ C = Conditional Mandatory (please detail)/ N = Not Necessary)
Individual	PIFF-M10	(Y = required by Payment Method/ C = Conditional Mandatory (please detail)/ N = Not Necessary)
Payment Instruction Amount	PIFF-A01	Mandatory
Payment Instruction Currency	PIFF-A02	Mandatory

DGS XXXX Payment Method 2

DGS YYYY Payment Method 1

....

APPENDIX 2: Preferences of Home DGSs for Exchange Mechanism (as of MM/YY)

This Appendix shall be completed with the data provided by Home DGSs, at the latest when sending the letter of adherence to EFDI. It might be attached to the Rulebook as an Excel spreadsheet in a later version.

Alphabetical order per country, per DGS

DGS XXXX

DGS XXXX

APPENDIX 3: Payout timeframes of Home DGSs (as of MM/YY)

This Appendix shall be completed with the data provided by Home DGSs, at the latest when sending the letter of adherence to EFDI. It might be attached to the Rulebook as an Excel spreadsheet in a later version.

Alphabetical order per country, per DGS

DGS XXXX

Full payout (art 7.3)		Partial Payouts – before 2024 (art 7.4)			
Payout timeframe for home depositors (working days)	Estimated deadline for sending Payment Instructions (working days)	Applicability of partial payouts	Cost of living applicable	Risk of delaying full payout process	Significance of the delay
aa days (bb after mm/yy)	cc days	Yes/ No	XXX currency	High/ Medium/ Low/ None	Severe/ Significant/ Low/ None

DGS YYYY

Full payout (art 7.3)		Partial Payouts – before 2024 (art 7.4)			
Payout timeframe for home depositors (working days)	Estimated deadline for sending Payment Instructions (working days)	Applicability of partial payouts	Cost of living applicable	Risk of delaying full payout process	Significance of the delay
aa days (bb after mm/yy)	cc days	Yes/ No	XXX currency	High/ Medium/ Low/ None	Severe/ Significant/ Low/ None

APPENDIX 4: Temporary High Balances (THB) regimes of Home DGSs (as of MM/YY)

This Appendix shall be completed with the data provided by Home DGSs, at the latest when sending the letter of adherence to EFDI. It might be attached to the Rulebook as an Excel spreadsheet in a later version.

Alphabetical order per country, per DGS

DGS XXXX

Deadline for accepting THB claims	THB events covered	THB Coverage limits	Delay for repayment
xx dd/mm after xxxx	Event 1 Event2 Event3 Event4	Amounts Currency	xx days after duly documented claim

DGS XXXX

Deadline for accepting THB claims	THB events covered	THB Coverage limits	Delay for repayment
xx dd/mm after xxxx	Event 1 Event2 Event3 Event4	Amounts Currency	xx days after duly documented claim