

**Fedwire® Funds Service**  
**Message Format Changes for Business Remittance Information and Other Selected Items**  
**Message Format Version FAIM 3.0.2**

**Frequently Asked Questions**  
**General Information**

**1. What is happening?**

The Federal Reserve Banks will be implementing a new message format to support extended remittance information (ERI), improved cover payments, payment notification and tracking, better alignment to SWIFT, and a few additional minor changes. The format release that will include these changes is referred to as *Fedwire Application Interface Manual (FAIM) version 3.0.2, or "FAIM 3.0.2."*

The centerpiece of the FAIM 3.0.2 format changes will be the availability of a new business function code called the Customer Transfer Plus (CTP) message with new available data elements and revised edit rules. Other minor changes will apply to all message types.

While the new CTP message will be an alternative to the classic Customer Transfer (CTR) message, the Federal Reserve Banks will continue to support both messages.

**2. When will this be effective?**

The new message format will be implemented on November 19, 2011 (to be effective upon the opening of the November 21, 2011, funds transfer business day).

**3. How will these changes affect my institution?**

**A. General Information**

The majority of Fedwire Funds Service participants regularly send and receive customer transfers. For wire originations, all online institutions will have the option to use either the new CTP message or the classic CTR message for any customer transfer. Therefore, **all customers will be required to be able to receive the new CTP message and to ensure that their internal systems can handle other minor changes in this format release that apply to all messages.**

You are advised to work with your vendors and internal software development teams to ensure that any payment applications that interface with the Fedwire Funds Service can process FAIM 3.0.2 messages. Furthermore, since the CTP message may involve transmitting additional information between your institution and your customer named as either the originator or beneficiary in the payment message, you should evaluate what changes you may need to make to customer-facing systems.

**B. FedLine Direct® Customers**

The Federal Reserve Banks will make changes to allow FedLine Direct customers to send and receive FAIM 3.0.2-formatted messages through the Fedwire Funds Service. The Reserve Banks will require all FedLine Direct customers and vendors to certify that they can receive a set of FAIM 3.0.2 messages from their designated Wholesale Testing Unit in the Reserve Banks' Depository Institution Test (DIT) environment. Full recertification of customer/vendor software will also be **required**.

**C. FedLine Advantage® Customers**

The Reserve Banks will make changes to the FedPayments® Manager Funds application used by FedLine Advantage Customers to allow those customers to send and receive FAIM 3.0.2-formatted messages through the Fedwire Funds Service. FedLine Advantage customers that manually enter payment instructions into the FedPayments Manager Funds application and that need to originate CTP payments will need to be familiar with the proper use of the new format as described later in this document.

**Important Notes:**

- Although you will still be able to create and save templates in the FedPayments Manager Funds application, you will not be able to use (or even open) any existing templates that contain data that do not conform to FAIM 3.0.2 specifications. The safest course of action is to print all your templates the day before the conversion (November 18, 2011) to ensure you have all the information available in case you need to recreate those templates on or after November 21, 2011. Similarly, if you want to create templates that utilize features unique to FAIM 3.0.2, this can only be accomplished in the production environment on or after

November 21, 2011. Any new templates created during FAIM 3.0.2 Saturday production testing will not persist in the production environment following completion of the test.

- FedLine Advantage customers that use the import/export feature of the FedPayments Manager Funds application will need to make sure that their internal, back-end applications can handle the origination and receipt of FAIM 3.0.2 messages. Banks that use the import feature will only be able to import into the FedPayments Manager Funds application machine-readable messages that comply with the FAIM 3.0.2 format on or after the November 21, 2011, implementation date. Therefore, you will need to modify any process you have to generate the information that you import. Likewise, if you use the export feature, the FedPayments Manager will produce files only in machine-readable FAIM 3.0.2 format on or after the November 21, 2011, implementation date. Therefore, you may need to modify downstream systems, depending upon what you do with the data after you export it.

**D. Offline Customers**

Offline customers will not be able to originate CTP messages through the Fedwire Funds Service. However, offline customers will be able to receive CTP messages sent to them from online institutions. Offline customers will be informed about any incoming CTP messages by their designated Wholesale Operations Site and the detailed about the incoming CTP message will be included on the advice delivered to the Offline customer.

**4. When does my institution need to involve our IT staff in preparing for the format changes?**

It depends on the type of customer you are. FedLine Direct customers and FedLine Advantage customers that use the import or export functionality of the FedPayments Manager will have to make some technical changes to accommodate the new format. If you are a FedLine Advantage customer that does not use the import or export functionality of the FedPayments Manager, the Federal Reserve Banks will make the necessary changes to the FedPayments Manager Funds application, but there still may be business processes and/or FedPayments Manager templates that you will need to update, especially if you choose to use any of the new features.

**5. How will the new message format be structured?**

The new CTP message will have two sequences of information: Sequence A and Sequence B.

**CTP Sequence A** will be mostly for the core payment and routing information, much like the CTR message is in its entirety today. Information in sequence A will be sufficient to enable the parties to the Fedwire funds transfer to route and settle the payment.

**CTP Sequence B** will allow about 9,000 characters of addenda information designed to support remittance information or cover payment information. Information in sequence B will usually provide additional details related to the underlying commercial payment being settled.

**6. Which new field tags will the new message format include?**

With the new format, the presence of “CTP” in tag {3600} Business Function Code will trigger the validation rules associated with the new Customer Transfer Plus message. While CTP messages will contain most of the field tags available in the classic CTR message, CTP messages may contain one or more of the following additional new tags:

New CTP Tag	Tag Name	Location within CTP	Available only for these Local Instrument Codes	Purpose
{3610}	Local Instrument Code	Sequence A	All codes	Determines which field tags can be used in Sequence B of the CTP message.
{3620}	Payment Notification	Sequence A	All codes	Allows a downstream party in the payment chain to provide e-mail notification to the contact specified in this field. See question 7 below for more detail.
{5010}	Originator Option F	Sequence A	All codes	Enables better compatibility with SWIFT Field 50F (ordering customer). Fedwire CTP Tag {5000} can continue to be used when SWIFT Field 50A or 50K compatibility is preferred.
{7033} to {7072}	Structured Cover Payments	Sequence B	COVS	Replaces the CTRCOV market convention. Tags {7033} to {7072} were designed to closely match SWIFT MT202 COV sequence B. See question 8 below for more detail.

New CTP Tag	Tag Name	Location within CTP	Available only for these Local Instrument Codes	Purpose
{8200}	<b>Unstructured Addenda Information</b>	Sequence B	UEDI or ANSI or SWIF or IXML or GXML or NARR or S820	Several local instrument codes allow for about 9,000 “free text” characters in the Fedwire Funds Service message. Senders and receivers can agree to use this space in a structured way, including by using some of the well-known industry standards associated with each local instrument code listed in the prior column. The Federal Reserve Banks will not be validating the content of tag {8200} against these standards, but, depending upon the local instrument code selected, will validate the content against the appropriate character set for that industry standard rather than the Fedwire character set.
{8250}	<b>Related Remittance Information</b>	Sequence B	RRMT	Allows the location of the remittance information (e.g., a URL address) to be specified in the Fedwire Funds Service message, along with an identification number for that remittance information, even if the remittance information itself is not included in the funds transfer message.
{8300} to {8750}	<b>Structured Remittance Information</b>	Sequence B	RMTS	Includes structured data elements with content fully compatible with either the EDI STP 820 standard or the XML ISO 20022 remittance information data elements. See question 11 below for more detail.

**7. How will payment notification work?**

Over time, market practices will be developed for using the payment notification field tag. To date, one market practice has been developed where banks can join a Payment Notification User Group (PNUG) to offer e-mail payment notification services to originators of wire transfer payments (or their banks). Participation in the PNUG will be optional, but banks that join the PNUG will agree to use their best efforts to follow the [Payment Notification Guidelines](#). Additional information concerning use of the payment notification field tag will be posted on FRBservices.org when it becomes available.

**8. Will I be able to continue using the market convention for cover payments (CTRCOV) after the CTP message format is introduced?**

No. Once the CTP format changes take effect, the Federal Reserve Banks will reject any messages using the market convention for cover payments (where tag {3600}=CTRCOV). Any Fedwire Funds Service participant sending cover payments must use the CTP message with the local instrument code for structured cover payments, COVS.

The table below shows how the CTP approach to cover payments compares to the November 2009 CTRCOV market convention for cover payments that will be replaced:

CTP Tag Number	CTP Tag Name	Cover Payment Market Convention CTRCOV Tag Being Replaced
{3600}	<b>Business Function (must = CTP)</b>	CTRCOV tag {3600} <b>(must = CTRCOV)</b>
{3610}	<b>Local Instrument (must = COVS)</b>	Not available
{7033}	<b>Sequence B 33B Currency/Instructed Amount</b>	CTRCOV tag {3710}
{7050}	<b>Sequence B 50a Ordering Customer</b>	CTRCOV tag {6100}
{7052}	<b>Sequence B 52a Ordering Institution</b>	CTRCOV tag {6200}
{7056}	<b>Sequence B 56a Intermediary Institution</b>	CTRCOV tag {6210}
{7057}	<b>Sequence B 57a Account with Institution</b>	CTRCOV tag {6300}
{7059}	<b>Sequence B 59 Beneficiary Customer</b>	CTRCOV tag {6310}
{7070}	<b>Sequence B 70 Remittance Information</b>	CTRCOV tag {6000}
{7072}	<b>Sequence B 72 Sender to Receiver Information</b>	CTRCOV tags {6400} & {6410}

The CTP cover payment tags listed above have been designed to closely match the names and structure of the SWIFT 202 COV sequence B Fields. Please see the detailed FAIM 3.0.2 specification document for more information.

**9. What if I receive a CTRCOV message (or any other message) late Friday, November 18, 2011 but do not retrieve the message until Monday morning, November 21, 2011 (after implementation of the format change)?**

You can still retrieve messages sent to you on Friday, November 18, 2011, but the messages will be formatted in the old "FAIM 1.1" format. FedLine Direct customers and FedLine Advantage customers that use the Export feature to export their incoming messages to a backend system should ensure that their system can accept the message in the old "FAIM 1.1" format.

**10. Why are the Federal Reserve Banks making two rounds of message format changes for cover payments so close together? Couldn't these changes have been made all at once, in November 2009?**

To alleviate regulatory concern, the [industry requested message format changes](#) to support increased transparency of cover payments by November 2008. The industry subsequently pushed back that date to November 2009.

In 2008, the Federal Reserve Banks sought industry feedback through a [survey](#) on two options:

- A. A complete Fedwire Funds Service cover payment solution in November 2009 with no additional message format changes in 2010; or
- B. A two-phase approach, where Phase 1 implemented a market convention for cover payments made over the Fedwire Funds Service in November 2009, followed by Phase 2, which would implement a complete cover payment and business remittance information solution by the end of 2010 (subsequently revised to November 19, 2011).

The [survey results](#) indicated that market participants had a clear preference for a two-phase approach.

**11. Which structured remittance information data elements will be supported?**

The content of the new structured wire transfer remittance information format will be compatible with both the EDI-based STP 820 standard and the XML-based ISO 20022 remittance information data elements. New wire transfer data elements in tags {8300} through {8750}, available when local instrument code = RMTS, will include:

**One time:**

- Remittance Originator (including contact name, phone number, and e-mail address)
- Remittance Beneficiary

**Repeatable for each remittance document being paid:**

- Primary Remittance Document Information (e.g., Invoice # or Bill of Lading Number #, etc.)
- Actual Amount Paid
- Gross Amount
- Negotiated Discount
- Adjustment Information (including adjustment reason and adjustment amount)
- Date of Remittance Document
- Secondary Remittance Document Information (e.g., Purchase Order # or Dispatch Advice #, etc.)
- Remittance free text

The new message format can support up to as many invoices as will fit in 9,000 characters of space. The 9,000 characters include the Fedwire syntax (i.e., tags numbers and delimiters) and the remittance data. The precise number of invoices will depend upon the length of text entered into each of the structured data elements described above, but, generally, 30 or more invoices will be supported.

**12. Why did the Federal Reserve Banks decide to make these specific structured remittance information changes? Will these changes add value to the wire transfer product that banks offer their customers?**

**EARLY RESEARCH**

The Association for Financial Professionals (AFP) initially approached the Federal Reserve Banks on this topic after the AFP had done research in 2005 suggesting that 17% of incoming wires to corporations require research to properly reconcile and apply, costing an average of \$35 and 30 minutes of time per wire.

[http://www.afponline.org/pub/pdf/2005WireTransfer\\_Survey.pdf](http://www.afponline.org/pub/pdf/2005WireTransfer_Survey.pdf)

The Federal Reserve Banks and The Clearing House joined forces in 2006 and conducted research to establish the extent of corporate demand for structured remittance information in the wire transfer market:

[http://www.frbervices.org/files/communications/pdf/research/wire\\_transfer\\_research\\_final.pdf](http://www.frbervices.org/files/communications/pdf/research/wire_transfer_research_final.pdf)

From this research, it was concluded that corporations would value an expanded message format with structured and standardized remittance information, that they would be willing to pay an additional fee for a wire transfer message that included that information, and that it was plausible that a small percentage (but relatively high absolute number) of business-to-business checks might be converted to wire transfers if banks offered enhanced remittance information in wire transfer messages.

In addition, corporations and banks suggested the Federal Reserve Banks consider adding new fields in the message format to support enhanced payment tracking and notification services for wire transfers.

### **AFP AND BANKER SUPPORT**

The Federal Reserve Banks and The Clearing House continued to work with the AFP and banks throughout 2007 and early 2008 to evaluate different options to respond to the needs of the corporations. The AFP has continued to be very vocal about its support for the project:

[http://www.afponline.org/pub/pdf/20070221\\_cl.pdf](http://www.afponline.org/pub/pdf/20070221_cl.pdf)

<http://www.afponline.org/pub/pdf/wiretransferltr2.pdf>

<http://www.afponline.org/pub/pdf/wireletterweb.pdf>

[http://www.afponline.org/pub/pdf/Wire\\_Remittance\\_Survey\\_2009.pdf](http://www.afponline.org/pub/pdf/Wire_Remittance_Survey_2009.pdf)

In the early part of 2008, the Federal Reserve Banks administered a survey to gauge the level of interest among banks for the wire transfer operators to implement structured remittance information to coincide with efforts to implement the new cover payment message format. As indicated at the attached link, all categories of respondents to the survey had a clear preference for the inclusion of structured remittance information as part of a two-phase approach to implement an improved message format for cover payments and remittance information, which is what the Federal Reserve Banks decided to do:

<http://www.frbervices.org/communications/fedwire/021508.html>

### **FEDERAL RESERVE BANKS AND THE CLEARING HOUSE ANNOUNCE DECISION**

Based on the results of the survey, the Federal Reserve Banks and The Clearing House announced in May 2008 a new message format for cover payments and 9000 characters of remittance information by approximately the end of 2010. Remittance information would be in a proprietary syntax on the wire transfer systems, but the content will be designed explicitly to be fully interoperable with either the EDI STP 820 format or the ISO 20022 remittance information data elements:

[http://www.frbervices.org/files/communications/pdf/press/051308\\_fedwire\\_chips\\_new\\_formats.pdf](http://www.frbervices.org/files/communications/pdf/press/051308_fedwire_chips_new_formats.pdf)

[http://www.frbervices.org/communications/fedwire/021508\\_b.html](http://www.frbervices.org/communications/fedwire/021508_b.html)

In addition, the Federal Reserve Banks will be adding new fields in the Fedwire Funds message format to support payment notification and tracking. An industry group is currently developing market practice guidelines for using the new fields to offer payment notification and tracking services to commercial bank customers. This FAQ document will be updated with a link to those guidelines once they are available.

### **INTEROPERABILITY AND MAPPING**

In the interest of interoperability, a group of high value payment system operators from around the world was established to consider issues associated with cross border interoperability of wire transfer information, including those related to the new remittance information format. With regards to the cross border flows, the ISO 20022 standard was recognized as a potential vehicle to carry this information across borders. Working with SWIFT, mapping documents were created to map between the existing Fedwire format, the CHIPS format, SWIFT MT messages, and SWIFT MX messages:

[http://www.frbervices.org/eventseducation/education/fedwire\\_chips\\_swift\\_format\\_info.html](http://www.frbervices.org/eventseducation/education/fedwire_chips_swift_format_info.html)

In addition, several industry groups sponsored by SWIFT and BAFT IFSA have been evaluating the practical implications of handling the new message format for cross border transfers. Until ISO 20022 messages are accepted by banks located abroad, other options are being explored including adoption of the SWIFT MT 103 remit message (which allows 9,000 characters of remittance information) or adopting market practices to work within the current limits of the SWIFT MT 103 message (which carries up to 140 characters of remittance information).

### 13. Why was the implementation date postponed to November 19, 2011?

Since the announcement in 2008 of plans to implement enhanced message formats, the Federal Reserve Banks and The Clearing House have actively sought feedback from financial institutions, corporations and other industry stakeholders on the impact of the changes. As part of those discussions, industry participants made a request to delay the implementation date of the new message format to November 2011 to allow more time to ensure industry preparedness and to refine market practices related to handling the new message format for cross-border payments. In addition, postponing implementation permitted the Federal Reserve Banks to accommodate financial institution requests for a minor change to the Fedwire message format validation rules to increase compatibility with corporate accounting systems.

On April 28, 2010, the Federal Reserve Banks and The Clearing House announced a revised **November 19, 2011**, implementation date for the message format changes for extended-character business remittance information. The new schedule provides more time to ensure industry preparedness and to address the issues raised above. The Federal Reserve Banks and The Clearing House are firmly committed to implementing the new message format on the revised date in 2011.

The delay of the Fedwire Funds Service message format changes had **no impact** on the *Account Balance Inquiry Response* changes that were made as a result of changes to the Federal Reserve Policy on Payment System Risk, which related to collateralized daylight overdrafts. Those changes were implemented on March 24, 2011. See question 14.

### 14. Why and when was the *Account Balance Inquiry Response* changed?

In December 2008, the Board of Governors of the Federal Reserve System announced changes to the Federal Reserve Policy on Payment System Risk. As a result of these changes, effective March 24, 2011:

1. The **Account Balance Report without Prefunded ACH (FTNBAL)** was eliminated.
2. The format of the **Account Balance Report with Prefunded ACH (FTHBAL)** was changed to include total Collateral Available for Daylight Overdrafts and Pricing Purposes, Collateralized Daylight Overdrafts and Uncollateralized Daylight Overdrafts.

The changes to the Account Balance Inquiry Response were not tied to the Fedwire Funds Service message format changes, so banks and vendors should have planned for these changes to their payment applications as separate initiatives.

### 15. Which FAIM 3.0.2 changes will apply to all Fedwire Funds Service messages rather than those that relate solely to the new CTP message?

Described below is a high-level summary of FAIM 3.0.2 changes that will apply to all Fedwire Funds Service messages, not just messages with a CTP business function code. **You will need to ensure that your payment application is updated to accommodate these “global” changes.** More detailed descriptions of each of these changes can be found in the *FAIM 3.0.2 specification* document and the *Summary of FAIM 3.0.2 Changes* document.

- The following format items are **obsolete** and will therefore be eliminated from all Fedwire Funds Service messages:
  - Tag {3000} Adjustment
  - Subtype 20 for As-of adjustments
  - Tag {6430} Payment Limitation
  - IRS Business Function Code (“IRS” will no longer be valid in tag {3600})
  - The message status indicator “R” (Return) in tag {1100} Message Disposition
  - The “filler” data element in tag {1500} Sender Supplied Information
- To align more closely with SWIFT:
  - The edits implemented in November 2009 to support the market convention for cover payments will be eliminated. Thus, **“COV” will no longer be permitted** as a valid “Transaction Type” in tag {3600} Business Function. As noted in question 8, you will no longer be able to send a cover payment using a “CTRCOV” message. Beginning November 21, 2011, the only way to send or receive a cover payment will be through a CTP COVS message.
  - In tags {3700} Charges, {3710} Instructed Amount, and {3720} Exchange Rate, some minor changes were made regarding the edits for **currency codes and amounts**.
- To change or clarify FAIM 3.0.2 documentation:

- The definition of the Message Status Indicator “0” in tag {1100} and the Error Category “I” in tag {1130} will be expanded to include an **in process status**.
  - The name of tag {1110} has been changed from Acceptance Timestamp to **Receipt Timestamp**.
  - A **new element type “NS”** (i.e., numeric (0-9) and special characters) was added to more accurately reflect the actual character types permitted in certain existing and new data elements.
  - A **new element length “Optional Fixed Length”** (i.e., represented as 0, #) will be added to accommodate the length requirements for several new data elements included in the CTP message.
- To promote or facilitate better business practices:
    - **Drawdown-related tags** {4400} Account Debited in Drawdown, {5400} Account Credited in Drawdown, and {6110} Drawdown Debit Account Advice Information will no longer be available unless tag {3600} Business Function is populated with a draw-down related code (DRW, DRB, DRC, or SVC).
    - The **Sender Short Name and Receiver Short Name** in tags {3100} Sender DI and {3400} Receiver DI, respectively, will no longer be appended by the Federal Reserve Banks if omitted by the sender.
    - Three IMAD-specific data elements in tag {3500} **Previous Message Identifier** have been combined into one generic identifier to allow for the possibility of identifying a previous message that does not have an IMAD (e.g., a CHIPS message).
    - Certain edits have been tightened to restrict instances where a data element can be populated by **only spaces**.
  - To address needs created by new CTP tags:
    - The **format version** specified in certain tags will need to change from the current value of “02” to the new value of “30” to represent FAIM 3.0.2. **You MUST ensure that all of your outgoing messages contain the new “30” format version.** Otherwise, the Fedwire Funds Service will reject your outgoing messages.
    - The **maximum message length** for outgoing and incoming Fedwire Funds Service messages will be increased to over 13,000 characters to accommodate the new CTP message.
    - Some minor additional edits will be implemented to broaden the circumstances under which the **Fedwire delimiter** would need to be present in optional field tags.

## 16. What documentation do I need to review to prepare for the Fedwire Funds Service message format changes?

In October 2010, the Federal Reserve Banks distributed the following documents electronically to the End User Authorization Contacts (EUACs) for all FedLine Direct customers and FedLine Advantage customers that use the import/export feature of the FedPayments Manager Funds application.

- **Fedwire Application Interface Manual (FAIM), Version 3.0.2**  
*Section 4.3 includes the specific message format edit changes. In addition, Section 4.5 includes updates to the Account Balance Inquiry Response, which changed as a result of the Federal Reserve Policy on Payment System Risk changes related to collateralized daylight overdrafts implemented on March 24, 2011. See question 14 for more information about the Account Balance Inquiry Response changes.*
- **Summary of FAIM 3.0.2 Changes**

The following documents are either available on the Federal Reserve Bank Services website, FRBservices.org, or will be distributed at a later date.

- **New Fedwire Remittance Data Mapped to ISO 20022 and STP 820**
- **Fedwire Funds Service Reference Card updated for FAIM 3.0.2**
- **FedLine Advantage FedPayments Manager FAIM 3.0.2 Release Notes (To be distributed electronically to EUACs at a later date)**

If your institution does not receive one of the documents referenced above, you can either obtain a copy at [FRBservices.org](http://FRBservices.org) or, for documents not posted to the public website as indicated above, contact your institution’s designated Customer Contact Center (contact numbers are provided in Question 26 below) for further instructions on how to obtain a copy.

## 17. Will the Customer Transfer (CTR) message be phased out and fully replaced by the Customer Transfer Plus (CTP) message on November 21, 2011, or in the future?

The Federal Reserve Banks will continue to support the CTR message. It is possible that the CTR message will be phased out in the future, but the Reserve Banks have no plans to do so at this time. Nevertheless, certain vendors may be phasing out the CTR message on the origination side in connection with their changes to support the November 2011 implementation of the FAIM 3.0.2 message format. If you use a vendor, you should check with the vendor to find out if it plans to continue to support the origination of CTR messages.

**18. Will Fedwire participants be required to update their wire origination offerings to support funds transfers with extended remittance information (ERI)? Will Fedwire participants be required to report ERI to their customers that are named as beneficiaries of funds transfers?**

Fedwire participants will need to determine whether, and possibly how, they will permit customers to originate funds transfers that include ERI. Participants will also need to determine whether they will pass long ERI to their customers in payment order they receive as beneficiary's bank. All Fedwire Funds Service participants will be required to be able to receive the new CTP message with the ERI tags/data elements. In addition, although it is not required, it is a recommended best practice that receiving Fedwire participants report ERI to beneficiary customers when requested.

**19. Does the Travel Rule require that extended remittance information be passed to the next party in the payment chain?**

In November 2010, the Financial Crimes Enforcement Network (FinCEN) updated its [Travel Rule Q&A Guidance](#). Specifically, question 2 of that guidance addresses how intermediary institutions should treat "supplementary information" contained in a transmittal of funds. Institutions should consult with their legal advisers to ensure they comply with applicable laws and regulations.

**20. Given the various options for using extended remittance information, is there any market practice guidance available to help my institution determine how to go about implementing these changes?**

The Federal Reserve Banks worked with the industry to develop a set of [Domestic Remittance Best Practices](#) to help banks and corporations prepare for the format changes. To increase the likelihood that remittance information will travel in a way that can be successfully processed from end to end, there are specific best practices recommended for the originator, the originator's bank, intermediary banks (if any), the beneficiary's bank, and the beneficiary.

The Payments Market Practices Group has also developed Market Practice Guidelines for use of the [Expanded US Wire Formats](#) to help U.S. banks deliver wires with extended remittance information to parties outside the United States.

**21. Will there be additional training/education opportunities to help me prepare for the FAIM 3.0.2 message format changes?**

Yes. The Federal Reserve Banks hosted and recorded online information webinar sessions in March and April 2011 to help you prepare for the technical aspects of the November 2011 Fedwire Funds Service message format changes. Authorized Fedwire Funds Service participants can obtain a copy of the recorded webinar by contacting their Customer Contact Center (see question 26 below).

**22. Will there be any fees associated with the new message format?**

Initially, there will not be any fees associated with the new message format when the changes are implemented in November 2011, but it's possible that there could be new fees in 2012 or later. The Federal Reserve Banks typically announce their fees for the following year in late November or early December of each year.

**23. When can banks and vendors begin testing these changes, and will banks and vendors need to certify that they've tested the changes?**

On **Monday, May 16, 2011**, the Federal Reserve Banks opened the Depository Institution Testing (DIT) environment for testing the FAIM 3.0.2 message format changes.

All FedLine Direct customers and vendors will be required to certify that they can send and receive a set of FAIM 3.0.2 messages. While certification will not be required for FedLine Advantage customers, it is strongly encouraged, particularly for those customers that use the import/export feature of the FedPayments Manager Funds application. You will need to work with your Wholesale Testing Unit to complete testing. For more information about testing and certification requirements, see [Frequently Asked Questions about Testing and Certification Requirements](#).

**24. How can I request a reversal of a CTP message?**

Depending upon the specific approach you select, the procedure for requesting a reversal of a CTP message may be different than requesting a reversal for any other message type. For other message types, a request for a reversal can only be made using a Fedwire service (SVC) message. An institution can request a reversal of a CTP message by using either the Fedwire CTP message or the service (SVC) message. Please note the following options below:

**Option 1: Requesting a reversal using a CTP message**

A request for reversal of a CTP message using a CTP message would allow you to include all of the new tags in "Sequence A" (i.e., {3610}, {3620}, and {5010}) and all of the "Sequence B" payment details from the original CTP message. The request for reversal should include the following:

- a. In tag **{1510} Type/Subtype Code**, indicate type code **10** (Funds Transfer), **15** (Foreign Transfer) or **16** (Settlement Transfer) and subtype **01** (Request for Reversal of a Current Day Message) or **07** (Request for Reversal of a Prior Day Message).
- b. Include the appropriate **{3100} Sender**, **{3400} Receiver** and **{2000} Amount**.
- c. In tag **{3600} Business Function Code**, indicate **CTP**.
- d. Include all of the "mandatory" CTP tags in the message plus any optional tags at your discretion. It's recommended that you include tag **{3500} Previous Message Identifier** to indicate the IMAD of the CTP message you wish to have returned.

**Option 2: Requesting a reversal using an SVC message**

A request for reversal of a CTP message using an SVC message would be handled the same way as requests for reversals are handled today. However, the new "Sequence A" tags and all of the "Sequence B" details from the CTP message will not be supported in the SVC message. The only way to request a reversal and include all of the tags from the original CTP message would be to use the CTP message as described in Option 1 above.

**25. How can I reverse an incoming CTP message sent to my institution in error?**

Depending on how you have coded your payment application, you can reverse an incoming CTP message sent to your institution in error by using one of the options below:

**Option 1: Reversing an incoming CTP message using an outgoing CTP message**

Reversing a CTP message can be handled in the same way as reversals of other Fedwire messages. An institution can reverse a CTP message by originating a new Fedwire CTP message. The new CTP message should include the following information:

- a. In tag **{1510} Type/Subtype Code**, indicate type code **10** (Funds Transfer), **15** (Foreign Transfer) or **16** (Settlement Transfer) and subtype **02** (Reversal of a Current Day Message) or **08** (Reversal of a Prior Day Message).
- b. Include the appropriate **{3100} Sender**, **{3400} Receiver** and **{2000} Amount**.
- c. In tag **{3600} Business Function Code** indicate **CTP**.
- d. Include all of the "mandatory" CTP tags, including tag **{3500} Previous Message Identifier**, which is mandatory for subtypes 02 and 08, plus any optional tags at your discretion.

**Option 2: Reversing an incoming CTP message using an outgoing CTR message**

Given that sending the CTP message is optional, some institutions may have payment applications that do not allow them to originate the CTP message in order to do a reversal. In that situation, the institution can reverse an incoming CTP message by originating a new Customer Transfer (CTR) message. The new CTR message should include the following information:

- a. In tag **{1510} Type/Subtype Code** enter the appropriate type code and subtype **02** (Reversal of a Current Day Message) or **08** (Reversal of a Prior Day Message).
- b. Include the appropriate **{3100} Sender**, **{3400} Receiver** and **{2000} Amount**.
- c. In tag **{3600} Business Function Code** indicate **CTR**.
- d. Include the parties listed in tags **{5000} Originator** and **{4200} Beneficiary**.
- e. Include tag **{3500} Previous Message Identifier**, which is also mandatory for subtype 02 and 08 messages. You would use this tag to indicate the IMAD of the CTP message that you are returning. This should be sufficient information for the receiving institution to identify the message being returned.
- f. In tag **{6500} FI to FI Information**, indicate the following text:  
 Line1: **Reversal of a CTP message**  
 Line 2: **See tag 3500 for CTP identifier**

**26. Whom can I contact to get a copy of the documentation and webinar recording related to the FAIM 3.0.2 Fedwire Funds Service message format changes?**

*Kansas City Customer Contact Center: 1-800-333-2690*

For customers in the Atlanta, Boston, Chicago, Kansas City, New York, or Philadelphia districts.

*Minneapolis Customer Contact Center: 1-888-333-7010*

For customers in the Cleveland, Dallas, Minneapolis, Richmond, San Francisco, or St. Louis districts.

**27. Whom can I contact if I have any questions about how the Fedwire Funds Service message format changes may affect my institution?**

*Boston Wholesale Operations Site: 1-800-327-0147*

For customers in the Boston, Cleveland, Dallas, New York, Philadelphia, or St. Louis districts.

*Kansas City Wholesale Operations Site: 1-800-333-2448*

For customers in the Atlanta, Chicago, Kansas City, Minneapolis, Richmond, or San Francisco districts.

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