
Postal Payment Services Manual

Berne 2010

International Bureau of the Universal Postal Union

Note concerning the printing

The text of the Postal Payment Services Agreement is printed in **bold characters**. The texts of the Regulations and of the Final Protocol are printed in ordinary characters.

The texts of the commentary by the International Bureau are printed in small characters preceded by a square (■). The number of the provision commented on is printed in **bold characters**. Provisions of other UPU Acts given for reference purposes are printed in small italic characters.

Any amendments to the texts made in subsequent updates of the Manual are marked by a vertical line (|) in the margin opposite the amended text.

Remarks

The Manual of the Postal Payment Services has its origins in the Annotated Acts published by the International Bureau after each Congress.

The present edition replaces the 2004 Bucharest edition.

It includes the provisions of the Postal Payment Services Agreement as drawn up by the 24th Congress 2008, those of its Regulations as revised by the POC in October/November 2008 and in March/April 2009 and the commentary made by the International Bureau. The provisions of the Manual are presented in a single part in line with the Agreement.

The Manual is designed so as to give the reader immediate access to all the information about one and the same matter, viz:

- the provisions of the Agreement, indicated by
Article ...
- the provisions of the Regulations, indicated by
Article RP ...
- the provisions of the Final Protocol, given after the article concerned and indicated by
Prot Article ... or Prot Article RP ...
- the commentary by the International Bureau following the provisions to which it refers.

The commentary now includes only topical elements to the exclusion of historical explanations. People doing research and wishing to define the origins and development of the texts are advised to carefully retain the 1991 edition of volume 4 of the Annotated Acts, the 1995 edition of the Manual of the Postal Financial Services, and the 1999 and 2005 editions of the Manual of the Postal Payment Services.

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Abbreviations

(The abbreviations listed below are used in the commentary)

A. Common abbreviations

Add Prot	Additional Protocol to the Constitution of the UPU
Agr	Agreement
AI	advice of entry (Giro)
AO	other items or items other than LC in the classification system based on content
APPC	Arab Permanent Postal Commission
APU	African Postal Union
AR	advice of delivery
arbit	arbitration
art	article
BPU	Baltic Postal Union
c	centime
CA	Council of Administration
CCC	Customs Co-operation Council
CCPS	Consultative Council for Postal Studies (up to 1994)
cf	confer (= compare)
circ	circular
cm	centimetre
col	column
comm	commentary
Comm	Committee
Compendium	Compendium of Information (Letter Post, Parcel Post, etc) published by the International Bureau
Conf	Conference
Const or Constitution	Constitution of the Universal Postal Union
Conv or Convention	Universal Postal Convention
dm	decimetre
DO	designated operator
Doc	Document (of Congresses, Conferences, Executive Council, etc)
doc	document
EC	Executive Council (up to 1994)
EDI	Electronic Data Interchange
eg	for example
EPFSC	European Postal Financial Services Commission
FAO	United Nations Food and Agriculture Organization
FATF	Financial Action Task Force
g	gramme

Gen Regs	General Regulations
h	hour
IAEA	International Atomic Energy Agency
IATA	International Air Transport Association
IB	International Bureau
IBRS	International Bureau Reply Service
ICAO	International Civil Aviation Organization
ICSE	International Civil Service Commission
id	idem
IDA	International Development Association
IFC	International Finance Corporation
IMF	International Monetary Fund
ISO	International Organization for Standardization
Journal or Periodical	“Union Postale” (quarterly publication of the International Bureau)
kg	kilogramme
km	kilometre
lb (16 oz)	pound avoirdupois (453.59 grammes)
LC	letters and postcards
LDC	Least Developed Countries
LP	Letter Post
m	metre
max	maximum
min	minimum
mm	millimetre
mn	minute (of time)
nm	nautical mile (1852 metres)
No	number
NPU	Nordic Postal Union
oz	ounce (28.3465 grammes) (one-sixteenth of the pound avoirdupois)
p, pp	page(s)
PAPU	Pan-African Postal Union
para	paragraph
Periodical	See under Journal
POC	Postal Operations Council
POSTEUROP	Association of European Public Postal Operations
PPS	Postal payment services
PPSA	Postal Payment Services Agreement
prop	proposal
Prot or Protocol	Final Protocol (to the respective Act)
PUASP	Postal Union of the Americas, Spain and Portugal
RC	Parcel Post Regulations
RCC	Regional Commonwealth in the Field of Communication
RE or Regs	Regulations
rec	recast

Rep	Report on the work of the Union, published by the International Bureau
RL	Letter Post Regulations
RP	Regulations of the Postal Payment Services Agreement
s	second (time)
S.A.L.	Surface airlifted mail
SDR	Special Drawing Right
SWAPU	South and West Asia Postal Union
t	tonne (1000 kilogrammes)
t-km	tonne-kilometre or kilometric tonne (unit used in connection with conveyance)
T.m.	sea transit
T.t.	land transit
UN	United Nations
UNESCO	United Nations Educational, Scientific and Cultural Organization
UPU or Union	Universal Postal Union
vol	volume
WCO	World Customs Organization
WHO	World Health Organization

B. Abbreviations relating to forms

CN	Convention
CP	Postal parcel
MP	Money order
PP	Postal payment
PPM	Postal payment (money order)
PPV	Postal payment (transfer)
VP	Postal transfer

General List of UPU Member Countries and of territories included in the Union

Afghanistan	Dominican Republic
Albania	Ecuador
Algeria	Egypt
Angola	El Salvador
Antigua and Barbuda	Equatorial Guinea
Argentina	Eritrea
Armenia	Estonia
Australia	Ethiopia
– Norfolk Island	Fiji
Austria	Finland (including the Åland Islands)
Azerbaijan	France
Bahamas	– French Overseas Departments:
Bahrain (Kingdom)	– – French Guiana
Bangladesh	– – Guadeloupe (including St Barthélemy and St Martin)
Barbados	– – Martinique
Belarus	– – Réunion
Belgium	– Territorial Community of Mayotte
Belize	– Territorial Community of St Pierre and Miquelon
Benin	– French Overseas Territories coming within the Union's jurisdiction by virtue of article 23 of the Constitution:
Bhutan	– – French Polynesia (including Clipperton Island)
Bolivia	– – French Southern and Antarctic Territories (St Paul and Amsterdam Islands, Crozet Islands, Kerguelen Islands, Terre Adélie)
Bosnia and Herzegovina	– – New Caledonia
Botswana	– – Wallis and Futuna Islands
Brazil	– – Scattered islands (Bassas da India, Europa, Juan de Nova, Glorieuses, Tromelin)
Brunei Darussalam	Gabon
Bulgaria (Rep.)	Gambia
Burkina Faso	Georgia
Burundi	Germany
Cambodia	Ghana
Cameroon	Great Britain:
Canada	– United Kingdom of Great Britain and Northern Ireland
Cape Verde	– Guernsey
Central African Rep.	– Jersey
Chad	– Isle of Man
Chile	Overseas Territories (United Kingdom of Great Britain and Northern Ireland):
China (People's Rep.)	– Anguilla
– Hong-Kong, China	– Bermuda
– Macao, China	– British Indian Ocean Territory
Colombia	– British Virgin Islands
Comoros	– Cayman Islands
Congo (Rep.)	– Falkland Islands (Malvinas)
Costa Rica	– Gibraltar
Côte d'Ivoire (Rep.)	– Montserrat
Croatia	– Pitcairn, Henderson, Ducie and Oeno Islands
Cuba	
Cyprus	
Czech Rep.	
Dem. People's Rep. of Korea	
Dem. Rep. of the Congo	
Denmark	
– Faroe Islands	
– Greenland	
Djibouti	
Dominica	

General List of UPU Member Countries

- South Georgia and the South Sandwich Islands
- St Helena, Ascension and Tristan da Cunha
- St Helena (Dependencies) (islands)
- Turks and Caicos Islands
- Greece
- Grenada
- Guatemala
- Guinea
- Guinea-Bissau
- Guyana
- Haiti
- Honduras (Rep.)
- Hungary (Rep.)
- Iceland
- India
- Indonesia
- Iran (Islamic Rep.)
- Iraq
- Ireland
- Israel
- Italy
- Jamaica
- Japan
- Jordan
- Kazakhstan
- Kenya
- Kiribati
- Korea (Rep.)
- Kuwait
- Kyrgyzstan
- Lao People's Dem. Rep.
- Latvia
- Lebanon
- Lesotho
- Liberia
- Libyan Jamahiriya
- Liechtenstein
- Lithuania
- Luxembourg
- Madagascar
- Malawi
- Malaysia
- Maldives
- Mali
- Malta
- Mauritania
- Mauritius
- Mexico
- Moldova
- Monaco
- Mongolia
- Montenegro
- Morocco
- Mozambique
- Myanmar
- Namibia
- Nauru
- Nepal
- Netherlands
- Netherlands Antilles and Aruba
- Netherlands Antilles (Bonaire, Curaçao, Saba, St Eustatius, St Maarten)
- Aruba
- New Zealand (including the Ross Dependency)
- Cook Islands
- Niue
- Tokelau
- Nicaragua
- Niger
- Nigeria
- Norway
- Oman
- Pakistan
- Panama (Rep.)
- Papua New Guinea
- Paraguay
- Peru
- Philippines
- Poland
- Portugal
- Qatar
- Romania
- Russian Federation
- Rwanda
- Saint Christopher (St Kitts) and Nevis
- Saint Lucia
- Saint Vincent and the Grenadines
- Samoa
- San Marino
- Sao Tome and Principe
- Saudi Arabia
- Senegal
- Serbia
- Seychelles
- Sierra Leone
- Singapore
- Slovakia
- Slovenia
- Solomon Islands
- Somalia
- South Africa
- Spain
- Sri Lanka
- Sudan
- Suriname
- Swaziland
- Sweden
- Switzerland
- Syrian Arab Rep.
- Tajikistan
- Tanzania (United Rep.)
- Thailand
- the former Yugoslav Republic of Macedonia
- Timor-Leste (Dem. Rep.)
- Togo
- Tonga (including Niuafo'ou)
- Trinidad and Tobago
- Tunisia
- Turkey
- Turkmenistan

Tuvalu
Uganda
Ukraine
United Arab Emirates
United States of America
– Territories of the United States of America
coming within the Union's jurisdiction by virtue
of article 23 of the Constitution:
– – Guam, Puerto Rico, Samoa, Virgin Islands
of the United States of America
– Trust Territory of the Pacific Islands:
– – Mariana Islands including Saipan
and Tinian, but not the United States
Possession of Guam
Uruguay
Uzbekistan

Vanuatu
Vatican
Venezuela (Bolivarian Rep.)
Viet Nam
Yemen
Zambia
Zimbabwe

UN member countries whose situation with regard
to the UPU has not yet been settled:

Andorra
Marshall Islands
Micronesia (Federated States of)
Palau

List of PPS publications

Service agreement

The model service agreement fixes the operational arrangements for exchanges of postal payment orders sent by electronic means between designated operators and enables the implementation of postal payment services in accordance with the Postal Payment Services Agreement and the Regulations thereto. This agreement was approved by the 2010 POC and distributed to all Union member countries. It appears in chapter 29 of this Manual.

Electronic Postal Payment Services Compendium

In accordance with article RP 504, the POC and the International Bureau are currently developing the Electronic Postal Payment Services Compendium, which will be published on the UPU website.

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Postal Payment Services Agreement

The undersigned, plenipotentiaries of the Governments of the member countries of the Union, in provision with article 22.4 of the Constitution of the Universal Postal Union concluded at Vienna on 10 July 1964, have, by common consent and subject to article 25.4 of the Constitution, drawn up the following Agreement, which is in line with the principles of the Constitution to implement a secure and accessible postal payment service adapted to the greatest number of users on the basis of systems enabling the interoperability of designated operators' networks.

Postal Payment Services Regulations

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

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

■ **Commentary**

The Bucharest Agr was substantially revised by the 2008 Congress (see CONGRÈS–Doc 20a), as a result of which the Regs were amended accordingly.

Part I

Common principles applying to the postal payment services

Chapter I

General provisions

Article 1

Scope of the Agreement

1 Each member country shall ensure on a best effort basis that at least one of the following postal payment services is provided on its territory:

- 1.1** Money order in cash: the sender hands over funds at the service access point of the designated operator and asks for the full amount to be paid to the payee in cash, with no deductions.
- 1.2** Outpayment money order: the sender gives instructions for his account held by the designated operator to be debited and asks for the payee to be paid the full amount in cash, with no deductions.
- 1.3** Inpayment money order: the sender hands over funds at the service access point of the designated operator and asks for them to be paid into the payee's account, with no deductions.
- 1.4** Postal transfer: the sender gives instructions for his account held by the designated operator to be debited and asks for the payee's account with the paying designated operator to be credited with the equivalent amount, with no deductions.

2 The Regulations shall define the procedures for executing the present Agreement.

Article 2

Definitions

1 **Competent authority** – any national authority of a member country which, by virtue of the powers conferred on it by the law or regulations, supervises the activities of the designated operator or of the persons referred to in the present article. The competent authority may contact the administrative or legal authorities engaged in combating money laundering and terrorist financing, and in particular the national financial intelligence unit and the oversight authorities.

2 **Instalment** – partial advance payment made by the issuing designated operator to the paying designated operator to ease the cash situation of the paying designated operator's postal payment services.

3 **Money laundering** – the conversion or transfer of funds in the knowledge that these funds are derived from a criminal activity or participation in such activity, with the aim of hiding or disguising the illegal origins of the funds or of helping any person having participated in such activity to escape the legal consequences of his action; money laundering shall be considered as such when the activities producing funds to be laundered are liable to prosecution in the territory of another member country or a third country.

4 **Ring-fencing** – the compulsory separation of users' funds from those of the designated operator which prevents the use of users' funds for purposes other than the execution of postal payment service operations.

5 **Clearing house** – within the framework of multilateral exchanges, a clearing house handles mutual debts and claims arising from services provided by one operator to another. Its role is to put to account exchanges between operators that are settled through a settlement bank, and to take the necessary steps in the event of settlement irregularities.

6 **Clearing** – a system enabling the number of payments to be made to be kept to a minimum by drawing up a periodic debit and credit balance for the parties involved. Clearing involves two stages: determining the bilateral balances and, by adding these balances, calculating the overall position of each entity with regard to the entire community in order to carry out only one settlement based on the debtor or creditor position of the entity in question.

7 **Concentration account** – an aggregation of funds from various sources combined into one account.

8 **Liaison account** – giro account opened reciprocally by designated operators as part of bilateral relations, by means of which mutual debts and credits are settled.

9 Criminal activity – any type of participation in, or perpetration of, a crime or misdemeanour, as defined by the national legislation.

10 Security deposit – amount deposited, in the form of cash or securities, to guarantee payments between designated operators.

11 Payee – natural or legal person designated by the sender as the beneficiary of the money order or postal giro transfer.

12 Third currency – intermediate currency used in cases of non-convertibility between two currencies or for clearing/settlement of accounts.

13 Due diligence in relation to users – general obligation on the part of designated operators, comprising the following duties:

13.1 identifying users;

13.2 obtaining information on the purpose of the postal payment order;

13.3 monitoring postal payment orders;

13.4 checking that the information concerning users is up to date;

13.5 reporting suspicious transactions to the competent authorities.

14 Electronic data relating to postal payment orders – data transmitted by electronic means, from one designated operator to another, relating to the execution of postal payment orders, inquiries, alteration or correction of addresses or reimbursement; these data are either entered by designated operators, or generated automatically by their information system, and indicate a change in the status of the postal payment order or of the order request.

15 Personal data – personal identification data referring to the sender or the payee, which may be used only for the purpose for which they were collected.

16 Postal data – data needed for the routing and tracking of a postal payment order or for statistical purposes, as well as for the centralized clearing system.

17 Electronic data interchange (EDI) – computer-to-computer exchange of data concerning operations, by means of networks and standard formats compatible with the Union system.

18 Sender – natural or legal person that gives the designated operator the order to execute a postal payment service in accordance with the Acts of the Union.

19 Terrorist financing – covers the financing of acts of terrorism, of terrorists and of terrorist organizations.

20 Users' funds – sums delivered by the sender to the issuing designated operator in cash, or debited to the sender's account written up in the books

of the issuing designated operator, or by any other secure method of electronic banking, placed at the disposal of the issuing designated operator or any other financial operator by the sender, to be paid to a payee specified by the sender in accordance with the present Agreement and its Regulations.

21 **Currency of issue** – currency of the country of destination or third currency authorized by the destination country in which the postal payment order is issued.

22 **Issuing designated operator** – designated operator which transmits a postal payment order to the paying designated operator, in accordance with the Acts of the Union.

23 **Paying designated operator** – designated operator responsible for executing the postal payment order in the destination country, in accordance with the Acts of the Union.

24 **Validity period** – period of time during which the postal payment order may be executed or cancelled.

25 **Service access point** – physical or virtual place where the user may deposit or receive a postal payment order.

26 **Remuneration** – sum owed by the issuing designated operator to the paying designated operator for payment to the payee.

27 **Revocability** – the ability of the sender to recall his postal payment order (money order or transfer) up to the moment of payment, or at the end of the validity period if payment has not been made.

28 **Counterparty risk** – risk that one of the parties to a contract will default, leading to loss or liquidity risk.

29 **Liquidity risk** – risk that a settlement system participant or a counterpart is temporarily unable to fulfil an obligation in its entirety at the required time.

30 **Reporting of suspicious transaction** – obligation of the designated operator, based on the national legislation and Union resolutions, to provide its competent national authorities with information on suspicious transactions.

31 **Track and trace** – system that enables the progress of postal payment order to be monitored and its location and status to be identified at any time.

32 **Price** – amount paid by the sender to the issuing designated operator for a postal payment service.

33 Suspicious transaction – single or repeated postal payment order or request for reimbursement relating to a postal payment order linked to a money-laundering or terrorist financing offence.

34 User – natural or legal person, sender or payee, that uses the postal payment services in accordance with the present Agreement.

Article RP 201

Definitions

- 1 Field: area reserved for data to be inserted in the form or system.
- 2 Mirror account: technical account held by a financial operator which reflects transactions onto its liaison account.
- 3 Conditions of service: standard or regulation contractual conditions under which the designated operator provides postal payment services to its customers.
- 4 Service agreement: bilateral or multilateral agreement between designated operators, in conformity with the Agreement and Regulations, setting the operational arrangements for exchanges between designated operators and enabling the implementation of postal payment services.
- 5 Date: indication of the day on which an operation relating to the execution of a payment order took place, either applied to the form by means of a manual process by the designated operator, or generated (time-stamping) by the system in case of exchange by electronic means.
- 6 Special Drawing Right (SDR): International Monetary Fund accounting unit used as the monetary unit of the Union.
- 7 Issue of a postal payment order: acceptance of the postal payment order request from the sender by the accredited official of the issuing designated operator.
- 8 Status of a postal payment order or request: the execution status of the postal payment order, or of a request for information/inquiry or revocation request relating to this postal payment order.
- 9 Form: model document containing the data necessary for the execution of a postal payment order, a request and/or the management of financial relations between designated operators, in accordance with the Agreement and the Regulations.
- 10 User form: document of the designated operator, printed in hard-copy form or able to be downloaded from its website, in conformity with the forms provided for in the Regulations, designed to be completed by the user of the postal payment

services with supplementary information added by the designated operator where necessary.

11 Time-stamping: secure electronic procedure indicating the date and time of the operation.

12 Postal payment order identifier: specific order issue number.

13 EDI message: file containing electronic data relating to postal payment orders sent from one designated operator to another.

14 Non-convertible currency: any currency mainly used for domestic transactions and not freely exchangeable on an official exchange market (forex market).

15 Report: list of data in chronological order relating to postal payment orders issued, reimbursed, paid/credited to payee and received, which is generated automatically by the system according to various parameters, including “type of service”, “summaries”, “bilateral relation”, “currency”, “service access point or other organizational unit”.

16 Electronic receipt: updating of the paying country’s database from receipt of the postal payment order.

17 Electronic signature: unique key, common to the designated operators exchanging data, delivered by a common public key infrastructure provider accredited by the Union, which enables encryption and signature, and then decryption and verification of signatures.

18 System: telematic system used to create, send, receive or handle data messages.

19 Stamp: application of an indication of the service access point and date, confirming the exactness and authenticity of an operation to execute a postal payment order.

Article 3**Designation of the operator**

1 Member countries shall notify the International Bureau, within six months of the end of Congress, of the name and address of the governmental body responsible for overseeing postal payment services. Within six months of the end of Congress, member countries shall also provide the International Bureau with the name and address of the operator(s) officially designated to operate the postal payment services by means of its (their) network and to fulfil the obligations arising from the Acts of the Union on its (their) territory. Between Congresses, changes concerning the governmental bodies and the officially designated operators shall be notified to the International Bureau as soon as possible.

2 Designated operators shall provide the postal payment services in accordance with the present Agreement.

■ **Commentary**

3 According to the comm contained in the LP Manual (Conv art 2), governmental/regulatory functions and operational functions have been separated in many Union member countries. In resolution C 29/1994, the Seoul Congress decided that member countries that had separated governmental and regulatory activities from commercial and operational activities should notify the IB, within six months of signing the Acts of the Union, of the name and address of the governmental body responsible for overseeing postal affairs. The same resolution also required member countries to provide information regarding the entity or entities (operators) responsible for fulfilling obligations arising from adherence to the Conv. The 2004 Bucharest Congress incorporated this art into the Conv and the Agr; it also provides for the possibility of designating more than one operator with responsibility for the obligations arising out of the Acts of the Union within a single member country.

Article 4

Functions of member countries

1 Member countries shall take the necessary steps towards ensuring the continuity of the postal payment services in the event of default by their designated operator(s), without prejudice to the liability of that (those) operator(s) towards other designated operators by virtue of the Acts of the Union.

2 In the event of the default of its designated operator, a member country shall inform, through the International Bureau, the other member countries party to the Agreement:

- 2.1** of the suspension of its postal payment services, from the date indicated and until further notice;
- 2.2** of the measures taken to re-establish its services under the responsibility of any new designated operator.

■ Commentary

4 The current Agr clearly differentiates between governmental and operational functions concerning the PPS. Art 4 aims to specify the commitments of member countries and the procedure to be followed in case of the default of a DO.

Article 5

Operational functions

1 The designated operators shall be responsible for the execution of postal payment services vis-à-vis other operators and users.

2 They shall be accountable for risks such as operational risks, liquidity risks, and counterparty risks, in accordance with the national legislation.

3 In order to implement the postal payment services whose provision is entrusted to them by their respective member country, designated operators shall conclude bilateral or multilateral agreements with the designated operators of their choice.

■ Commentary

5 Art 5 supplements art 4 and delegates responsibility for the execution of PPS to the DOs, which are fully accountable for risks.

Article RP 501

Operational functions

1 The designated operators of signatory member countries shall agree upon the postal payment services, authorized by the member countries, that they wish to exchange.

2 A designated operator shall not be obliged to conduct exchanges with another designated operator which has not implemented the present Regulations.

3 Designated operators shall define the operational arrangements for their letter-post or electronic exchanges by means of a service agreement compatible with the model approved by the Postal Operations Council.

■ Commentary

501.3 The 2009.1 POC provisionally approved the model service agreement (POC 2009.1–Doc 5a.Rev 2), which will continue to be adapted on the basis of changes made to the Acts of the Union and subsequent decisions taken by the UPU bodies.

Article RP 502

Information to be supplied by designated operators

1 Designated operators shall provide the International Bureau with the following operational information:

- 1.1 postal payment services provided by the designated operator on its territory;
- 1.2 international and domestic rates applied for the postal payment services provided;
- 1.3 supplementary services;

- 1.4 rates for supplementary services;
- 1.5 opening hours of the service;
- 1.6 national currency or currency authorized by the country for payments on its territory;
- 1.7 system provider;
- 1.8 type of system used (online or offline);
- 1.9 national quality of service objectives;
- 1.10 indication of the centralized settlement system or type of settlement system used;
- 1.11 currency of settlement;
- 1.12 address of the website of the designated operator;
- 1.13 e-mail address of the international services of the designated operator.

2 Designated operators shall also provide the International Bureau with the information required by the Letter Post Regulations in respect of letter-post postal payment orders.

3 Any change in the required information shall be immediately transmitted to the International Bureau.

■ **Commentary**

502 In resolution C 11/1979, Congress invited member countries that were signatories to the Agr to provide the IB with the requested information at least six months prior to the entry into force of the new Agr.

502.1 The Regs now specify the information that DOs should provide to the IB in accordance with the Agr.

502.2 The Regs refer to the LP Regs for general information on the execution of the postal service.

502.1.3 See comm relating to art RP 10.6.2.

Article RP 503

International Bureau publications

1 The International Bureau shall publish, on the basis of information supplied by the signatory member countries and the designated operators, an official compendium of information of general interest relating to the implementation of the Agreement and Regulations in each member country.

2 The provisions of the Letter Post Regulations regarding publications shall also apply to the postal payment services.

■ **Commentary**

503.2 This provision refers to art RL 262 concerning IB publications, and in particular to the “List of addresses of heads and senior officials of postal entities” or the statistical data for PPS (domestic and international), which are continually updated by the IB on the basis of the information provided by member countries and/or DOs.

Article RP 504

Electronic Postal Payment Services Compendium

1 The International Bureau shall prepare and ensure updating of the Electronic Postal Payment Services Compendium.

2 The Electronic Postal Payment Services Compendium shall contain the operational information provided by designated operators in accordance with the Regulations and any other operational data required by designated operators for the execution of postal payment orders.

3 Designated operators shall input their data into the Electronic Postal Payment Services Compendium.

4 Designated operators shall update the information contained in the Electronic Postal Payment Services Compendium in good time, and no later than the day it enters into force, according to the procedure laid down by the International Bureau.

■ **Commentary**

504.1 The Electronic Compendium is a new instrument intended to facilitate the opening of electronic exchanges between DOs and the execution of PPS. It is currently in preparation. The IB will notify member countries and DOs once it is available on the UPU website.

Article 6

Ownership of postal payment services funds

1 Any sum of money, delivered in cash or debited to an account for the execution of a postal payment order, shall belong to the sender until such time as it is paid to the payee or credited to the payee's account.

2 During the validity period of the postal payment order, the sender may recall it up until its payment to the payee or until it is credited to the payee's account.

Article 7

Prevention of money laundering, terrorist funding and financial crime

1 Designated operators shall take all necessary steps to fulfil their obligations stemming from national and international legislation aimed at combating money laundering, terrorist funding and financial crime.

2 They should inform their country's competent authorities of suspicious transactions, in accordance with national laws and regulations.

3 The Regulations shall set out the detailed obligations of designated operators in respect of user identification, due diligence and the procedures for implementing regulations against money laundering, terrorist funding and financial crime.

■ Commentary

7 This provision was incorporated into the Agr by the 2008 Congress in view of the increasing importance attached to the prevention efforts also made for financial services in general, and for PPS in particular. It includes certain provisions contained in the Regs of the Bucharest Agr. It does not oblige member countries to adopt rules in this connection, but aims to ensure compliance with all relevant international or national rules.

Article RP 701

Programme to combat money laundering, terrorist financing and financial crime

1 Designated operators shall establish and implement a programme to combat money laundering, terrorist financing and financial crime, in accordance with their national legislation.

2 This programme shall comprise appropriate written principles, procedures and internal controls for limiting the risk of money laundering, terrorist financing and financial crime, as well as ongoing training in this area for operational staff involved.

Article RP 702

Obligation to provide identification

1 Designated operators shall check the identity of senders, in accordance with their obligation of due diligence in relation to users, on the basis of documents or reliable data or information recognized and accepted by the national authority for the purposes of identification in the national territory.

2 Where accounts are held by designated operators, these accounts may only be personal accounts for which the designated operators check the identity of the account holder, regardless of any threshold for the amount of postal payment orders.

3 Designated operators may, subject to their national legislation, agree among themselves to set minimum amounts below which the issuing designated operator shall not be obliged to take details of the sender's identity document. This threshold shall not exceed 600 SDR per day for money orders.

■ **Commentary**

702.3 The threshold of 600 SDR was set in accordance with FATF recommendations.

Article RP 703

Identification data

1 Each postal payment order shall contain the name and the address of the sender and payee. However, for postal payment orders transmitted by electronic means, the address may be replaced by a unique identifier number.

2 If the postal payment orders are transmitted by electronic means, they shall include:

- 2.1 the account number for postal transfers, outpayment money orders and inpayment money orders;
- 2.2 a unique reference number allowing the sender to be traced for cash money orders and inpayment money orders.

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

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

■ **Commentary**

703 This provision contains the FATF's recommendations concerning PPS.

Article RP 704

Duty to obtain information

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

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

Article RP 705

Duty of monitoring, detection and reporting

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

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

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

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

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

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

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

■ **Commentary**

705 The system used by DOs facilitates the monitoring and detection of suspicious transactions.

705.4 Politically exposed persons, occasional transactions involving high amounts, repeated orders (even for small amounts) or repeated reimbursement requests are examples of the high risks covered by this provision, as are products using new technologies conducive to anonymity. Transactions with the DOs of countries that have not yet adopted legislation to combat money laundering and the funding of terrorism and financial crime are, in principle, high-risk transactions.

Article RP 706

Archiving

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

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

■ **Commentary**

706 The min period for archiving was set in accordance with FATF recommendations.

Article RP 707

Implementation of postal payment services

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

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

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

■ **Commentary**

707.1.4 See art. 5.3 of the Agr.

Article 8

Confidentiality

1 Designated operators shall ensure the confidentiality of, and the use of, personal data in accordance with national legislation and, where applicable, international obligations, and the Regulations. The provision of this article shall not restrict the provision of personal data on the request based on each member country's national laws.

2 The data required to execute the postal payment order shall be confidential.

3 For statistical purposes, and possibly also for the purpose of quality of service measurement and centralized clearing, designated operators shall be required to provide the International Bureau of the Universal Postal Union with postal data at least once a year. The International Bureau shall treat all individual postal data in confidence.

Article RP 801

Confidentiality of data

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

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

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

4 Any request to access archived data shall be justified.

■ **Commentary**

801.1 When DOs use new technologies for the transmission of data relating to postal payment orders, technical measures must be taken to ensure the confidentiality of these data. See also art 13 of the Agr.

801.3 See also the comm relating to art RP 503.2.

Article 9

Technological neutrality

1 The exchange of data necessary for the provision of the services defined in this Agreement shall be governed by the principle of technological neutrality, which means that the provision of these services does not depend on the use of a particular technology.

2 The procedures for executing postal payment orders, including the conditions for depositing, entering, dispatching, paying and reimbursing orders and for processing inquiries, and the time limit for making the funds available to the payee, may vary according to the technology used for transmitting the order.

3 Postal payment services may be provided on the basis of a combination of different technologies.

■ Commentary

9 The 2008 Agr and its Regs incorporate the principle of technological neutrality in the wording of their provisions, so as to facilitate network interconnectivity and the development of PPS through the use of new technologies.

Article RP 901

Combination of technologies

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

■ Commentary

901.1 When the access points to a DO's network are not all equipped with the necessary system, PPS may be provided using a combination of electronic and paper-based transmission (in accordance with the rules applicable to LP postal payment orders).

Chapter II

General principles and quality of service

Article 10

General principles

1 Accessibility via the network

- 1.1** The postal payment services shall be provided by the designated operators via their network(s) and/or via any other partner network in order to ensure accessibility to these services for the greatest number.
- 1.2** All users shall have access to postal payment services regardless of any contractual or commercial relationship existing with the designated operator.

2 Separation of funds

- 2.1** Users' funds shall be ring-fenced. These funds and the flows that they generate shall be separate from operators' other funds and flows, particularly their own funds.
- 2.2** Settlements relating to remuneration between designated operators are separate from settlements relating to users' funds.

3 Currency of issue and currency of payment in respect of postal payment orders

- 3.1** The amount of the postal payment order shall be expressed and paid in the currency of the destination country or in any other currency authorized by the destination country.

4 Non-repudiability

- 4.1** The transmission of postal payment orders by electronic means shall be subject to the principle of non-repudiability, in the sense that the issuing designated operator shall not question the existence of these orders and the paying designated operator shall not deny receipt of the orders, insofar as the message conforms to the applicable technical standards.
- 4.2** The non-repudiability of electronic postal payment orders shall be ensured by technological means, regardless of the system used by the designated operators.

5 Execution of postal payment orders

- 5.1** Postal payment orders transmitted between designated operators must be executed, subject to the provisions of the present Agreement and the national legislation.
- 5.2** In the designated operators' network, the sum delivered to the issuing designated operator by the sender shall be the same as the sum paid to the payee by the paying designated operator.

5.3 Payment to the payee shall not be conditional on receipt by the paying designated operator of the corresponding funds from the sender. It shall be made subject to the fulfilment by the issuing designated operator of its obligations towards the paying designated operator regarding instalments or the provision of a liaison account.

6 Setting of rates

6.1 The issuing designated operator shall set the price of postal payment services.

6.2 Charges may be added to this price for any optional or supplementary service required by the sender.

7 Exemption from charges

7.1 The provisions of the Universal Postal Convention concerning exemption from postal charges on postal items intended for prisoners of war and civil internees may apply to the postal payment service items for this category of payee.

8 Remuneration of the paying designated operator

8.1 The paying designated operator shall be remunerated by the issuing designated operator for the execution of postal payment orders.

9 Intervals for settlement between designated operators

9.1 The frequency of settlement between designated operators of sums paid or credited to a payee on behalf of a sender may be different from that in respect of the settlement of remuneration between designated operators. Sums paid or credited shall be settled at least once a month.

10 Obligation to inform users

10.1 Users shall be entitled to the following information, which shall be published and made available to all senders: conditions covering the provision of postal payment services, prices, charges, exchange rates and arrangements, conditions of implementation of liability, and the addresses of information and inquiry services.

10.2 Access to this information shall be provided free of charge.

■ Commentary

10.1 Postal services perform a social role, as provided for in the Preamble to the UPU Const. The density of the physical network of service access points allows DOs to provide local services via a formal money transfer channel. The use of formal channels makes it possible to ensure compliance with the rules governing the prevention of money laundering, terrorist funding and financial crime. The density of the physical network of access points also allows financial inclusion to be fostered. In order to ensure accessibility for the greatest number of users, as referred to in the preamble to the 2008 Agr, a fee must be charged.

10.2 The separation of funds and flows allows PPS to be made secure and prevents funds from being used for purposes other than the execution of postal payment orders or their reimbursement to the sender.

10.3 The 2008 Congress renounced the bilateral approach provided for in the Bucharest Agr and adopted common rules applicable to all PPS. This new rule is a corollary of the obligation to inform users (see art 10.10 of the Agr) and of the principle that the payee should receive the funds remitted by the sender in their entirety (see art 10.5.2 of the Agr).

10.4 A distinction must be drawn between non-repudiability and revocability (see definition in art 2.27 of the Agr). Non-repudiability is an obligation incumbent upon DOs and associated with the use of new technologies, whereas revocability is a possibility offered to users.

10.6.2 Optional or supplementary service means any service agreed upon between DOs which supplements the services defined in the Agr but which does not constitute a new form of money transfer, such as an advice of payment or of crediting to the payee's account (art RP 1512), provision of notification to the sender (by telephone, SMS or e-mail) of execution of the payment order, or home payment of the order.

10.7 The 2008 Congress incorporated the rules arising from the Conv into the Agr, which are also applicable to the LP PPS.

10.9 Corollary of the ring-fencing of users' funds. See also art 10.2 of the Agr.

10.10 Provision of information to users makes it possible to ensure compliance with the social role of PPS through a transparency obligation.

Article RP 1001

Separation of funds

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

Article RP 1002

Ring-fencing of users' funds

1 Sums remitted by users or debited from their account shall be ring-fenced and reserved for the settlement of postal payment orders between designated operators and for reimbursement.

2 Users' funds shall be managed in accordance with the prudence principles applicable to the management of third parties' funds.

Article RP 1003

Currency of issue and payment

1 Where the currency of destination is convertible, the amount of the postal payment order shall be expressed in the currency of the paying designated operator.

2 Where at least one of the two currencies is not convertible, the designated operators shall agree to express the amount of the postal payment order issued in a third currency authorized by the destination country.

3 The exchange rates used to express the amount of the postal payment order shall be those that apply at the time of issue of the postal payment order. Where the issuing designated operator does not have the technical means to express the postal payment order in the currency of the paying designated operator, the conver-

sion to the currency of payment shall be made by the paying designated operator at the exchange rate that applies at the time of receipt of the postal payment order.

4 After advising the designated operators concerned, the paying designated operator may, if its legislation so requires, either ignore fractions of currency units or round the amount off to the nearest currency unit or tenth part thereof, always in favour of the payee.

Article RP 1004

Setting of rates

1 Rates shall be so set by the issuing designated operators as to promote accessibility to the postal payment services.

2 All charges shall be paid in full by the sender.

■ Commentary

1004.2 In line with banking practice, the Beijing and Bucharest Congresses had introduced an exception to this principle for transfers. The 2008 Agr reversed this exception and confirmed the principle which has always applied to charges for PPS: all charges shall be paid in full by the sender, regardless of the type of PPS.

Article RP 1005

Exemption from charges

1 Exemptions from postal charges for items relating to the postal service, and for postal payment service items addressed to or sent by prisoners of war (including belligerents apprehended and interned in a neutral country) or civilian internees, shall be governed by the Universal Postal Convention and the Letter Post Regulations.

■ Commentary

1005 Arts RP 1005 to RP 1009 refer to art 7.2.1 to 2.3 of the Conv, and to arts RL 111 and RL 112 of the LP Regs.

Article 7 (Convention)

Exemption from postal charges

2 Prisoners of war and civilian internees

2.1 Letter-post items, postal parcels and postal financial services items addressed to or sent by prisoners of war, either direct or through the offices mentioned in the Regulations of the Convention and of the Postal Payment Services Agreement, shall be exempt from all postal charges, with the exception of air surcharges. Belligerents apprehended and interned in a neutral country shall be classed with prisoners of war proper so far as the application of the foregoing provisions is concerned.

- 2.2 *The provisions set out under 2.1 shall also apply to letter-post items, postal parcels and postal financial services items originating in other countries and addressed to or sent by civilian internees as defined by the Geneva Convention of 12 August 1949 relative to the protection of civilian persons in time of war, either direct or through the offices mentioned in the Regulations of the Convention and of the Postal Payment Services Agreement.*
- 2.3 *The offices mentioned in the Regulations of the Convention and of the Postal Payment Services Agreement shall also enjoy exemption from postal charges in respect of letter-post items, postal parcels and postal financial services items which concern the persons referred to under 2.1 and 2.2, which they send or receive, either direct or as intermediaries.*

Article RL 111 (Letter Post Regulations)

Application of exemption from postal charges to bodies concerned with prisoners of war and civilian internees

- 1 *The following shall enjoy exemption from postal charges within the meaning of article 7.2 of the Convention:*
- 1.1 *the Information Bureaux provided for in article 122 of the Geneva Convention of 12 August 1949 relative to the treatment of prisoners of war;*
- 1.2 *the Central Prisoner-of-War Information Agency provided for in article 123 of the same Convention;*
- 1.3 *the Information Bureaux provided for in article 136 of the Geneva Convention of 12 August 1949 relative to the protection of civilian persons in time of war;*
- 1.4 *the Central Information Agency provided for in article 140 of the latter Convention.*

Article RL 112 (Letter Post Regulations)

Marking of items sent free of postal charges

- 1 *Items exempt from postal charges shall bear, on the address side in the top right-hand corner, the following indications, which may be followed by a translation:*
- 1.2 *“Service des prisonniers de guerre” (Prisoners-of-war service) or “Service des internés civils” (Civilian internees service) for the items mentioned in article 7.2 of the Convention and article RL 111 and the forms relating to them;*

Article RP 1006

Exemption from postal charges on postal payment service items

- 1 *Postal payment service items shall be exempted from postal charges, in accordance with the relevant provisions of the Letter Post Regulations.*

■ **Commentary**

See comm of art RP 1005.

Article RP 1007

Exemption from postal charges for prisoners of war and civilian internees

1 Postal payment service access points shall benefit from exemption from postal charges for the postal payment service items of the prisoners of war and civilian internees provided for in the Universal Postal Convention.

■ **Commentary**

See comm of art RP 1005.

Article RP 1008

Application of exemption from postal charges to bodies concerned with prisoners of war and civilian internees

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

■ **Commentary**

See comm of art RP 1005.

Article RP 1009

Marking of items sent free of postal charges

1 The information required for the sending of postal payment orders shall be as set out in the Letter Post Regulations.

■ **Commentary**

See comm of art RP 1005.

Article RP 1010

Procedures for remuneration between designated operators

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

1bis The exchange commission applied by designated operators shall represent a reasonable margin, take account of local economic conditions, and enable development of the service.

2 The total amount of the remuneration shall, in principle, be expressed in SDR based on the SDR rate in force on the last day of the month and communicated by the IMF. Contracting designated operators may, however, agree on some other reference currency.

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

■ **Commentary**

1010.1 In resolution C 78/2008, the 2008 Congress instructed the POC to develop a quality-linked remuneration system for PPS, and invited member countries to “encourage their DOs to join the quality-linked remuneration system”. The model bilateral service agr (provisionally approved by the 2009.1 POC: POC 2009.1–Doc 5a.Rev 2) will contain a recommendation for a method of setting remuneration between DOs in accordance with the Agr and the Regs.

1010.2 The value of the SDR is determined each day by the IMF on the basis of a basket of currencies, a coefficient being assigned to each of them for the purpose of this calculation.

Article RP 1011

User information

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

Article 11

Quality of service

1 Designated operators may decide to identify postal payment services by means of a collective brand.

Article RP 1101

Quality of service for postal payment orders sent by electronic means

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

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

2 The Postal Operations Council shall set the quality of service objectives for these various elements.

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

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

Article RP 1102

Collective brand

1 A collective brand may be associated with the use of particular new technologies for the sending of postal payment orders.

2 The use of the collective brand by designated operators shall be subject to compliance with the quality objectives associated with this brand set by the users of the brand, in compliance with the quality of service objectives set by the Postal Operations Council.

■ **Commentary**

1102 In resolution C 77/2008, Congress instructed the permanent bodies of the UPU to take the necessary steps for the registration and management of the collective mark in order to promote the international recognition of PPS.

Chapter III

Principles for electronic data interchange

Article 12

Interoperability

1 Networks

- 1.1 In order to exchange the data needed to execute postal payment services between all designated operators, and to monitor quality of service, designated operators shall use the Union's electronic data (EDI) exchange system or any other system ensuring the interoperability of the postal payment services in accordance with this Agreement.**

Article RP 1201

Conditions of interoperability and centralized settlement

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

Article 13

Ensuring the security of electronic exchanges

- 1 Designated operators shall be responsible for the proper functioning of their equipment.**
- 2 The electronic transmission of data shall be made secure in order to ensure the authenticity and integrity of the data transmitted.**
- 3 Designated operators shall make transactions secure, in accordance with international standards.**

■ Commentary

13 The standard ISO 27001 provides a comprehensive reference framework for information security management systems. In particular, it covers network security, physical and electronic security, security of the operating environment, and security of operational staff working in the PPS field.

Article RP 1301

Network security

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

Article RP 1302

Security of electronic exchanges

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

Article RP 1303

Rules of operation and maintenance of electronic equipment

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

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

Article RP 1304

Data security

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

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

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

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

Article RP 1305

Data back-up

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

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

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

Article RP 1306

Access to archived data

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

Article 14
Track and trace

1 The systems used by designated operators shall permit the monitoring of the processing of the order and its revocation by the sender, until such time as the corresponding amount is paid to the payee or credited to the payee's account, or, if appropriate, reimbursed to the sender.

Article RP 1401
Track and trace

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

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

3 Designated operators shall send an acknowledgement of receipt or notification of rejection for each EDI message received.

4 The sender may ask to receive an advice of payment, transfer or reimbursement.

5 The status of a postal payment order or of a request relating to the execution of a postal payment order shall be accessible to the designated operators involved in the execution of this postal payment order.

6 Data shall be stored online for at least six months.

■ **Commentary**

1401.1 The term “track and trace” is primarily associated with physical mail. In the electronic messaging field, “functional acknowledgements of receipt” are used to record the transmission and receipt of data.

Part II

Rules governing the postal payment services

Chapter I

Processing of postal payment orders

Article 15

Deposit, entry and transmission of postal payment orders

1 The conditions for depositing, entering and transmitting postal payment orders are set out in the Regulations.

2 The period of validity for postal payment orders may not be extended and is set in the Regulations.

■ **Commentary**

15.2 The extension of the period of validity set in the Regs was excluded by the Bucharest Acts in order to improve quality of service, and in particular to speed up the processing and settlement of inquiries. Consequently, the period of validity set in the Regs may not be extended.

Article RP 1501

Forms

1 Forms shall be generated by the system used by the designated operator or prepared in hard-copy form.

2 The forms generated by the system shall contain fields corresponding to those provided for in the forms annexed to the Regulations.

3 Forms shall provide the additional sections required by designated operators within the framework of their service agreements.

Article RP 1502

Information common to execution forms

1 Mandatory information

1.1 Forms linked to the execution of users' postal payment orders shall contain references to the service access point of the designated operator.

2 Optional information

2.1 A "personal messages" section may be used on forms intended for relations with users.

Article RP 1503

Status of a postal payment order or a request

1 Designated operators shall, by the most appropriate means, inform each other of any change in the status of the postal payment order or request.

2 If the change in status is not automatically generated by the system of the designated operator, the latter shall immediately enter the status change data for exchanges by electronic means.

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

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

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

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

Article RP 1504

Postal payment order request

- 1 The issuing designated operator shall gather the information required for the execution of the postal payment order.
- 2 The sender shall complete the postal payment order request form and pass it to the issuing designated operator. The conditions of service of the issuing designated operator shall be annexed to the postal payment order request user form.
- 3 Postal payment order requests for letter-post money orders shall be drawn up on a user form conforming to the specimen MP 1, or any appropriate medium for electronic transfers.
- 4 Postal payment order requests for transfers shall be drawn up on a user form conforming to the specimen VP 1, or any appropriate medium for electronic transfers.
- 5 The information provided for the execution of the postal payment order shall be precise and complete. Abbreviated addresses shall not be admissible.
- 6 Postal payment order requests may be entered in the system by the sender, subject to compliance with the conditions relating to:
 - 6.1 prevention of money laundering, terrorist financing and financial crime;
 - 6.2 security;
 - 6.3 track and trace;
 - 6.4 confidentiality.
- 7 Entries on letter-post postal payment orders shall preferably be machine-printed. They may be handwritten, in block letters if possible. The information provided for the execution of the letter-post postal payment order shall be legible. Pencilled entries shall not be accepted. Postal payment orders shall be without erasure or alteration, even if certified.
- 8 In general, postal payment orders shall be written in roman letters and arabic numerals. Information such as names and addresses may, however, be written in characters of a language agreed between the designated operators.

Postal Payment Services, 24th Congress 2008, art RP 1504 – Size 210.8 x 101.6 mm

MP 1 (Back)

<div>Space for endorsements, if any</div>			
<div>Receipt</div>			
Identity document presented		No.	
place of issue	issuing authority	date of issue	
name of holder		date and place of birth	
Received the sum of		Place and date	
In-register	Signature of payee		Stamp of paying service
No.			
<div>¹ Indicate amount and currency of payment</div>			

Issuing designated operator

Giro centre

ADVICE OF INTERNATIONAL POSTAL TRANSFER

VP 1
(cf. TFP 2)

Name, forename and address of sender	
Giro centre and account No. BIC/IBAN	Date
Name, forename and address of payee	
Postcode	Town
Country	
Giro centre and account No. BIC/IBAN	Giro centre
Advice of crediting to account <input type="checkbox"/> yes <input type="checkbox"/> no	
Messages	
Amount in arabic number	

Stamp of issuing designated operator

Article RP 1505

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

1 Before accepting the postal payment order request from the sender, and subject to the provisions designed to combat money laundering, the official of the issuing designated operator shall check that:

- 1.1 the postal payment order conforms to the conditions set in the Agreement, the Regulations and the national legislation;
- 1.2 the postal payment order is executable in accordance with the service agreement between designated operators;
- 1.3 the postal payment order is accompanied by the remittance of funds from the sender or by an order to debit his account;
- 1.4 where applicable, the sender's account contains sufficient funds.

Article RP 1506

Entry of postal payment orders

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

Article RP 1507

Frequency of connections to system

1 In cases where a system is used, the designated operator shall connect to it as frequently as possible.

- 1.1 In cases where it uses its own system, the designated operator shall connect to it at least twice a day.
- 1.2 If it uses an online system, the designated operator shall connect to this system at least once a day to access the daily activity report.

Article RP 1508

Acceptance of postal payment order

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

Article RP 1509

Issue of postal payment order

1 The postal payment order shall be issued on form MP 1 or VP 1, or any appropriate form.

2 It shall be prohibited to make any entries on postal payment orders other than those allowed for in the contents of the forms, except for service instructions.

3 Following issue of the postal payment order, a duplicate of the electronic postal payment order or a letter-post service coupon shall be provided free of charge to the sender as a receipt. It shall contain information about the order validated by the sender, the rates and charges relating to the order, the exchange rate applied, if applicable, and the service conditions.

4 The information system used by the issuing designated operator shall automatically issue the time-stamped form.

5 (Deleted.)

Article RP 1510

Request for revocation

1 The sender may request the withdrawal of an postal payment order.

Article RP 1511

Period of validity of money orders

1 The validity period of money orders sent by electronic means shall be 30 calendar days from their date of issue.

2 The validity period of letter-post money orders shall extend until the end of the second month following the date of issue.

3 The issuing designated operator and paying designated operator may agree on a period other than the one mentioned above.

■ Commentary

1511.1 and 2 The setting of a period of validity in the Regulations aims to facilitate the implementation of a centralized clearing/settlement system by standardizing the period of validity for all DOs participating in the system. Electronic money orders and letter-post money orders have different periods of validity because they have different transmission times.

1511.3 See art 15.2.

Article RP 1512

Advice of payment or of crediting to payee's account

1 If the service agreement of the designated operators so allows, the sender may ask to be advised of the payment to the payee or crediting to his account.

2 The advice shall be prepared on a form CN 07, in accordance with the Letter Post Regulations. It shall be prepared by the paying designated operator where postal payment orders are sent by electronic means. In the case of letter-post postal payment orders, form CN 07 shall be attached to form MP 1, or VP 1 by the issuing designated operator.

3 The data for the advice shall be entered electronically for postal payment orders sent by electronic means, and a field is provided on forms MP 1 and VP 1 for entry of the advice reference. The paying designated operator shall complete this field when the postal payment order is entered. The payment advice shall be prepared in accordance with form CN 07 and addressed to the sender by the issuing designated operator.

■ **Commentary**

1512.2 and 3 Arts RL 138.3.2, RL 150.2.9 and RL 150.5.1, set forth below, are applicable for the CN 07 form.

Article RL 138 (Letter Post Regulations)

Delivery to the addressee in person

- 3 *Marking and treatment of items for delivery to the addressee in person*
- 3.2 *When the sender has requested an advice of delivery and delivery to the addressee in person, the CN 07 form shall be signed by the addressee or, if that is not possible, by his duly authorized representative. In addition to the signature, the name in capital letters or any clear and legible indication permitting unambiguous identification of the person signing shall also be obtained.*

Article RL 150 (Letter Post Regulations)

Inquiries

- 2 *Preparation of request*
- 2.9 *If the sender asserts that, despite the designated operator of destination's attestation of delivery, the addressee claims not to have received the item under inquiry, the following procedure shall be followed. At the express request of the designated operator of origin, the designated operator of destination shall be obliged to provide the sender as soon as possible and, at the latest, within a period of 30 days from the date of sending of such a request, through the designated operator of origin, confirmation of the delivery by letter, CN 07 advice of delivery or some other means, signed in conformity with article RL 137.3.1 or RL 138.3.2, as appropriate or a copy*

of a signature of acceptance or some other form of evidence of receipt from the recipient in conformity with article RL 132.5.10 or RL 134.6.8.

5 *Inquiries about the non-return to sender of an advice of delivery*

5.1 *In the case provided for in article RL 137.3.3 and if an item has been delivered, the designated operator of the destination country shall obtain on the CN 07 advice of delivery form bearing the word “Duplicata” the signature of the person who has received the item. Subject to the legislative provisions of the country of the designated operator dispatching an advice of delivery, instead of obtaining a signature on the duplicate of the advice of delivery, it shall also be authorized to attach to the CN 07 form a copy of a document used in the domestic service with the signature of the person who has received the item or a copy of the electronic signature affixed upon delivery of the item. The CN 07 form shall remain attached to the CN 08 inquiry form for subsequent delivery to the claimant.*

Article RP 1513

Indication of amounts

1 The amounts of postal payment orders and remunerations shall be given in figures, with the abbreviation of the name of the currency unit. Fractions of the currency unit shall be expressed using two (or three) figures, including zeros, corresponding to tenths, hundredths (and thousandths) respectively.

2 For postal payment orders relating to letter-post money orders, the amount and the name of the currency unit must also be written out in full in the language agreed on between the designated operators. The amount may also be expressed in words written digit by digit separately. In the sum in words, where repetition of the fractions is not obligatory, they may be expressed in figures after the indication of the number of currency units.

■ Commentary

1513.1 The standard for the abbreviation of the name of the currency unit is ISO 4217.

Article RP 1514

Sending of postal payment orders

1 Postal payment orders shall be sent to the paying designated operator by the quickest means.

1.1 Where a system is used, postal payment orders in cash shall be addressed directly to the payment service access point, and those to be entered to the payee's account shall be addressed directly to the postal giro centre.

1.2 Letter-post postal payment orders shall be addressed to the paying designated operator and shall be inscribed “Service des postes” (on postal service) or similar.

2 The sending of a postal payment orders by electronic means shall take place on the date of its issue of the order or within two working days if the order was issued from a service point not connected to the electronic network.

3 In principle, the frequency of transmission of the items by electronic means shall not be less than twice a day during working hours. Designated operators may, however, agree a greater frequency.

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

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

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

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

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

■ Commentary

1514.5.1 See art RL 178.1 (below).

1514.5.2 See art RL 175 (below).

Article RL 178 (Letter Post Regulations)

Transmission of money orders and unregistered COD items

1 *Postal money orders sent unenclosed shall be made up in a separate bundle and placed in a packet or bag containing registered items or, if there is one, in the packet or bag with insured items. The same shall apply to unregistered COD items. If the mail contains neither registered nor insured items, the money orders and any unregistered COD items shall be placed in the envelope containing the letter bill or bundled with the latter.*

Article RL 175 (Letter Post Regulations)

Transmission of registered items

1 *Registered items shall be transmitted entered individually on the back of the letter bill. One or more CN 33 special lists may be used, either in place of the back of the letter bill or as a supplement to that bill. The use of special lists shall be compulsory if the designated operator of destination so requests. The lists in question shall show the same mail number as that shown on the letter bill of the corresponding mail. When several special lists are used they shall also be numbered*

in their own series for each mail. The number of registered items which can be entered on a single special list or on the back of the letter bill shall be restricted to the number for which the layout of the respective form provides. The total number of registered items included in the mail shall be entered in table 3 of the letter bill.

2 Designated operators may agree to the bulk advice of registered items. The total number of registered items included in the mail shall be entered in table 3 of the letter bill. When the mail comprises several bags of registered items, every bag except the one in which the letter bill is inserted shall contain a CN 33 special list showing, in words and figures in the space provided, the total number of registered items it contains. The number of registered items inserted in the bag containing the letter bill shall be mentioned thereon in the box in table 6 reserved for that purpose.

3 Registered items and, where applicable, the special lists provided under 1 shall be made up in one or more separate packets or bags which shall be suitably wrapped or closed and sealed with or without lead so as to protect the contents. Bags and packets made up in this way may be replaced by heat-sealed plastic bags. The registered items shall be arranged in each packet according to their order of entry. When one or more special lists are used, each of them shall be tied up with the registered items to which it refers and placed on top of the first item in the bundle. When several bags are used each of them shall contain a special list detailing the items which it contains.

4 Subject to agreement between the designated operators concerned and when their volume permits, registered items may be enclosed in the special envelope containing the letter bill. This envelope shall be sealed.

5 In no case may registered items be included in the same bundle as unregistered items.

6 As far as possible a single bag shall not contain more than 600 registered items.

7 If registered COD items are entered individually on the back of the CN 31 letter bill or on a CN 33 special list the word “Reimbursement” (COD) or the abbreviation “Remb” or “COD” should be written opposite the appropriate entry in the “Observations” column.

8 Registered M bags shall be entered as a single item in table 6 or on the back of the CN 31 letter bill or on a CN 33 special list. The letter M shall be added in the “Observations” column.

9 Designated operators may establish systems that generate electronic transmission confirmation data, and agree to exchange such data with the designated operators of origin of the items.

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

1 Thailand shall be authorized not to apply the provisions of article RP 1514.2 with respect to the obligations of the sending designated operator.

Article RP 1515
Rules specific to transfers

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

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

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

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

issuing designated operator

LIST OF INTERNATIONAL POSTAL TRANSFERS

VP 104
(cf. SFP 5)

Postal giro centre of destination		Date of the list	
		No. on VP 105 form	
		Number of transfers	
Payee		Sender	
No. Account No.	Name, forename and address	Amount issued	local currency
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
Total/carried forward			

VP 104 (Back)

Payee			Sender		
No.	Account No.	Name, forename and address	Amount issued	local currency	Account No.
	Carried forward				
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
Total					

Issuing designated operator

**DAILY DISPATCH OF INTERNATIONAL
POSTAL TRANSFERS****VP 105**
(cf. SFP 6)

Postal giro centre

Postal giro centre of destination	Date of dispatch
	Dispatch No.
	Number of VP 104 lists attached

Please carry out the orders appearing on the attached VP 4 lists, the amount of which are the following

Serial No.	Amount		Serial No.	Amount		Serial No.	Amount	
1	2		3	4		5	6	
1			Carried forward			Carried forward		
2			15			28		
3			16			29		
4			17			30		
5			18			31		
6			19			32		
7			20			33		
8			21			34		
9			22			35		
10			23			36		
11			24			37		
12			25			38		
13			26			39		
14			27			40		
Carried forward			Carried forward			Total		

Total sum of	In words
--------------	----------

Stamp of the giro centre Date and signature

Article 16

Checking and release of funds

1 After confirming the payee's identity in accordance with national legislation and the accuracy of the information he has provided, the designated operator shall make the payment in cash. For an inpayment order or a transfer, this payment shall be credited to the payee's account.

2 The time limits for release of the funds shall be established in the bilateral and multilateral agreements between designated operators.

Article RP 1601

Treatment of postal payment orders by the paying designated operator

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

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

Article RP 1602

Treatment specific to money orders

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

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

Article RP 1603

Endorsement and forwarding of money orders

1 If the legislation of the destination country allows, and if the designated operators have concluded a service agreement to this effect, the ownership of postal money orders may be transferred by means of endorsement.

2 The reforwarding of a money order to another country shall not be permitted.

Article RP 1604

Treatment of requests for revocation

1 Upon receipt of the request, the paying designated operator shall complete the form MP 2 or VP 2, once it has gathered the necessary information.

2 The paying designated operator shall send the duly completed form MP 2 or VP 2 back to the issuing designated operator by the quickest means, attaching the corresponding form MP 1 in the case of a letter-post postal payment order.

3 Where the funds have not been remitted to the payee or his account has not yet been credited, the paying designated operator shall act on the request. Otherwise, the request shall be declined.

Issuing designated operator

INTERNATIONAL POSTAL MONEY ORDER SERVICE MP 2
(cf. TFP 6)

☐ **INQUIRY**

☐ **REQUEST FOR WITHDRAWAL**

Post office or giro centre of destination		Date of MP 2 form	
		Our reference	Your reference
Description of money order	<input type="checkbox"/> Cash <input type="checkbox"/> Outpayment <input type="checkbox"/> Inpayment		
Method of transmission	<input type="checkbox"/> Mail		
	<input type="checkbox"/> Electronic means		
Issue	Issuing service	No. of money order	Date
Amount	<input type="checkbox"/> In currency of paying country <input type="checkbox"/> In currency of issuing country		
	Amount of money order (in arabic numerals)		
Sender	Name and full address		
	Giro centre ¹	Account No. (BIC/IBAN ¹)	
Payee	Name, forename and full address		
	Giro account No. IBAN/BIC	Centre	
Person making inquiry or request	Name and full address		
Additional information			
Reason for inquiry or request	<input type="checkbox"/> The sender/payee (delete as appropriate) states that the amount has not been received. Please investigate this matter and communicate the findings to us		
	<input type="checkbox"/> Please return the above-mentioned money order to me for delivery to sender		
	<input type="checkbox"/> The sender wishes to know whether the money order has been paid to the payee		
	Other reasons		
If the money order has been lost, the amount is to be	<input type="checkbox"/> paid to the original payee <input type="checkbox"/> reimbursed to the sender		
Method of transmission of reply	<input type="checkbox"/> Priority mail		
	<input type="checkbox"/> Fax/e-mail		
The present form must be returned to the service issuing the request			
Place and date		Stamp of office originating the request	
Signature of person making the inquiry or request		Signature	

Postal Payment Services, 24th Congress 2008, art RP 1604 – Size 210 x 297 mm

Office sending the reply

REPLY TO INQUIRY OR REQUEST

MP 2 (Back)

Post office or giro centre of destination of the reply	Date of the reply
	Our reference
	Your reference

Treatment of money order in question

<input type="checkbox"/> It was duly paid to the payee	Date of payment
<input type="checkbox"/> It was credited to the payee's account	Date of credit
<input type="checkbox"/> It is still being dealt with at the post office or giro centre	Name of office
<input type="checkbox"/> It has been delivered to the payee, who has not yet claimed payment	
<input type="checkbox"/> It has been returned to the country of issue	Date
<input type="checkbox"/> It has not arrived at the post office or giro centre	Name of office
Other reasons for non-payment of the money order or of not crediting the amount to the account	

Declaration of payee (if possible) (art. RP 1904)

Stamp of office sending the reply Signature

Requesting designated operator

INQUIRY OR REQUEST FOR CANCELLATION INTERNATIONAL POSTAL TRANSFER ORDER

VP 2
(cf. TFP 7)

Giro centre of origin

☐ **INQUIRY**

☐ **REQUEST**

Giro centre of destination	Date of VP 2 form
	Date of transfer
	<input type="checkbox"/> Confirmation of a request sent by fax/e-mail

Notes. To be returned by registered post

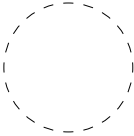
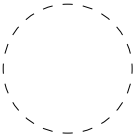
Concerning sender	Giro centre of origin		
	Giro account No.		Centre
	BIC/IBAN		
	Name, forename and address		
	Postcode	Town	Country
Amount	In arabic figures, in currency of issuing country		
Concerning payee	Giro account No.		Centre
	BIC/IBAN		
	Name, forename and address		
	Postcode	Town	Country
Reason for inquiry or request	<input type="checkbox"/> The sender/payee (delete as appropriate) states that the payee has not been credited. Please investigate this matter and communicate the findings to us		
	<input type="checkbox"/> Please cancel order described below and return the relevant advice to us, crediting the corresponding amount to our account ¹		
	Other reasons		
Advice dispatched Dispatch by the giro centre of origin	Giro centre		
	Office of exchange of origin		
	List No.	Date	
Stamp of giro centre of origin Date and signature <div style="float: right; border: 1px dashed black; border-radius: 50%; width: 80px; height: 80px; margin-left: auto;"></div>			
Dispatch by the giro office of exchange of the issuing designated operator	Office of exchange of origin		
	Office of exchange of destination	Summary list No.	
	List No.	Date	Serial No.
Stamp of the office of exchange of the issuing designated operator Date and signature <div style="float: right; border: 1px dashed black; border-radius: 50%; width: 80px; height: 80px; margin-left: auto;"></div>			

Paying designated operator

REPLY TO INQUIRY
OR REQUEST FOR CANCELLATION

VP 2 (Back)

Giro centre of destination of the reply (Giro centre of origin)	Date of reply
	Our reference
	Your reference

Dispatch by the office of exchange of the paying designated operator	Exchange office of destination	Stamp 
	Giro centre of destination	
	List No. Date	
	Signature	
Reply from the giro centre of destination		
Stamp of the giro centre of destination Date and signature		

Article RP 1605

Replacement of money orders mislaid, lost or destroyed before payment

1 Any money order mislaid, lost or destroyed before payment may be replaced, at the request of the sender or the payee, by a new money order issued by the issuing designated operator.

2 Before replacing a money order presumed mislaid, lost or destroyed before payment, the designated operators shall consult with each other and satisfy themselves that the original money order has not been paid or reimbursed. Every precaution shall be taken to avoid a money order presumed mislaid, lost or destroyed from being paid later.

3 Where the paying designated operator declares that a letter-post money order has not reached it, the issuing designated operator may replace it with a new one if the money order in question does not appear in any of the monthly accounts covering the validity period of the money order.

4 If no reply is obtained from the paying designated operator within a period of one month from the day following the date of the inquiry and if the instrument does not appear in any of the monthly accounts received by the end of that period, the issuing designated operator shall be authorized to reimburse the funds, in accordance with the Letter Post Regulations in the case of a letter-post money order.

5 Notification of the indemnification of the claimant shall then be sent under registered cover to the paying designated operator and the letter-post money order, henceforth deemed definitively lost, may not subsequently be entered in an account.

Article RP 1606

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

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

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

Article RP 1607

Treatment specific to transfers

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

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

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

Article RP 1608

Irregular postal payment orders

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

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

Article RP 1609

Treatment of irregular postal payment orders

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

2 The designated operator that sent the message shall be notified of the rejection as soon as the reason for it has been determined. The data shall be corrected or supplemented by the designated operator that sent the message and sent back to the other designated operator on the first working day following notification of

the rejection. Where a combination of technologies is used, the time limit concerned shall be set in the service agreement and may not exceed three working days.

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

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

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

Article RP 1610

Treatment of irregular letter-post money orders

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

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

Article RP 1611

Treatment of irregular letter-post transfers

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

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

REGULARIZATION LIST
INTERNATIONAL POSTAL TRANSFERS

VP 3
(cf. SFP 7)

☐ Transfers not made

☐ NOTIFICATION
of irregularity

☐ CORRECTION
to a daily dispatch of transfers

Postal giro centre

Dispatching centre of exchange		Date of the VP 3	
Number of annexes		No.	
Date of daily dispatch of transfers			
Sender			
Payee		Giro centre and account No. or BIC/IBAN	
List No.	Serial No.	Name, forename and address	
1	2	3	4
			5
Reason			
Reason			
Reason			
Reason			
Reason			
Reason			
Total/carried forward			

VP 3 (Back)

[illegible]Total of the daily dispatch described above after correction¹

Total of the daily dispatch described above after correction	
In figures	In words
Stamp of giro centre of exchange Date and signature	
	

¹ Only if daily dispatch corrected

Article RP 1612

Regularization of irregular postal payment orders

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

Issuing designated operator

REQUEST FOR RECTIFICATION OF AN INTERNATIONAL MONEY ORDER

MP 3
(cf. SFP 1)

Office or giro centre of issue of money order		Date of request	
		Our reference	
		Your reference	
Description of money order	<input type="checkbox"/> Cash <input type="checkbox"/> Outpayment <input type="checkbox"/> Inpayment		
Issue	Issuing service	No. of money order	Date
Amount	<input type="checkbox"/> In currency of country of payment <input type="checkbox"/> In currency of country of issue		
	Amount of money (in arabic numerals)		
Sender	Name, forename and full address		
	Giro centre ¹	Account No. (BIC/IBAN ¹)	
Payee	Name, forename and full address		
	Giro account No. IBAN/BIC	Centre	
Additional information			

I. Request for rectification of a money order

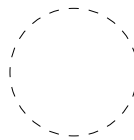
The money order described above, which is attached herewith², cannot be paid for the following reason:

- ☐ Incorrect, incomplete or unclear indication or omission of the name or address of the payee
- ☐ The number of the giro account is missing or wrong
- ☐ Discrepancies in or omission of amounts
- ☐ Exceeding the maximum amount agreed to between the designated operators
- ☐ Money order for an amount less than the minimum agreed to between the designated operators
- ☐ Erasures or alterations in the entries
- ☐ Omission of stamp or other service indications
- ☐ Indication of the amount to be paid in a currency other than that which is accepted
- ☐ Omission of the name of the currency unit
- ☐ Obvious error in the ratio between the currency of the issuing country and that of the paying country
- ☐ Use of non-regulation form
- ☐ Expiry of validity date

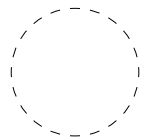
Other reasons

Please return the money order, under cover, immediately after rectification, together with this form

Stamp of paying service
Signature



Stamp of issuing service
Signature

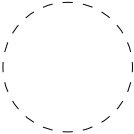
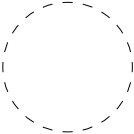


¹ If outpayment money order ² Only if it is a letter-post money order

II. Request

MP 3 (Back)

The money order described on the front	
<input type="checkbox"/>	was destroyed before payment
<input type="checkbox"/>	was lost before payment

<div>Stamp of the paying service Signature</div> <div></div>	<div>Stamp of issuing service Signature</div> <div></div>
---------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------

Article RP 1613

Payment to the payee and tracking

1 For outpayment and cash money orders, the payee shall sign a receipt conforming to form MP 1.

2 If the postal payment order is accompanied by an advice of payment or entry made out to the payee, the sender shall be notified by the quickest means once the postal payment order has been paid to the payee or credited to the payee's account.

Article RP 1614

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

1 The paying designated operator may replace any money order mislaid, lost or destroyed after payment with a new instrument prepared on form MP 1. The form shall bear all the necessary indications of the original instrument, as well as the words "Titre établi en remplacement d'un mandat égaré (perdu ou détruit) après paiement" (Instrument prepared to replace a money order mislaid (lost or destroyed) after payment) as well as the designated operator's stamp and the date.

2 A statement by the payee attesting that he has received the funds shall be given, preferably on the back of the replacement instrument itself. Exceptionally, this statement may be taken on a slip attached to the latter as a supporting document; such a statement shall take the place of the original receipt.

3 If this statement cannot be requested of the payee, an official note shall be made on the back of the replacement instrument or on a special supporting document, stating that the amount of the money order has in fact been paid.

Article 17

Maximum amount

1 Designated operators shall inform the International Bureau of the Universal Postal Union of the maximum amounts for sending or receipt set according to their national legislation.

■ Commentary

17.1 This provision applies to all categories of PPS.

Article 18

Reimbursement

1 Extent of reimbursement

- 1.1 Reimbursement within the framework of the postal payment services shall cover the full amount of the postal payment order in the currency of the issuing country. The amount to be reimbursed shall be equal to the amount paid by the sender or to the amount charged to his account. The price of the postal payment service shall be added to the amount reimbursed in the event of an error made by a designated operator.**

■ Commentary

18.1.1 Traditionally, DOs must reimburse the full amount of the order to the sender. In order to improve quality of service and user satisfaction, the 2008 Agr introduced an additional indemnity obligation in the event of an error by a DO.

Article RP 1801

Reasons for reimbursement

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

Article RP 1802

Method of reimbursement

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

Article RP 1803

Reimbursement owing to expiry of period of validity of a money order

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

Article RP 1804

Treatment of reimbursements

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

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

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

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

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

■ Commentary

1804.1 See art RL 147.8.

Article RL 147 (Letter Post Regulations)

Undeliverable items. Return to country of origin or to sender and period of retention

8 Treatment of items

8.1 *Before returning to the designated operator of origin items which for any reason have not been delivered, the office of destination shall show, in French, the reason for non-delivery. The reason shall be given, clearly and concisely, if possible on the front of the item, in the following form: “inconnu” (unknown), “refusé” (refused), “déménagé” (moved), “non réclamé” (unclaimed), “adresse insuffisante” (incomplete address), etc. As*

- regards postcards and printed papers in the form of cards, the reason for non-delivery shall be shown on the right-hand half of the front.*
- 8.2 *This information shall be shown by the application of a stamp or affixing of a CN 15 label, to be completed as appropriate. Each designated operator may add the translation, in its own language, of the reason for non-delivery and other appropriate particulars. In the service with designated operators which have so agreed the indications may be made in a single agreed language. Manuscript notes regarding the non-delivery made by officials or by post offices may also be regarded as sufficient in that case.*
- 8.3 *The office of destination shall strike out the address particulars with which it is concerned while leaving them legible and write “Retour” (Return) on the front of the item beside the name of the office of origin. It shall also apply its date-stamp on the back of priority items in envelopes and of letters and on the front of postcards.*
- 8.4 *Undeliverable items shall be returned to the office of exchange of the country of origin, either individually or in a special bundle labelled “Envois non distribuables” (Undeliverable items), as if they were items addressed to that country. Undeliverable ordinary items which bear adequate return details shall be returned direct to the sender.*

RETURN	CN 15
<input type="checkbox"/> Unknown	<input type="checkbox"/> Refused
<input type="checkbox"/> Gone away	<input type="checkbox"/> Unclaimed
<input type="checkbox"/> Insufficient address	
<input type="checkbox"/>	
Return date:	

Letter Post, 24th Congress 2008, art RL 147.8.2 –
Maximum size 52 x 52 mm, colour pink

Article RP 1805

Stale money orders

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

Chapter II

Inquiries and liability

Article 19

Inquiries

1 Inquiries shall be entertained within a period of six months from the day after that on which the postal payment order was accepted.

2 Designated operators, subject to their national legislation, shall have the right to collect from customers charges on inquiries in regard to postal payment orders.

Article RP 1901

Inquiries

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

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

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

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

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

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

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

Article RP 1902

Time limits for processing

1 The inquiry shall be processed immediately by the designated operator that received it. If the matter cannot be resolved by that designated operator, the other designated operator concerned shall be informed at the latest by the third working day following receipt of the advice. The designated operator concerned

shall provide a preliminary (or final) response within three working days for electronic postal payment orders, and within 10 working days for letter-post postal payment orders.

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

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

- 3.1 10 working days after the arrival of the inquiry concerning a postal payment order sent by electronic means in the country of destination;
- 3.2 one month after the arrival of the inquiry concerning a letter-post order in the country of destination.

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

Article 20

Liability of designated operators with regard to users

1 Treatment of funds

- 1.1 The issuing designated operator shall be accountable to the sender for the sums handed over at the counter or debited to the sender's account until the postal payment order has been duly paid or the payee's account credited, or until the funds have been reimbursed to the sender in the form of cash or as a credit to his account.**

Article RP 2001

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

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

Article 21

Obligations and liability of designated operators to each other

- 1 Each designated operator shall be liable for its own errors.**
- 2 The conditions and extent of liability are set out in the Regulations.**

Article RP 2101

Determination of liability

- 1 Subject to paragraphs 2 to 5 below, liability shall rest with the issuing designated operator.
- 2 Liability shall rest with the paying designated operator if it cannot establish that payment was made under the terms prescribed in its regulations, and in particular if, after due notification of the postal payment order's reimbursement by the issuing designated operator to the paying designated operator, the latter nevertheless pays the postal payment order to the payee.
- 3 Liability shall rest with the designated operator of the country where the error occurred:
 - 3.1 if it is a service error, including an error of conversion;
 - 3.2 if it is an error of data capture or transmission.
- 4 Liability shall rest with the issuing designated operator and the paying designated operator equally:
 - 4.1 if the error is attributable to both designated operators or if it is not possible to establish in which country the error occurred;
 - 4.2 if an error in transmission occurred in an intermediate country;
 - 4.3 if it is not possible to establish the country in which such error of transmission occurred.
- 5 Liability shall rest:
 - 5.1 in the case of payment of a spurious order, with the issuing designated operator or with the paying designated operator if it is not able to establish that the payment was made under the conditions prescribed in its regulations;
 - 5.2 in the case of payment of an order whose amount has been increased fraudulently, with the designated operator of the country in which the order was falsified; however, the loss shall be borne equally by the issuing and paying designated operators where it is not possible to establish the country in which the falsification occurred or when it is not possible to obtain compensation for a falsification committed in an intermediate country which does not participate in the postal payment services on the basis of the Agreement.

6 Designated operators shall be liable for the actions, errors and omissions of their subcontractors.

Article RP 2102

Payment of sums due in respect of indemnification

1 The obligation to indemnify the claimant shall rest with the issuing designated operator.

2 The designated operator which indemnified the claimant shall have right of recourse against the designated operator which is liable.

3 The designated operator which ultimately bears the loss shall have the right of recourse, up to the amount paid, against the person benefiting from the error.

4 Payment of the amounts owing to a claimant shall be made as soon as liability has been established and not later than two months from the day following the day of the inquiry.

5 If the designated operator presumed to be liable, although duly informed, has allowed one month to pass without finally settling a claim, the designated operator to which the inquiry was made shall be authorized to indemnify the claimant on behalf of the other designated operator.

Article RP 2103

Reimbursement of the designated operator involved

1 The designated operator which was liable shall be bound to reimburse the issuing designated operator which indemnified the claimant, within one month of the dispatch of the advice of payment.

1bis If, at the end of that period, the operation could not be executed, the issuing designated operator involved shall be authorized to credit the reimbursed sum to its own account by means of an automatic amendment of the PP 1 (or PPM or PPV) account received from the designated operator presumed to be liable. Also included shall be the sums corresponding to the interest on overdue payments at a rate set:

1bis.1 in accordance with the national legislation;

1bis.2 in the service agreement between designated operators; or

1bis.3 according to the national practices of the issuing designated operator.

2 (Deleted.)

Article 22

Non-liability of designated operators

- 1 Designated operators shall not be liable:**
 - 1.1 in cases of delay in the execution of the service;**
 - 1.2 when they cannot account for the execution of a postal payment order owing to the destruction of postal payment service data by force majeure, unless proof of their liability is otherwise produced;**
 - 1.3 when the damage has been caused by the fault or negligence of the sender, particularly concerning his responsibility to provide correct information in support of his postal payment order, including the fact that the funds remitted are from a legitimate source and that the postal payment order is for a legitimate purpose;**
 - 1.4 if the funds remitted are seized;**
 - 1.5 in the case of prisoner-of-war or civilian internee funds;**
 - 1.6 when the user has made no inquiry within the period set in the Regulations;**
 - 1.7 when the time allowed for recourse in respect of postal payment services in the issuing country has expired.**

Article 23

Reservations regarding liability

1 No reservations may be made to the provisions regarding liability prescribed in articles 20 to 22, other than in case of a bilateral agreement.

Chapter III

Financial relations

Article 24

Accounting and financial rules

1 Accounting rules

1.1 Designated operators shall comply with the accounting rules defined in the Regulations.

2 Preparation of monthly and general accounts

2.1 The paying designated operator shall prepare for each issuing designated operator a monthly account showing the sums paid for postal payment orders. The monthly accounts shall be incorporated, at the same intervals, in a general offset account including instalments and giving rise to a balance.

3 Instalment

3.1 In case of an imbalance in exchanges between designated operators, an instalment shall be paid by the issuing designated operator to the paying designated operator, at least once a month, at the beginning of the settlement period. In cases where increasing the frequency of settlement of exchanges reduces the period to less than a week, operators can agree to waive this instalment.

4 Concentration account

4.1 In principle, each designated operator shall have one concentration account for users' funds. These funds shall be used solely for settling orders paid to the payees or for reimbursing non-executed orders to senders.

4.2 Any instalments paid by the issuing designated operator shall be credited to the concentration account for the paying designated operator. These instalments shall be used exclusively for payments to payees.

5 Security deposit

5.1 The payment of a security deposit may be required in accordance with the conditions provided for in the Regulations.

■ Commentary

24.4 Concentration accounts are intended to make users' funds secure in the settlement of orders or the reimbursement of non-executed orders. They are also needed for the implementation of a centralized clearing/settlement system, as provided for in Congress resolution C 76/2008.

Article RP 2401

Accounting rules

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

Paid¹ postal transfers¹ Credited to the payee's account

Service

Paying designated operator

Totals	Number of paid postal transfers	Amount in issuing currency (xxx)	Amount in currency of payment (xxx)

Postal Payment Services, 24th Congress 2008, art RP 2401 – Size 210mm x 297mm

Paying designated operator

**INTERNATIONAL POSTAL PAYMENT SERVICE
PERIODICAL ACCOUNT OF ORDERS
(MONEY ORDERS AND TRANSFERS)**

PP 1
(cf. SFP 3)

Issuing designated operator	Date of account	
	Period	Year

Account	Number	Amount
1	2	3
(Carried forward from MP 104 and VP 105 forms)		
Currency in which the account is prepared		
Cash money orders (optional)		
Outpayment money orders (optional)		
Inpayment money orders (optional)		
Sub-total (money orders)		
Transfers		
Corrections relating to previous account(s), as annexed	<input type="checkbox"/> To be added <input type="checkbox"/> To be deducted	
Total sums owed by the issuing designated operator		

The undersigned certifies that the present monthly account corresponds to the annexed money orders

Date and signature	Full bank account details for payment
	Account No. (BIC/IBAN)

Paying designated operator

INTERNATIONAL POSTAL MONEY ORDER SERVICE PPM
PERIODICAL ACCOUNT OF INTERNATIONAL
POSTAL MONEY ORDERS (cf. SFP 3)

Issuing designated operator	Date of account	
	Period	Year

Account	Number	Amount
1	2	3
(Carried forward from MP 104 forms)		
Currency in which the account is prepared		
Cash money orders (optional)		
Outpayment money orders (optional)		
Outpayment money orders (optional)		
Sub-total		
Corrections relating to previous account(s), as annexed	<input type="checkbox"/> To be added <input type="checkbox"/> To be deducted	
Total of sums owed by the issuing designated operator		

The undersigned certifies that the present monthly account corresponds to the annexed money orders

Date and signature	Full bank account details for payment Account No. (BIC/IBAN)
--------------------	-----------------------------------------------------------------

Paying designated operator

INTERNATIONAL POSTAL TRANSFER SERVICE PERIODICAL ACCOUNT OF INTERNATIONAL POSTAL TRANSFERS

PPV
(cf. SFP 3)

Issuing designated operator	Date of account	
	Period	Year

Account		Number	Amount
1		2	3
(Carried forward from VP 105 forms)			
Currency in which the account is prepared			
Transfers			
Corrections relating to previous account(s), as annexed	<input type="checkbox"/> To be added		
	<input type="checkbox"/> To be deducted		
Total of sums owed by the issuing designated operator			

Date and signature	Full bank account details for payment Account No. (BIC/IBAN)
--------------------	---------------------------------------------------------------------

Article RP 2402

Daily reports prepared automatically by the system

1 For the purpose of good cash management for postal payment services and sound financial relations with other designated operators, the system used by a designated operator to execute postal payment services shall automatically generate daily bilateral reports of money orders (MP 4, MP 5, MP 6 and MP 7) and transfers (VP 4, VP 5, VP 6 and VP 7) issued, reimbursed, paid/credited to the payee and received, according to various useful parameters. Daily summary reports (MP 8 and VP 8) prepared by the designated operator shall also be generated in the same manner. All of these reports shall be available each day in a form that can be printed or exported.

2 The amount of the postal payment orders issued or reimbursed shall be expressed in the currency of the issuing country and in the currency of issue. The amount of the postal payment orders paid or credited to the payee's account shall be expressed in the currency of issue and in the currency of payment. The amount of the remunerations shall be expressed in SDR. Other ways of expressing remuneration may be set bilaterally.

Reimbursed postal money orders

[Organizational unit]

(e.g. service access point, region, exchange office, country)

Date of report

Serial no.

Page x/x

Service

Issuing designated operator

Paying designated operator

[illegible]

Totals	Number of reimbursed postal money orders	Amount in currency of issuing country (xxx)	Amount in issuing currency (xxx)

Prepared by:

Time:

Postal Payment Services, 24th Congress 2008, art RP 2402 – Size 210mm x 297mm

Designated operator

DAILY SUMMARY REPORT

MP 8
(new)

Issued, reimbursed, received and paid postal money orders

[Organizational unit]

(e.g. service access point, region,
exchange office, country, bilateral relation)

Date of report

Serial no.

Issued postal money orders	Acknowledged received	Remarks
Number of postal money orders		
Amount in currency of issuing country (xxx)		
Amount in issuing currency 1 (xxx)		
Amount in issuing currency 2 (xxx)		
Amount in issuing currency n (xxx)		

Reimbursed postal money orders	Remarks
Number of postal money orders	
Amount in currency of issuing country (xxx)	
Amount in issuing currency 1 (xxx)	
Amount in issuing currency 2 (xxx)	
Amount in issuing currency n (xxx)	

Received postal money orders	Remarks
Number of postal money orders	
Amount in currency of payment (xxx)	
Amount in issuing currency 1 (xxx)	
Amount in issuing currency 2 (xxx)	
Amount in issuing currency n (xxx)	

Paid postal money orders	Remarks
Number of postal money orders	
Amount in currency of payment (xxx)	
Amount in issuing currency 1 (xxx)	
Amount in issuing currency 2 (xxx)	
Amount in issuing currency n (xxx)	

Prepared by:

Time:

Postal Payment Services, 24th Congress 2008, art RP 2402 – Size 297mm x 210mm

Designated operator printing the report

DAILY REPORT

VP 7
(new)

Received postal transfers

[Organizational unit]

(e.g. service access point, region, exchange office, country)

Date of report	Serial no.	Page x/x
	Service	

Issuing designated operator

Paying designated operator

[illegible]

Totals	Number of received postal transfers	Amount in issuing currency (xxx)	Amount in currency of payment (xxx)

Prepared by:

Time:

Postal Payment Services, 24th Congress 2008, art RP 2402 – Size 210mm x 297mm

Designated operator

DAILY SUMMARY REPORT

VP 8
(new)

Issued, reimbursed¹, received and paid² postal transfers

[Organizational unit]

(e.g. service access point, region,
exchange office, country, bilateral relation)

Date of report

Serial no.

¹ Credited to sender's account

² Credited to payee's account

Issued postal transfers	Acknowledged received	Remarks
Number of postal transfers		
Amount in currency of issuing country (xxx)		
Amount in issuing currency 1 (xxx)		
Amount in issuing currency 2 (xxx)		
Amount in issuing currency n (xxx)		

Reimbursed postal transfers	Remarks
Number of postal transfers	
Amount in currency of issuing country (xxx)	
Amount in issuing currency 1 (xxx)	
Amount in issuing currency 2 (xxx)	
Amount in issuing currency n (xxx)	

Received postal transfers	Remarks
Number of received transfers	
Amount in currency of payment (xxx)	
Amount in issuing currency 1 (xxx)	
Amount in issuing currency 2 (xxx)	
Amount in issuing currency n (xxx)	

Paid postal transfers	Remarks
Number of postal transfers	
Amount in currency of payment (xxx)	
Amount in issuing currency 1 (xxx)	
Amount in issuing currency 2 (xxx)	
Amount in issuing currency n (xxx)	

Prepared by:

Time:

Postal Payment Services, 24th Congress 2008, art RP 2402 – Size 297mm x 210mm

Article RP 2403

Preparation of summary reports/lists for postal payment orders

1 The summary reports/lists of postal payment orders paid or credited to the payee, (MP 104 and VP 104), and the VP 105 daily dispatch if necessary, shall be generated by the system or prepared manually by the paying and the issuing designated operators respectively.

2 The MP 104 reports/lists shall be prepared in chronological order according to the following parameters: service category, month and year of issue, issuing office and money order number.

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

(cf. SFP 2)

This section to be completed only if the agreement concluded provides for such categories ² If payment in a currency different from currency of issue

Article RP 2404

Preparation of periodical accounts for postal payment orders

1 The periodical accounts for postal payment orders shall be prepared on the specific form for the service provided (PPM or PPV) or prepared directly on form PP1 at the end of the accounting period and according to the rules laid down in the service agreement for the paying designated operator. These forms shall be automatically generated by the system used by the paying designated operator, except for corrections to previous accounts to be entered or completely prepared manually by the designated operator on the basis of the summary lists MP 104 and VP 104 and the VP 105 daily dispatches.

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

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

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

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

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

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

Article RP 2405

Preparation of periodical accounts of remunerations

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

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

Paying designated operator

**PERIODICAL ACCOUNT OF REMUNERATIONS
POSTAL PAYMENT ORDERS**

PP 2
(cf. SFP 3)

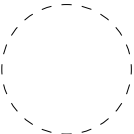
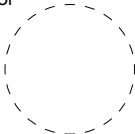
Issuing designated operator	Date of account	
	Period	Year

Cash money orders	SDR
1	2
Total amount of money orders paid	
Correction/previous periods	
Bonus-malus	

Inpayment money orders	SDR
Total amount of money orders paid	
Correction/previous periods	
Bonus-malus	

Outpayment money orders	SDR
Total amount of money orders paid	
Correction/previous periods	
Bonus-malus	

Transfers	SDR
Total amount of transfers paid	
Correction/previous periods	
Bonus-malus	
Total	

Seen and accepted by the paying designated operator Stamp, date and signature 	Seen and accepted by the issuing designated operator Stamp, date and signature 
----------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Article RP 2406

Preparation of general accounts

1 Provided that a general account is prepared in conformity with the designated operator's national legislation, periodical accounts shall be incorporated, at the same intervals, into a general account by the paying designated operator.

2 The general account shall be sent to the issuing designated operator by the quickest means no later than two weeks after the end of the period to which it pertains. It shall give rise to a net balance.

3 The designated operators of each of the contracting countries shall prepare the general accounts.

4 The general account shall be settled by the issuing designated operator within six weeks following expiry of the month to which it pertains.

Article RP 2407

General account of postal payment orders

1 The general account of postal payment orders shall be prepared on form PP 3 by the paying designated operator.

2 The general account of postal payment orders shall include instalments.

3 It shall give rise to a net balance of postal payment orders in favour of the creditor, in principle expressed in the currency of the creditor country.

Designated operator preparing the account

**GENERAL ACCOUNT OF ORDERS
(MONEY ORDERS AND TRANSFERS)**

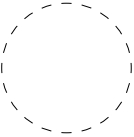
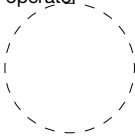
PP 3
(cf. SFP 4)

Corresponding designated operator	Date of account
	Period

Period	Credit of designated operator preparing the account		Credit of corresponding designated operator	
	Money orders		Money orders	
1	2		3	
Totals				
Deduction after conversion				
Conversion rate		—		—
Totals				
Balance				
Instalments				
Balance				

Breakdown of instalments

Date	Our reference	Amounts

Stamp of designated operator preparing the account Date and signature 	Seen and accepted by the corresponding designated operator Stamp, date and signature 
-----------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Article RP 2408

Preparation of general accounts of remunerations

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

PP 4
(new)

GENERAL ACCOUNT OF REMUNERATIONS

Corresponding designated operator

Issuing designated operator	Date of account	
	Period	Year

Period	Remuneration of designated operator preparing the account (SDR)	Remuneration of corresponding designated operator (SDR)
1	2	3
	PP 2	PP 2
Balance		

Designated operator preparing the account Stamp, date and signature	Seen and accepted by corresponding designated operator Stamp, date and signature
------------------------------------------------------------------------	-------------------------------------------------------------------------------------

Article RP 2409

Instalment

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

Prot Article RP I (existing reservation)
Instalments

1 In order to ensure normal payments to payees in its country, Viet Nam requires all countries exchanging money orders with it to automatically pay it an instalment, without it being necessary to wait to invoke the procedures set out in article RP 2409.2.

Article RP 2410
Procedures concerning concentration accounts of funds and instalments

1 The daily summary reports (MP 8 and VP 8), generated by the designated operator's system, shall be centralized by that operator immediately after the close of the postal payment service.

2 Users' funds shall be paid into the issuing designated operator's concentration account no more than one day after the issue of the postal payment orders concerned.

3 In accordance with the principle of prudence applying to the management of third-party funds, designated operators each day shall compare the daily summary reports (MP 8 and VP 8) generated by the system and the variances in assets in the concentration accounts.

Article RP 2411
Security deposit

1 In the event of non-execution or poor execution of payments between designated operators, the defaulting operator shall provide the creditor operator with a security deposit at the latter's request.

2 The amount of the security deposit shall be agreed between the designated operators according to the net balance of the amounts owed at the time the deposit is requested.

Article 25

Settlement and clearing

1 Centralized settlement

1.1 Settlements between designated operators may pass through a central clearing house, in accordance with the procedures set out in the Regulations and shall be carried out from the designated operators' concentration accounts.

2 Bilateral settlement

2.1 Billing on the basis of the general account balance

2.1.1 In general, designated operators that are not members of a centralized clearing system shall settle accounts on the basis of the balance of the general account.

2.2 Liaison account

2.2.1 Where designated operators have a giro institution, they may each open a liaison account by means of which shall be settled their mutual debts and claims resulting from postal payment services.

2.2.2 Where the paying designated operator does not have a giro system, the liaison account may be opened with another financial institution.

2.3 Currency of settlement

2.3.1 Settlements shall be carried out in the currency of the destination country or in a third currency agreed between the designated operators.

■ Commentary

25.1.1 This option was introduced by the 2008 Congress to optimize financial relations between DOs.

Article RP 2501

Centralized settlement

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

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

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

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

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

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

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

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

Article RP 2502

Bilateral settlement

1 Designated operators may decide to settle their accounts bilaterally.

2 Methods of settlement

- 2.1 As part of a bilateral arrangement and subject to compliance with the national legislation of the country of the paying designated operator, settlement shall be carried out on the basis of the PP 3 and PP 4 general accounts; in all other cases, it shall be carried out on the basis of the total amounts of the PP 1 and PP 2 periodical accounts, or through a liaison account.
- 2.2 Expenses arising from the execution of the postal payment service incurred in the country of the issuing designated operator, in third countries and under the liaison account (other than bookkeeping charges) shall be payable by the issuing operator.
- 2.3 The expenses incurred in the country of the paying designated operator, as well as bookkeeping charges for the liaison account, shall be payable by that operator.

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

Part III

Transitional and final provisions

Article 26

Reservations at Congress

1 Any reservation which is incompatible with the object and purpose of the Union shall not be permitted.

2 As a general rule, any member country whose views are not shared by other member countries should endeavour, as far as possible, to conform to the opinion of the majority. Reservations shall be made only in cases of absolute necessity, and shall be duly justified.

3 Any reservation to an article of the present Agreement shall be submitted to Congress as a Congress proposal written in one of the working languages of the International Bureau and in accordance with the relevant provisions of the Rules of Procedure of Congresses.

4 To become effective, any proposal concerning reservations must be approved by whatever majority is required for amendment of the article to which the reservation relates.

5 In principle, reservations shall be applied on a reciprocal basis between the reserving member country and the other member countries.

6 Reservations to the present Agreement shall be inserted in its Final Protocol on the basis of proposals approved by Congress.

■ Commentary

26 This provision is equivalent in scope to art 36 of the Conv. From a juridical standpoint, the reservations concerned are clauses that derogate from the treaty.

Article 27

Final provisions

- 1** The Convention shall be applicable, where appropriate, by analogy, in all cases not expressly governed by this Agreement.
- 2** Article 4 of the Constitution shall not apply to this Agreement.
- 3** Conditions for approval of proposals concerning this Agreement and the Regulations
 - 3.1** To become effective, proposals submitted to Congress relating to this Agreement must be approved by a majority of the member countries present and voting which are parties to the Agreement and which have the right to vote. At least half of these member countries represented at Congress and having the right to vote shall be present at the time of voting.
 - 3.2** To become effective, proposals relating to the Regulations of the present Agreement must be approved by a majority of the members of the Postal Operations Council which are parties to the Agreement and which have the right to vote.
 - 3.3** To become effective, proposals introduced between two Congresses relating to this Agreement must obtain:
 - 3.3.1** two thirds of the votes, with at least one half of the member countries which are parties to the Agreement and have the right to vote having taken part in the vote, if they involve the addition of new provisions;
 - 3.3.2** a majority of the votes, with at least one half of the member countries which are parties to the Agreement and have the right to vote having taken part in the vote, if they involve amendments to the provisions of this Agreement;
 - 3.3.3** a majority of the votes, if they involve interpretation of the provisions of this Agreement.
 - 3.4** Notwithstanding the provisions under 3.3.1, any member country whose national legislation is as yet incompatible with the proposed addition may, within 90 days from the date of notification of the latter, make a written declaration to the Director General of the International Bureau stating that it is unable to accept this addition.

Article RP 2701

Application of the Regulations of the Universal Postal Convention

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

Article 28

Entry into force and duration of the Postal Payment Services Agreement

1 This Agreement shall come into force on 1 January 2010 and shall remain in operation until the entry into force of the Acts of the next Congress.

In witness whereof, the plenipotentiaries of the governments of the contracting countries have signed this Agreement in a single original which shall be deposited with the Director General of the International Bureau. A copy thereof shall be delivered to each party by the International Bureau of the Universal Postal Union.

Done at Geneva, 12 August 2008.

Article RP 2801

Entry into force and duration of the Regulations

1 These Regulations shall come into force on the day on which the Postal Payment Services Agreement comes into operation.

2 They shall have the same duration as that Agreement, unless otherwise decided by the Postal Operations Council.

Done at Berne, on 11 November 2008.

Information and decisions of Union bodies relating to postal payment service activities

List of member countries that have signed the 2008 Postal Payment Services Agreement

(Position at 30 July 2010)

Albania	Greece	Paraguay
Angola	Guinea	Peru
Argentina	Iceland	Philippines
Armenia	India	Poland
Austria	Indonesia	Portugal
Bangladesh	Iran (Islamic Rep.)	Romania
Barbados	Israel	Russian Federation
Belarus	Italy	Rwanda
Belgium	Jamaica	San Marino
Benin	Japan	Senegal
Bhutan	Jordan	Serbia
Brazil	Kazakhstan	Sierra Leone
Brunei Darussalam	Kenya	Singapore
Bulgaria (Rep.)	Korea (Rep.)	Slovakia
Burkina Faso	Kuwait	Slovenia
Burundi	Kyrgyzstan	South Africa
Cambodia	Latvia	Spain
Cameroon	Lesotho	Sri Lanka
Cape Verde	Liberia	Suriname
Chad	Libyan Jamahiriya	Swaziland
Chile	Liechtenstein	Switzerland
China (People's Rep.)	Luxembourg	Syrian Arab Rep.
Comoros	Madagascar	Tanzania (United Rep.)
Congo (Rep.)	Malaysia	Thailand
Costa Rica	Mali	Togo
Côte d'Ivoire (Rep.)	Malta	Tonga
Croatia	Mauritius	(including Niuafo'ou)
Cuba	Mexico	Tunisia
Cyprus	Moldova	Turkey
Czech Rep.	Monaco	Ukraine
Dem. People's Rep. of Korea	Mongolia	United Arab Emirates
Dem. Rep. of the Congo	Montenegro	United States of America
Dominican Rep.	Morocco	Uruguay
Ecuador	Mozambique	Uzbekistan
Equatorial Guinea	Nepal	Vatican
France	Nicaragua	Venezuela
Gabon	Nigeria	(Bolivarian Rep.)
Germany	Oman	Viet Nam
Ghana	Pakistan	Yemen
	Panama (Rep.)	Zimbabwe

Model service agreement

between

XX, designated operator of X, a UPU member country
signatory to the Postal Payment Services Agreement

and

YY, designated operator of Y, a UPU member country
signatory to the Postal Payment Services Agreement

concerning

the operational arrangements for exchanges of postal
payment orders between them

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Introduction

Considering

that the Parties to the present service agreement are the designated operators of UPU member countries signatory to the Postal Payment Services Agreement,

Taking into account

the binding nature of the Postal Payment Services Agreement (PPSA) and the Regulations of the said Agreement (PPSR RP) for the countries signatory to the Agreement and their designated operators,

Considering

resolution C 75/2008 of the 24th UPU Congress, concerning the development of the multilateral framework for the postal payment services,

Noting

the 2010 POC resolution (resolution CEP 13/2010.1), concerning the model service agreement for the execution of electronic postal payment orders,

Aware

of the need to lay down the operational arrangements for electronic exchanges of postal payment orders between designated operators to enable the implementation of postal payment services in accordance with the UPU Acts,

The Parties agree as follows:

I. General provisions

Article 1

Definitions

1 Within the framework of the present service agreement, and in addition to the definitions laid down in the Postal Payment Services Agreement and the Regulations of the said Agreement, the terms listed below shall be defined as follows:

- 1.1 Operational Procedures Guide: document, approved by the POC, describing the various operational processes relating to the provision of postal payment services (execution of orders, handling of inquiries and complaints, cash management and financial settlements between the Parties, prevention of money laundering, terrorist financing and crime).
- 1.2 Party: One of the designated operators having signed the service agreement.

- 1.3 Parties: The signatory designated operators of the service agreement.
- 1.4 Electronic Compendium: Database containing information on the designated operators, maintained by the UPU International Bureau in accordance with the RP and resolution C 75/2008 of the 24th Congress.
- 1.5 Supplementary service: service offered on an optional basis, agreed between the Parties in the service agreement and not constituting a new money transfer solution, whose medium must be one of the postal payment services provided for in article 1 of the Postal Payment Services Agreement.

Article 2 (art. 3.2, 5.3 PPSA; art. RP 201, RP 501)

Object and purpose

1 The present service agreement shall fix the operational arrangements for exchanges of postal payment orders by electronic means between the Parties and shall enable the implementation of postal payment services in accordance with the Postal Payment Services Agreement and the Regulations thereto.

Article 3 (art. 1 PPSA; art. RP 501)

Types of exchanges and maximum amounts

1 The Parties shall proceed with the following exchanges for the implementation of the postal payment services:

Type(s) of exchanges	Type of postal payment services	Issuing DO/Paying DO	Amount (per day and per person)	
			Maximum	Unlimited
	Money orders in cash			
<input type="checkbox"/>		From XX to YY		
<input type="checkbox"/>		From YY to XX		
	Outpayment money orders			
<input type="checkbox"/>		From XX to YY		
<input type="checkbox"/>		From YY to XX		
	Inpayment money orders			
<input type="checkbox"/>		From XX to YY		
<input type="checkbox"/>		From YY to XX		
	Postal transfers			
<input type="checkbox"/>		From XX to YY		
<input type="checkbox"/>		From YY to XX		

Article 4 (art. 11 PPSA; art. RP 1101)

Definition of service(s) agreed

1 Within the framework of their exchanges, the Parties shall agree on the following quality of service objectives:

Options	Type of service	Quality of service standard agreed (ex: J+2)	Minimum proportion of orders from XX to YY corresponding to standard (ex: 80%)	Minimum proportion of orders from YY to XX corresponding to standard (ex: 60%)
<input type="checkbox"/>	Money orders in cash			
<input type="checkbox"/>	Outpayment money orders			
<input type="checkbox"/>	Inpayment money orders			
<input type="checkbox"/>	Postal transfers			

Article 5 (art. RP 1511)

Period of validity of money orders (optional; the period agreed must not exceed 30 days).

1 The period of validity of money orders shall be set at ... days.

Article 6 (art. RP 502–RP 504; resolutions C 75/2008 and C 78/2008)

Annexes

- 1 The present service agreement shall include the following annexes:
 - 1.1 Annexes 1XX and 1YY¹: General information specific to each Party.
 - 1.2 Annexes 2XX and 2YY¹: Information on postal payment services and supplementary services provided by each Party on its national territory.
 - 1.3 Annex 3¹: Management of financial relationships.
 - 1.4 Annex 4 (optional): Supplementary services agreed between the Parties.

2 The aforementioned annexes shall form an integral part of the present service agreement.

3 The Parties shall enter the data listed in Annexes 1, 2 and 3 in the Electronic Compendium created by the International Bureau. They shall provide the IB with the information required by the PPSR.

¹ Information to be entered in the Electronic Compendium.

Article 7 (art. RP 502, RP 1512, 1514.5.2 and RP 1902)
Supplementary services (optional)

1 The supplementary services agreed between the Parties shall be as defined in Annex 4.

II. Rights and obligations of the Parties

Article 8
Reciprocal information of the Parties

1 Each Party shall provide the other with general information necessary for the execution of the present service agreement, by means of its respective Annex 1.

Article 9 (art. 2, 7, 16, 17 PPSA; art. RP 701–RP 705)
Programme and formalities for prevention of money laundering, terrorist funding and financial crime

1 The Parties shall establish and apply a programme to combat money laundering, terrorist funding and financial crime, in accordance with the Acts and resolutions of the UPU, and their national legislation.

2 Each Party shall inform the other of the written principles and procedures included in their programme, and of their staff training measures, by means of its respective Annex 1. They shall discuss necessary ameliorative measures.

3 Each Party shall use a system facilitating the detection of suspicious transactions, as referred to in Annex 1, and shall follow the money laundering prevention measures described in the Operational Procedures Guide, subject to national legislation.

4 Suspicious transactions shall be dealt with in accordance with the principles and procedures applicable in the country of the Party which detects them and immediately communicated to the competent national authorities referred to in Annex 1. Failing this they shall be dealt with in accordance with the decisions of the UPU Congress, Council of Administration and Postal Operations Council.

Article 10 (art. RP 702)¹

Obligation to provide identification (optional)

1 Below the ceiling amount indicated in the table below, the Parties shall not require details of the sender's identity document (note: the amount must be lower than 600 SDR or the ceiling set by national legislation where this is below 600 SDR):

Options	Type of service	DO XX (ceiling in SDR; per day and per person)	DO YY (ceiling in SDR; per day and per person)
<input type="checkbox"/>	Money orders in cash		
<input type="checkbox"/>	Outpayment money orders		
<input type="checkbox"/>	Inpayment money orders		
<input type="checkbox"/>	Postal transfers		

Article 11 (art. RP 703)

Unique identification number (optional)

1 The Parties agree to use a unique identification number to replace the address in postal payment orders.

Article 12 (art. 9 PPSA; art. RP 901)¹

Combination of technologies (optional: only in cases where technologies are combined)

1 The Parties shall exchange postal payment orders by combining the use of EDI messages with the following technology:

Options	Technology used	Remarks
<input type="checkbox"/>	Letter-post items	
<input type="checkbox"/>	Other (specify)	

Article 13 (art. 10.3 PPSA; art. RP 1003)¹

Currency of country of issue and currency of issue (optional: only necessary if at least one of the two currencies is non-convertible)

1 The currency of the country of issue and the currency of issue (currency of the destination country or third currency authorized by the destination country) applicable to the present service agreement shall be as follows:

¹ Informations à saisir dans le recueil électronique.

Country of issue	Currency of issue (third currency)	Currency of issue (currency of destination country)
X		
Y		

Article 14 (art. RP 1003)¹ Reference rate of exchange

1 The Parties shall use the following reference exchange rate(s):

Party	Options	Type of reference exchange rate provider	Provider's name and references	Remarks
XX	<input type="checkbox"/>	Central bank		
	<input type="checkbox"/>	Commercial bank		
	<input type="checkbox"/>	Financial platform		
YY	<input type="checkbox"/>	Central bank		
	<input type="checkbox"/>	Commercial bank		
	<input type="checkbox"/>	Financial platform		
XX/YY	<input type="checkbox"/>	Clearing system settle- ment bank/centralized clearing system used by both Parties		

Article 15 (art. 10 PPSA; art. RP 1004) Setting of rates and other costs

- 1 The Parties shall inform each other about their:
- 1.1 setting of rates for postal payment services, by means of their respective Annex 2;
 - 1.2 exchange rates and commission for postal payment services, by means of their respective Annex 1.

Article 16 (art. RP 1101, RP 1401, RP 1503, RP 1504.6, RP 1506) Quality of service elements

1 The Parties shall agree on performance objectives for the quality of service elements indicated below, taking into account the quality of service objectives agreed in article 4 of this service agreement.

¹ Informations à saisir dans le recueil électronique.

1.1 Updating of the International Bureau database (art. RP 1101)

Options	Network used
<input type="checkbox"/>	The Parties use the UPU network or a network connected to it; updating is automatic.
<input type="checkbox"/>	The Parties use a network not connected to the UPU network and ask their network provider to transmit the data files to the UPU International Bureau each day. The Parties agree on the frequency of transmission of items by electronic means (optional according to art. RP 1514.3)

1.2 Frequency of transmission (art. RP 1514.3) (optional) (note: frequency cannot be less than twice a day during working hours)

If a network not connected to the UPU network is used, the Parties agree on the following frequency of transmission of items by electronic means:

Frequency of transmission	From XX to YY	From YY to XX

1.3 Timely processing of orders (art. RP 1101, RP 1401, RP 1503, RP 1504.6, RP 1506, RP 1509.4, RP 1609)

Definitions:

- A: order issued
- B: order entered in issuing DO's system
- C: message sent to provider's server
- D: message sent acknowledging receipt by DO of destination
- E: funds paid to payee/credited to payee's account
- F: payment to payee/credit to payee's account entered in system of DO of destination
- G: confirmation of payment sent to DO of origin

Information and decisions of Union bodies relating to postal payment service activities

Options	Options	Time measured	Performance objective agreed from XX to YY (specify in hours or days) if more stringent than the objectives set by the POC	Performance objective agreed from YY to XX (specify in hours or days) if more stringent than the objectives set by the POC	Remarks
<input type="checkbox"/> Cash money order					
	<input type="checkbox"/>	A/B			Measurement only if Parties have adopted a management rule for A-B (ex: B must occur on same day as A)
	<input type="checkbox"/>	B/C			
	<input type="checkbox"/>	C/D			
	<input type="checkbox"/>	A/D			
	<input type="checkbox"/>	E/F			
	<input type="checkbox"/>	D/F			
	<input type="checkbox"/>	F/G			
	<input type="checkbox"/>	E/G			
<input type="checkbox"/> Outpayment money order					
	<input type="checkbox"/>	A/B			Measurement only if Parties have adopted a management rule for A-B (ex: B must occur on same day as A)
	<input type="checkbox"/>	B/C			
	<input type="checkbox"/>	C/D			
	<input type="checkbox"/>	A/D			
	<input type="checkbox"/>	E/F			
	<input type="checkbox"/>	D/F			
	<input type="checkbox"/>	F/G			
	<input type="checkbox"/>	E/G			
<input type="checkbox"/> Inpayment money order					
	<input type="checkbox"/>	A/B			Measurement only if Parties have adopted a management rule for A-B (ex: B must occur on same day as A)
	<input type="checkbox"/>	B/C			
	<input type="checkbox"/>	C/D			
	<input type="checkbox"/>	A/D			
	<input type="checkbox"/>	E/F			
	<input type="checkbox"/>	D/F			
	<input type="checkbox"/>	F/G			
	<input type="checkbox"/>	E/G			

Options	Options	Time measured	Performance objective agreed from XX to YY (specify in hours or days) if more stringent than the objectives set by the POC	Performance objective agreed from YY to XX (specify in hours or days) if more stringent than the objectives set by the POC	Remarks
<input type="checkbox"/> Postal transfer					
	<input type="checkbox"/>	A/B			Measurement only if Parties have adopted a management rule for A–B (ex: B must occur on same day as A)
	<input type="checkbox"/>	B/C			
	<input type="checkbox"/>	C/D			
	<input type="checkbox"/>	A/D			
	<input type="checkbox"/>	E/F			
	<input type="checkbox"/>	D/F			
	<input type="checkbox"/>	F/G			
	<input type="checkbox"/>	E/G			

1.4 Timely cancellation of orders (art. RP 1101)

Definitions:

N: request to cancel order entered by issuing DO

O: request to cancel order sent

P: message sent acknowledging receipt of request by DO of destination

Q: reply to request to cancel order entered by DO of destination

R: reply of DO of destination to request to cancel order sent

Options	Time measured	Performance objective agreed from XX to YY (specify in hours or days) if more stringent than the objectives set by the POC	Performance objective agreed from YY to XX (specify in hours or days) if more stringent than the objectives set by the POC	Remarks
<input type="checkbox"/>	N/O			Measurement only if Parties have adopted a management rule for N–O (ex: O must occur on same day as N)
<input type="checkbox"/>	O/P			
<input type="checkbox"/>	N/P			
<input type="checkbox"/>	P/Q			
<input type="checkbox"/>	Q/R			
<input type="checkbox"/>	P/R			

Elements of quality of service	Performance objectives
1.5 Percentage of inquiries dealt with on time (art. RP 1101) (note: see Internet-based Inquiry System)	
1.6 Percentage of inquiries (art. RP 1101) (note: see Internet-based Inquiry System)	
1.7 Other (optional, to be specified):	

2 The Parties shall provide the postal data required for quality of service measurement to the UPU International Bureau.

Article 17 (art. 12 PSSA; art. RP 1201)

Format of EDI messages

1 The Parties shall exchange messages in conformity with UPU standard M38 or any other compatible standard message.

2 The message format shall permit the inclusion of a secret code in the message to ensure payment security (optional: see article 24 of this service agreement, concerning security of payment to payee).

III. Security

Article 18 (art. RP 1301) Network security

- 1 The Internet access used by each Party shall permit identification of the user and shall be protected by a password.
- 2 Each Party shall protect its Internet access used for the exchange of postal payment orders by electronic means, by means of an alphanumerical password of ... characters.
- 3 In the event of interconnection of the networks used by each of the Parties, both Parties shall ensure that this interconnection is made secure by the establishment of a VPN with their network access provider.

Article 19 (art. 13 PSSA; art. RP 1302) Security of Parties' electronic exchanges

- 1 Each Party shall ensure the physical and electronic security of the infrastructure used for the operation of the postal payment services in accordance with standards recommended by the POC.¹

Article 20 (art. RP 1303) Security of the Parties' operating environment

- 1 The operating environment of the Parties shall conform to standards recommended by the POC.¹

Article 21 (art. RP 1304) Security of electronic data

- 1 To ensure the full security of the interconnected network used for the transmission of messages relating to the postal payment services between designated operators, the Parties agree to use a common system of encryption and digital signatures conforming to the minimum standards recommended by the POC for the exchange of postal payment orders by electronic means.¹

¹ To be defined and approved by the POC.

Article 22

Security in relation to human resources

1 The Parties shall ensure the security of the human resources participating in the operation of postal services in accordance with standards recommended by the POC.¹

Article 23 (art. 8 PPSA; art. RP 801)

Confidentiality of data

1 Data confidentiality shall be ensured by each Party, in accordance with the data protection measures set out in the respective Annex 1 of each Party, and in the Operational Procedures Guide.

Article 24² (art. RP 704, 1606)

Security of payment to payee (optional)

1 The Parties shall secure payment to the payee by:

Options	Means of identification of payee	Minimum amount in SDR	Maximum amount in (SDR)
<input type="checkbox"/>	Nationally recognized and accepted identity documents		
<input type="checkbox"/>	Secret code		
<input type="checkbox"/>	Supplementary means: specify		

2 Specific characteristics of the secret code:

2.1 The secret code shall be:

Options	Characteristics of the secret code	Remarks
<input type="checkbox"/>	Generated automatically by the system and issued to the sender	
<input type="checkbox"/>	Chosen by the sender and entered in the system with the order	

2.2 The sender shall be responsible for informing the payee.

2.3 Payment to the payee shall only take place once he has identified himself and presented the secret code.

¹ To be defined and approved by the POC.

² Information to be entered in the Electronic Compendium.

Article 25¹ (art. RP 1501 et seq. PPSR)
Processing of postal payment orders

1 The Parties shall execute postal payment orders in accordance with the Operational Procedures Guide, approved by the POC.

IV. Arrangements for processing of orders

Article 26 (art. RP 1502)¹
Optional indications (optional)

1 The Parties shall authorize users to complete the «personal message» section for the following communications:

Options	Personal messages authorized	Remarks
<input type="checkbox"/>	(specify)	

Article 27 (art. RP 1504.8)¹
Language and characters used for transmission of data (optional)

1 The Parties agree to use the ... language and its characters for the transmission of data such as the name and address.

Article 28 (art. RP 1507)¹
Frequency of connections to the data system (optional)

1 The daily frequency of connection by the Parties to their data system for the execution of postal payment orders shall be:

Options	Information system used	Party XX – frequency	Party YY – frequency
<input type="checkbox"/>	Own system (minimum twice a day)		
<input type="checkbox"/>	Online system (minimum once a day)		

¹ Information to be entered in the Electronic Compendium.

Article 29 (art. RP 1514)

Sending of postal payment orders

1 To permit the configuration and updating of the other Party's information system, each Party shall inform the other Party, by means of its respective Annex 2, of all its service access points providing the agreed services and, where applicable, of its office(s) of exchange and Giro centre(s).

Article 30 (art. RP 1603)

Endorsement (optional; the possibility of endorsement increases the risk of money laundering, terrorist funding and financial crime, and as such is not recommended)

1 The Parties shall accept endorsement of money orders in accordance with their national law.

Article 31 (art. RP 1608)

Reasons for irregularity of orders (optional)

1 In addition to the reasons provided for in the PPSR, the Parties agree that orders may also be deemed irregular for the following reasons:

1.1 ...

V. Financial relations

Article 32 (art. RP 2407 and 2408)¹

Currency used to express net balances (optional, if different from the currency of the creditor country)

1 The currency used to express the net balance of orders shall be fixed in:

Designated operator of	Options	Currency used
Creditor country X	<input type="checkbox"/>	Currency of issue
	<input type="checkbox"/>	Clearing currency of clearing/settlement system: (specify)
Creditor country Y	<input type="checkbox"/>	Currency of issue
	<input type="checkbox"/>	Clearing currency of clearing/settlement system: (specify)

¹ Information to be entered in the Electronic Compendium.

2 The currency used to express the net balance of remunerations shall be fixed in:

Designated operator	Options	Currency used
Creditor country X	<input type="checkbox"/>	SDR
	<input type="checkbox"/>	Other (specify)
Creditor country Y	<input type="checkbox"/>	SDR
	<input type="checkbox"/>	Other (specify)

Article 33 (art. RP 2407)¹

Currency of settlement of postal payment orders

1 Within the framework of the execution of the present service agreement, the currencies of settlement for postal payment orders shall be as follows:

Country of issue	Currency of issue		Currency of settlement for postal payment orders (only in case of participation in a clearing/settlement system)	Remarks
	Currency of the country of destination	Third currency (only in case of use of a third currency)		
XX				
YY				

Article 34 (art. RP 2401.4)¹

Frequency of accounts (optional, only if more frequent than provided for in art. RP 2401.4)

1 The following frequencies and deadlines for settlement have been agreed between the Parties:

Type of account	Frequency
Accounts relating to users' funds	<input type="checkbox"/> Bi-monthly (indicate deadlines)
	<input type="checkbox"/> Daily
	<input type="checkbox"/> Other (specify and indicate deadlines)
Accounts relating to remunerations	<input type="checkbox"/> Bi-monthly (indicate deadlines)
	<input type="checkbox"/> Daily
	<input type="checkbox"/> Other (specify and indicate deadlines)

¹ Information to be entered in the Electronic Compendium.

Article 35 (art. 10.8 PSSA; art. RP 1010, 2402 and 2405)¹

Remuneration of the Parties

1 The Parties shall remunerate each other in the following manner:

Payment orders	Amount agreed	Currency ¹ (optional: if not expressed in SDR, indicate currency agreed)
From XX to YY		
From YY to XX		

2 (Optional) The remuneration for supplementary services agreed shall be set by the Parties in Annex 4.

Article 36 (art. RP 2402, RP 2405 and RP 2408)¹

Currency of settlement of remunerations

1 Within the framework of the execution of the present agreement, the currencies of settlement for remunerations shall be as follows:

Country of issue	Currency of the country of destination	Third currency (optional): only if the currency of the country of destination is non-convertible	Currency of settlement for remunerations (only applicable if fixed within the framework of the clearing/settlement system)	Remarks
X				
Y				

Article 37 (art. RP 2409)¹

Instalment

1 The amount of the instalment shall be agreed between the Parties in the following manner:

Options	Amount of instalment	Country X (debtor of instalment)	Country Y (debtor of instalment)
<input type="checkbox"/>	fixed	(indicate amount in SDR)	(indicate amount in SDR)
<input type="checkbox"/>	variable	According to Annex 3	According to Annex 3

¹ Information to be entered in the Electronic Compendium.

Article 38 (art. RP 2409 and RP 2502.4.4)¹**Interest on overdue payments**

1 The rates of interest relating to unpaid instalments, sums due in respect of settlements between the Parties and liaison account payments shall be fixed as follows:

Options	Method used to fix interest on overdue payments	Country X (indicate rate)	Country Y (indicate rate)
<input type="checkbox"/>	according to national legislation		
<input type="checkbox"/>	according to national business practices		
<input type="checkbox"/>	according to the service agreement		

2 In case of an overdraft on the liaison account and if the instalment conditions are met, billing of interest shall commence after a period of 30 days following receipt of the request from the Party holding the liaison account by the other Party.

Article 39 (art. RP 2411)**Security deposit**

1 The fixing mechanism and the parameters of the security deposit agreed between the Parties shall be as defined in Annex 3.

2 The waiving by a Party of the requirement for a security deposit shall be without prejudice to its right to require such a deposit at a later date.

Article 40 (art. 25 PSSA; art. RP 2501 and RP 2502)¹**Settlement of postal payment orders**

1 The Parties shall use the following type of account (accounting) for the settlement of postal payment orders.

Options	Type of account	DO XX (indicate account/system reference)	DO YY (indicate account/system reference)
<input type="checkbox"/>	periodical account		
<input type="checkbox"/>	general account		

¹ Information to be entered in the Electronic Compendium.

2 The Parties shall use the following type of settlement for the settlement of postal payment orders:

Options	Method of settlement of postal payment orders	DO XX (indicate account/ system reference)	DO YY (indicate account/ system reference)
<input type="checkbox"/>	by liaison account		
<input type="checkbox"/>	by concentration account ¹		
<input type="checkbox"/>	other (specify):		

3 (Optional) The Parties shall use the following centralized settlement system for the settlement of postal payment orders ...

Article 41 (art. RP 2501 and 2502)²

Settlement system for remunerations

1 The Parties shall use the following type of account (accounting) for remunerations:

Options	Type of account	DO XX (indicate account/ system reference)	DO YY (indicate account/ system reference)
<input type="checkbox"/>	periodical account		
<input type="checkbox"/>	general account		

2 The Parties shall use the following methods of settlement for remunerations:

Options	Methods of settlement for remunerations	DO XX (indicate account/ system reference)	DO YY (indicate account/ system reference)
<input type="checkbox"/>	by liaison account		
<input type="checkbox"/>	by concentration account ¹		
<input type="checkbox"/>	other (specify):		

3 (Optional) The Parties shall use the following centralized settlement system for remunerations.

¹ Where a centralized settlement system is used, the Parties shall use the concentration account method for settling postal payment orders.

² Information to be entered in the Electronic Compendium.

VI. Other miscellaneous provisions

Article 42 (art. 4 and 7 PPSA; art. RP 707, RP 1305.3 and RP 2409.5) Suspension and restoration of service

- 1 (Optional) In cases other than those provided for in the PPSR, service may be suspended by one Party, with ... days' written notice provided to the other Party, in particular in case of:
 - 1.1 refusal by one Party to act upon repeated requests from the other Party to improve its money laundering, terrorist funding and financial crime prevention programme, or a lack of improvement in spite of measures taken;
 - 1.2 refusal by the Party concerned to meet security standards or remedy security problems observed by users or by the other Party and notified to the defaulting Party;
 - 1.3 refusal by a Party to remedy its failure to observe the present service agreement indicated by the other Party;
 - 1.4 repeated or ongoing failure to observe the present service agreement.
- 2 Where service is suspended, it may only be restored:
 - 2.1 when international sanctions relating to prevention of money laundering, terrorist funding and financial crime imposed on the UPU member country concerned are lifted;
 - 2.2 when the suspended Party has satisfied the requirements of the other Party;
- 3 The Parties shall inform the International Bureau and the system provider of the suspension and restoration of service as rapidly as possible and within ... days at the latest.

Article 43 Advertising and promotion

- 1 The Parties shall coordinate their advertising campaign for the opening and promotion of exchanges.

Article 44 Opening of exchanges

- 1 The date of opening of exchanges is set at ...

VII. Final provisions

Article 45 Language

1 The Parties agree that the language of their exchanges at the administrative level shall be ...

Article 46 Amendments

1 The present service agreement may be amended by the Parties, subject to conformity with the model service agreement adopted by the POC.

2 Any amendment of the present service agreement shall be made in writing.

3 With the exception of amendments to Annexes 1 and 2, any amendment to the service agreement must be agreed between the Parties.

4 Either Party may unilaterally amend its respective Annexes 1 and 2. These amendments shall be brought to the attention of the other Party at least ... before their entry into force.

Article 47 Termination

1 The present service agreement may be terminated at any time by registered letter, without indication of the reasons, by either party, with prior notice of ... a year.

2 The present service agreement may be terminated with notice of ... in the following cases:

2.1 ...

3 The notice of termination shall be sent to the other Party by registered mail.

Article 48 Applicable law

1 The present service agreement shall be governed by the Postal Payment Services Agreement and its Regulations, and by the decisions of the UPU Congress, Council of Administration and Postal Operations Council, particularly with regard to inquiries and liability.

2 Otherwise, the applicable law shall be that of ...

Article 49

Interpretation (optional)

1 The Parties agree to seek the advice of the International Bureau on contentious issues relating to the interpretation of the present service agreement.

Article 50

Place of jurisdiction and competent court

1 The place of jurisdiction shall be ...

2 Any dispute concerning the interpretation or execution of the present service agreement which cannot be settled amicably between the Parties shall be referred, at the request of one of the Parties, to the jurisdiction of ...

Options	Type of jurisdiction	Applicable procedure	Deadline for referral to the chosen jurisdiction	Remarks
<input type="checkbox"/>	Single arbitrator			Specify method used to select arbitrator
<input type="checkbox"/>	Court of arbitration			
<input type="checkbox"/>	Ordinary court			

Article 51

Entry into force

1 The present service agreement shall enter into force on ...

Party XX

Party YY

Place and date:

Place and date:

Full name:

Full name:

Signature:

Signature:

Annexes 1XX and 1YY (one annex per Party): Information concerning the Parties (art. RP 502)

- I. Administrative information
- Address and contact details of the responsible administrative, technical and legal services and the contact persons for all official correspondence concerning the service agreement.
 - E-mail address of the Party's international service.
 - Address and contact details of office(s) of exchange (Giro centre(s)).
 - Method of data transmission and necessary contact details (art. RP 1609, 1611 and 2306) (e.g. fax, e-mail, telephone, other specific system).
 - Address and contact details of inquiry office(s).
 - Address of Party's website.

II. Information on prevention of money laundering, terrorist funding and financial crime (art. 701 to 705)

- Indication of applicable national legislation.
- Details of competent national authority.
- Principles and procedures forming part of the Party's programme for prevention of money laundering, terrorist funding and financial crime.
- Indication of system used by the Party to detect suspect transactions.
- Reference to the lists(s) forming the basis of checks.

III. Technical information

Options	System used for electronic transmission of postal payment orders	Specify system used	Indicate security measures applied to the system	Remarks
<input type="checkbox"/>	Own system			
<input type="checkbox"/>	Online system			

- Track and trace system used.
- Use of an online system and indication of security measures applied.
- Data protection (national legislation applicable, measures taken by the DO).
- Days and hours of availability of service (GMT + X), time zone(s) on the national territory.
- List of service access points offering electronic services.
- List of service access points offering postal payment services based on a combination of technologies, with indication of the technologies used (if the electronic service is not offered at all the DO's sales outlets).

IV. General financial and accounting information

- Calculation of, and policy for, billing of interest on overdue payments according to national law or commercial practices (art. RP 2003, RP 2309 and RP 2402).
- Conditions of payment on national territory (art. RP 502):
 - convertibility of national currency;
 - third currency used if national currency is non-convertible.
- Details of concentration accounts.
- Details of liaison accounts (art. RP 2502.4).
- Details of settlement accounts.
- Details of centralized settlement system and rules governing this system, if applicable (art. RP 2501).

V. Currency exchange information (art. RP 1003 and RP 1509.5)

- Exchange arrangements
- Exchange commission applied

Annexes 2XX and 2YY (one annex per Party) – Information on the services provided by each Party on its territory (art. RP 502)

- I. List of services provided by each Party
- II. List of supplementary services provided by each Party
- III. Essential information on the full range of services provided by each Party
 - 1 General information on the conditions under which the service is marketed to customers:
 - Conditions of sale (general conditions of sale);
 - Rates (full range, including rates for supplementary services);
 - Maximum amounts;
 - Other.
 - 2 Days and hours of availability of service (GMT + X), time zone(s) on the national territory (GMT + X to GMT + Y).
 - 3 Means of identification recognized and accepted at the national level according to the legislation (art. RP 702).
 - 4 PPS national advertising and promotion programmes.
 - 5 Other.

Annex 3: Management of financial relationships

Elements to be considered in order to build a financial relationship between the Parties:

- I. Preparation of accounts and lists (art. RP 2402 to RP 2408)
- II. Security deposit (art. RP 2411)
 - Fixing mechanism and parameters of security deposit (NB. – to be defined at conclusion of service agreement).
 - Conditions under which security deposit is payable
- III. Currency exchange (art. RP 1003)
 - Exchange risk management: description of exchange risk management mechanisms of each Party
- IV. Instalment (art. RP 2409)
 - Basis for calculating the instalment
 - Frequency of instalments or date on which instalments are payable
 - Distribution of instalments
 - Amount of instalment in SDR (optional: where the paying DO is not an issuing DO, the instalment may be set below 6,000 SDR).
- V. Concentration account (art. RP 2410)
 - Management of concentration accounts
 - Currencies used
- VI. Liaison account (art. RP 2502)
 - Management of liaison accounts
 - Currencies used
- VII. Bilateral settlement system (art. RP 2502)
 - Timetable for settlements
 - Management of disputes
- VIII. Centralized settlement and clearing system (art. RP 2501)
 - Application of rules governing centralized clearing and settlement system in conformity with the Acts of the UPU

Annex 4 – (Optional) Supplementary services agreed between the Parties (art. RP 502, RP 1512, RP 1514.5.2 and RP 1902)

The Parties agree to provide the following supplementary service(s) as part of their exchanges and the corresponding remuneration for it(them):

Advice of payment or of crediting to payee's account	Specify means used (e.g. SMS, telephone call, form, other)	Remuneration agreed in SDR (if not in SDR, indicate currency agreed)
<input type="checkbox"/> From XX to YY		
<input type="checkbox"/> From YY to XX		

Notification of reimbursement to sender	Specify means used (e.g. SMS, telephone call, form, other)	Remuneration agreed in SDR (if not in SDR, indicate currency agreed)
<input type="checkbox"/> From XX to YY		
<input type="checkbox"/> From YY to XX		

Registration service	Specify means used (e.g. SMS, telephone call, form, other)	Remuneration agreed in SDR (if not in SDR, indicate currency agreed)
<input type="checkbox"/> From XX to YY		
<input type="checkbox"/> From YY to XX		

Other (to be specified)	...	Remuneration agreed in SDR (if not in SDR, indicate currency agreed)
<input type="checkbox"/> From XX to YY		
<input type="checkbox"/> From YY to XX		

Decisions of UPU bodies from 2008 concerning the development of postal payment services

Resolution C 74/2008

Postal financial services development

Congress,

In view of

the encouraging results obtained from the implementation of a number of projects undertaken within the framework of resolution C 47/2004 of the Bucharest Congress to develop postal financial services,

Considering that

- the provision of basic financial services through the post office network contributes significantly to global economic and social development and plays an important role in improving living standards;
- the postal network, through its worldwide coverage and the combination of electronic, financial and physical dimensions, ensures that all citizens of the world have access to efficient, reliable, secure and affordable electronic payment services;
- postal financial services play an important role in achieving the United Nations Millennium Development Goals, notably combating poverty, in particular due to their presence in rural areas;
- the postal network facilitates the development of small and medium-sized companies' trade at a local and international level;
- the development of electronic postal payment services is particularly suited to cooperation with a growing number of international organizations,

Noting

- that significant progress has been made with the creation of a UPU world-wide electronic payment network since the Bucharest Congress;
- that the 2007 Council of Administration invited designated postal operators to switch over from paper-based postal payment services to electronic services by 2010;
- the advantages of postal financial services for designated operators, and in particular the increase in revenue which adds to the viability of the postal network;
- that today's world market is undergoing rapid and profound change and that users are demanding speedy, secure, high-quality services,

Noting also

- that the UPU international financial system (IFS) enables postal payment orders transmitted in paper format or sent by telegraph or fax to be replaced by postal money orders transmitted via the UPU electronic network;

- that the postal network can also be used to provide account-based financial services, in particular to facilitate financial inclusion in rural areas;

Recognizing

the UPU's need to continue and strengthen its work on developing postal payment services and postal financial services worldwide,

Instructs

the Postal Operations Council and the International Bureau to take the necessary steps to develop postal payment services and postal financial services to meet the demands of the changing environment, in particular by:

- encouraging member countries and designated operators to give priority to postal payment services;
- widening the UPU electronic payment network in all parts of the world and helping all designated operators of UPU member countries to access this network;
- creating, within the framework of the POC, a management body for the UPU interconnected global electronic payments network;
- carrying out activities to market and promote electronic postal payment services;
- modernizing electronic postal payment services through new technologies (mobile telephones, etc.);
- encouraging cooperation between designated operators;
- improving the quality and efficiency of UPU electronic postal payment services;
- improving the security of services and promoting anti-money laundering activities, to be consistent with Financial Action Task Force recommendations;
- providing designated operators with the assistance they need for financial management of the services;
- promoting the introduction and development of account-based postal financial services, such as savings services, in Union member countries;
- recommending the introduction of new financial services which could be offered via the worldwide postal network;
- strengthening and promoting cooperation with partners from the public and private sectors with a view to developing the UPU worldwide electronic payment network;
- giving priority to efficient cooperation and coordination with players such as the World Bank, the regional development banks and the IFAD, IOM and WSBI, in the area of electronic postal payment services,

Invites

UPU member countries and their designated operators to take the necessary measures to develop electronic postal payment services,

Also instructs

the International Bureau to monitor this work and to assist the Postal Operations Council with any changes to those actions deemed necessary.

(Proposal 10, Committee 6, 3rd meeting)

Resolution C 75/2008

Development of the multilateral framework of the postal payment services

Congress,

In view of
the need to adapt the postal payment services to regulatory, societal and technological changes,

Considering
the need for clear assignment of roles between member countries and designated operators so as to ensure good governance within the framework of the Nairobi Postal Strategy,

Noting
resolution C 47 of the Bucharest Congress concerning the creation of a worldwide postal payment services network, and the need to help all member countries access it and to prepare the procedures required for the execution of payment orders,

Also considering
that in addition to the development of common principles and rules to be incorporated into the PPS Agreement and Regulations project, the development of an interconnected multilateral and bilateral exchange network requires common tools, procedures and standards, which the UPU is responsible for developing,

Noting also
that common principles and rules have been incorporated into the draft PPS Agreement and Regulations and that the scope of the contractual freedom of designated operators, as well as the framework for this freedom, has been defined in these draft texts,

Noting further
that an electronic compendium which contains the operational information to be provided by designated operators for the execution of payment orders is essential for electronic exchanges between designated operators and is required in the new draft Regulations,

Recognizing

that the principle of interoperability means that any network able to deliver postal payment services conforming to the Acts of the Union can be used by designated operators to deliver the services,

Taking account

of the work carried out at the regional multilateral exchange development workshops on operational and accounting procedures and standard agreements between designated operators allowing the development of multilateral exchanges and the connection of regions by corridors,

Adding

the need to constantly update and develop new elements of the multilateral framework in view of external developments and the increasing number of exchanges due to the growth of the interconnected UPU network,

Observing

the need for the network to be managed, for continuous harmonization of practices and for arbitration in cases of non-conformity with the Acts of the Union,

Instructs

the POC:

- to define the service agreement(s) between designated operators required for the execution of electronic postal payment orders, which will be continually adapted to meet arising needs;
- to define a model agreement for the exchange of electronic data between designated operators;
- to create an electronic postal payment services compendium;
- to standardize procedures and messages for the execution of postal payment orders and to periodically update interconnection standards;
- to put in place a mechanism to resolve any disputes which may arise between the designated operators during the execution of the service agreement(s);
- to facilitate access to payment services via new technologies, such as mobile phones or the Internet, in order to meet the needs of users,

Also instructs

the CA and POC to continue to revise the Acts concerning the postal payment services, and in particular to develop the postal payment services multilateral framework,

Invites

member countries:

- to accede to the Postal Payment Services Agreement;

- to encourage postal operators to accede to the service agreement and to use the model agreement for the exchange of electronic data within the framework of their reciprocal relations.

(Proposal 11, Committee 6, 3rd meeting)

Resolution C 76/2008

Creation of the UPU clearing and settlement system

Congress,

Aware

that introduction of a UPU clearing and settlement system would serve to make settlement of postal payment services between designated operators more secure, thereby ensuring their smooth execution, and facilitating access to these services by all citizens, and the implementation of Millennium Development Goals,

Taking account of the fact

that Bucharest Congress resolution C 47/2004 was aimed in particular at the creation of a UPU worldwide electronic payment network and at helping all member countries to have access to it, as well as at improving settlement methods between designated operators for the execution of postal payment services and methods of remuneration,

Noting

that the POC has clearly defined the need for a UPU clearing and settlement system available to designated operators in order to improve methods of settlement for postal payment services,

Recalling

that in accordance with the General Regulations, the International Bureau may act as a clearing house in the settlement of accounts of all kinds relating to the postal service,

Also taking account of the fact

that a clearing system calls for use of a centralized electronic (netting) system,

Further taking account of the fact

that a settlement system calls for recourse to one or more financial partners for settlements between designated operators,

Noting also

that billing of postal payment services is in the exchange currency agreed between the two designated operators, this being in principle the currency of the destination country,

Considering

that a clearing and settlement system can only function with a limited number of currencies in order to reduce the risks and costs related to conversions in the clearing and settlement system,

Noting further

that where regional clearing systems are established by designated operators, they should be interconnected with the UPU worldwide clearing system,

Recognizing

that such interconnection requires the harmonizing of the rules of operation of any regional clearing houses,

Instructs

the POC:

- to examine the report concerning the mechanism for introducing the clearing and settlement system prepared by the interim group on postal payment services;
- to ensure the continuation of the work and to take the necessary steps to implement a centralized clearing/settlement system,

Also instructs

the International Bureau to assist the POC in implementing a centralized clearing/settlement system in accordance with the decisions taken,

Invites

member countries to encourage their designated operators to:

- consider participating in the UPU clearing and settlement system;
- harmonize the rules of operation of their regional clearing houses to allow the establishment of a UPU worldwide clearing system.

(Proposal 12, Committee 6, 3rd meeting)

Resolution C 77/2008

Branding of the UPU electronic postal payment services

Congress,

Conscious

of the actions taken by the UPU's permanent bodies in developing postal financial services in order to meet the needs of a changing environment,

Considering

that speedy, secure, high-quality UPU electronic postal payment services will help to match customer expectations and to meet market demand,

Aware

that branding could help customers to identify the electronic service with these quality attributes,

Aware also

that a collective UPU mark will reinforce the international recognition of UPU electronic postal payment services,

Convinced

that a collective mark associated with a high-quality service will serve to promote recognition of UPU electronic postal payment services, and particularly attract those who are financially excluded and presently have to resort to less secure informal means of transferring money,

Also convinced

that improving the visibility of the postal payment service will help designated operators to develop the service,

Approving

the key principles of the branding of UPU electronic postal payment services which convey the UPU values:

- affordability;
- reliability;
- speed;
- trust;
- recognition;
- integrity;
- transparency; and
- confidentiality,

Noting

that designated operators of participating countries may be able to associate their own logos and trademarks with that of the collective mark as a brand for the postal payment products which they offer to their customers,

Noting also

that the global branding implies harmonization and standardization of the marketing documentation of the designated operators,

Desiring

that the said collective mark be registered by the UPU by the time the Nairobi Postal Payment Services Agreement enters into force in 2010,

Aware further

of the creation of a voluntary fund for the registration and management of the brand,

Instructs

- the Postal Operations Council to set up a body for the development and management of the collective mark and the global branding documentation;
- the Council of Administration to decide on the principles applicable for the setting of the licence fees for the collective mark,

Also instructs

the International Bureau:

- to take the necessary steps for the registration of the collective mark;
- to carry out the support and secretariat functions for the branding body,

Invites

member countries to encourage their designated operators to use the brand for UPU electronic postal payment services.

(Proposal 13.Rev 1, Committee 6, 3rd meeting)

Resolution C 78/2008

Quality-linked remuneration system for postal payment services

Congress,

In view of

user demand for fast, reliable and secure postal payment services and the integration of these demands into the Bucharest Regulations (articles 5, 9, 13 and 17),

Noting

resolution C 47/2004 of the Bucharest Congress concerning the establishment of quality standards and their monitoring as well as the need to improve the remuneration system,

Considering

the pilot projects carried out since the Bucharest Congress by a number of member countries concerning basic remuneration and performance-linked components based, amongst other things, on:

- updating of the payment order database;
- order processing times;
- payment times;
- the time taken to cancel orders;
- the percentage of inquiries dealt with on time; and
- the percentage of inquiries,

Noting also

that the draft Regulations which stem from the new draft PPS Agreement integrate these quality components and link remuneration to quality for services provided electronically,

Noting further

that a quality control system (QCS) is in place which measures certain elements of performance such as:

- end-to-end processing times for order requests or withdrawals broken down into issuing and paying designated operator processing times; and
- time taken to send out payment notifications and to preprocess orders that are issued and received,

and which generates annual, monthly and daily reports by type of exchange, designated operator and product (express or rapid),

Instructs

the POC to develop a quality-linked remuneration system for postal payment services,

Invites

member countries to encourage their designated operators to join the quality-linked remuneration system.

(Proposal 17, Committee 6, 3rd meeting)

Resolution CEP 13/2010.1

Model service agreement

The Postal Operations Council,

Acknowledging

the need to ensure governmental supervision of the activities of designated operators in the area of postal payment services and the use of IT networks,

Recognizing

the need to ensure that service agreements concluded between designated operators comply with the Postal Payment Services Agreement and its Regulations,

Wanting

the countries signatory to the Agreement to manage the activities of their designated operators to the extent necessary for governmental supervision,

Recognizing

the usefulness of a model bilateral service agreement for facilitating and speeding up the opening of exchanges between designated operators,

Acknowledging

the expediency of standardizing service agreements between designated operators for the purpose of drafting the UPU multilateral service agreement,

Recognizing

the need to apply IT security standards for secure exchanges between designated operators and the advantage of using existing standards, such as the ISO 2700X series of standards,

Acknowledging

the need to determine the extent to which these standards apply to postal payment services,

Aware

of the need for follow-up of the model service agreement by the POC, particularly to bring it into line with the changes made to the UPU Acts or with the results of the work on the remuneration system between designated operators,

Decides

- i to approve the model service agreement (POC C 3 2010.1–Doc 3d. Annex 1);
- ii to continue to adapt the model service agreement on the basis of changes made to the Acts and/or subsequent decisions taken by the Union bodies.

(POC 2010.1–Doc 8)

Resolution CEP 14/2010.1

Quality of service elements for postal payment services

The Postal Operations Council,

Considering

that improving the quality of postal payment services is a key objective for the development of these services in member countries that have signed the Postal Payment Services Agreement,

Acknowledging

that end-to-end quality of service should be based on a worldwide standard,

Considering

that the definition of the worldwide quality of service standard is a question of governance and should therefore be set either by Congress, or by the Council of Administration in the interval between Congresses,

Recognizing

that the worldwide end-to-end quality of service standard for postal payment services is a prerequisite for the POC's setting of quality of service targets for the various service elements,

Noting

that designated operators and the International Bureau have quality of service elements for postal payment orders transmitted by electronic means, in accordance with the Regulations of the Postal Payment Services Agreement,

Recognizing

that some times measured between different service elements are more relevant than others in terms of quality of service,

Recognizing

that the International Bureau is able to prepare reports measuring the quality of these service elements based on data provided by designated operators,

Acknowledging

that these reports can be used as a basis for establishing the worldwide quality of service standard, and for setting quality of service targets for the various service elements,

Noting also

that the quality of service elements recorded by the system used by designated operators for the electronic transmission of postal payment orders already enables designated operators to agree performance objectives for postal payment services within the framework of their reciprocal relationship,

Recognizing

that certain parameters on which the quality of postal payment services depend are difficult to measure, and that it should be possible to audit them according to the standards adopted by the POC,

Acknowledging

that the data relating to the percentage of inquiries dealt with on time and the percentage of inquiries could be recorded in a common Internet-based Inquiry System, which would enable quality of service evaluation for these service elements to be measured objectively,

Recognizing

that the development of this system requires extrabudgetary funding,

Instructs

Postal Operations Council Committee 3 to:

- determine the relevant quality of service elements for measuring times and setting performance objectives between designated operators;
- develop a common Internet-based Inquiry System for postal payment services;
- set standards applicable to postal payment services, in conjunction with the Postal Operations Council Committee 4 Standards Board;
- report on this subject to the next POC,

Instructs

the International Bureau to:

- prepare an aggregate report on times between the various service elements based on the data transmitted to the International Bureau concerning postal payment orders transmitted by electronic means, in accordance with the Regulations of the Postal Payment Services Agreement, and submit its report to the POC;
- prepare an aggregate report on end-to-end quality of service for postal payment services for orders transmitted by electronic means and submit its report to the next CA,

Invites

designated operators to set performance objectives for the quality of service elements defined in the model service agreement, to monitor the attainment of these objectives and to take any corrective measures that may be necessary.

(POC 2010.1–Doc 8)