**8.33 On actual and contractual payments**

**8.33.1 In general**

As a general rule all payments of income proceeds or capital are processed on an actual basis.

An account servicer may – if local regulations allow it – offer an SLA-based contractual payment service to its account holders. An account servicer may reverse a contractual payment at its discretion should the expected funds not be received in due time.

**8.33.2 Contractual Payment Indicator in notifications**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **ISO 15022** | | **ISO 20022** | | |
| MT564 / E2 / 22H / CONT | | **not available in seev.31, will be introduced with SR 2019** | | |
| **Decision Date** | **Implementation Date** | | **Update Date** | **Open Item Reference** |
| 2018 | 2018 | | n/a | NEW |

The contractual payment indicator qualifier and the code for actual payment should be used only when there is a contractual payment agreement on the account, and only when there needs to be an exception to this service. If both of these two conditions are not met, the indicator should not be used.

For account holders with contractual payment agreement, the CONT indicator should only be used when payment for this specific event/option will be made upon actual receipt of the funds.

**8.33.3 Contractual Payment Indicator in confirmations**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **ISO 15022** | | **ISO 20022** | | |
| MT566 / D2 / 22H / CONT | | seev.36 – E2 / Cash Movement Details / Contractual Payment Indicator | | |
| **Decision Date** | **Implementation Date** | | **Update Date** | **Open Item Reference** |
| 2018 | 2018 | | n/a | NEW |

The contractual payment indicator qualifier and the code for actual payment should be used only when there is a contractual payment agreement on the account. If not, the indicator should not be used.

For account holders with contractual payment agreement, the CONT indicator allows an account servicer to inform the account holder whether the payment was executed upon receipt of the proceeds from the issuer [**ACTU**] or not [**CONT**], and hence whether the payment may be reversed.