**CA578 – Reversal reason codes**

If a reversal is to be undertaken, it is recommended that each account servicer reports the same reversal code received from the previous intermediary in the chain.

Account servicers should use one of the available reversal reason codes and only use NARR if none of the existing codes is applicable.

In particular:

* FNRC should be used to inform account holders of any reversal liked to:
	+ proceeds being paid under a “contractual income” arrangement;
	+ issuer not paying the proceeds, as previously announced.
* IETR should be used to inform account holders of any reversal liked to an incorrect taxation at event/security level, i.e. all proceeds paid under that event are due to be reversed to all account holders. It should not be used when performing a tax adjustment applicable to one or more account holders only, due to changes in their tax entitlement.
* POCS should not be used as it would be removed in SR2025.