

The rules for preparing payment orders in Chinese yuan (CNY)

In accordance with the legislation of the People's Republic of China, the international payments in Chinese yuan (CNY) can be executed only among legal entities and only for export-import operations (payments for goods and services). International transfers to private individuals are prohibited.

In order to ensure that outgoing payments in Chinese yuan to Mainland China are executed quickly and securely, please pay attention to the mandatory requirements developed by the *People's Bank of China*.

Mandatory requirements to payment orders in CNY:

Information on the beneficiary and the beneficiary bank:

- the name of the beneficiary bank, the name and the address of the branch of the beneficiary bank;
- BIC (SWIFT code) of the beneficiary bank (branch of the beneficiary bank);
- CNAPS code* of the beneficiary bank;
- the full name of the beneficiary, the full address of the beneficiary;
- account number of the beneficiary.

For example (*the names of the organizations and the combination of numbers in the details specified in the example are fictitious*):

Beneficiary bank:

BANK OF CHINA GUANGDONG BRANCH
197 DONGFENG XI LU, GUANGZHOU 510180, GUANGDONG PROV, CHINA
SWIFT: BKCH CN BJ 400
CNAPS: 1045810030174

Beneficiary:

Guangdong Kai Shoes Co., Ltd.
Guangdong province Dong city Kaifeng Town Industrial Zone
Account number: 4807530123456789123

The following information must be stated in the payment details:

- code of payment purpose**;
- description of operation;
- number and date of the contract;
- number and date of the invoice.

For example (*the names of the organizations and the combination of numbers in the details specified in the example are fictitious*):

/GOD/ Pmnt for Hawaii shoes by Contract CLB16S-SHO01 dtd 10.05.2017, 70% final payment by invoice PR20171009008 dtd 10.09.2017.

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/GOD/ - code of payment purpose**

Pmnt for Hawaii shoes – description of the operation

by Contract CLB16S-SHO01 dtd 10.05.2017 – the number and the date of the contract

70% final payment by invoice PR20171009008 dtd 10.09.2017 – payment details and the number and the date of the invoice

*The CNAPS (China National Advanced Payment System) code is a code of the beneficiary bank for payments in CNY on the territory of Mainland China (the digital code used for identification of the beneficiary bank by international settlements, the code is made of 12 digits, you do not have to enter the letters CN – since these symbols are prepared by the system automatically).

Please request the CNAPS code from your partner-bank in advance.

**The code of payment purpose depends on the type of the operation and must be stated first in the payment purpose:

Code of payment purpose	Payment purpose	Description of the operation
/GOD/	Goods trade	Cross-border settlement conducted for trade in goods, including general merchandise, goods for processing, goods required for repairing, goods procured in ports by carriers, non-monetary gold import and export, etc.
/STR/	Service trade	Cross-border settlement conducted for trade in services, including services or fees relating to transportation; travel; communications; construction services; installation projects and their subcontract services; insurance; financial services; computer and information services; royalties and license fees; sports and entertainment; government services not mentioned above and other commercial services, etc.
/(P)RGOD/	Partial or full return for goods trade	/PRGOD/ partial return /RGOD/ full return
/(P)RSTR/	Partial or full return for service trade	/PRSTR/ partial return /RSTR/ full return

Please note that the payment in CNY cannot be executed without the code of payment purpose.