



**PAYMENTS
CANADA**

RULE B2

MANUAL PREPARATION OF CLEARING LOGS

2023 CANADIAN PAYMENTS ASSOCIATION

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IMPLEMENTED

February, 1983

AMENDMENTS PRE-NOVEMBER 2003

August 1983, November 1983, March 1984, March 4, 1987, May 13, 1987, September 20, 1989, June 14, 1991, February 7, 1992, May 13, 1992, September 23, 1992, March 25, 1996, September 18, 1996, December 1, 1997, June 18, 1998, July 18, 1998, April 5, 1999, May 3, 1999, July 24, 2000 and July 7, 2003.

AMENDMENTS POST-NOVEMBER 2003

1. Amendments to reflect consistency with the new CPA Payment Items and ACSS By-law, approved by the Board November 27, 2003, effective January 27, 2004.
2. Section 3(i) added, section 4 (k) and (l) added, and Appendix I revised. Approved by the Board December 1, 2004, effective February 3, 2005.
3. Removal of Point-of-Service Network Connector, addition of defined term Connection Service Provider – Point-of-Service and removal of On-line Network Connector, addition of Connection Service Provider-On-Line to clarify stream identifier requirements when making entries, approved by the Board February 23, 2006, effective April 24, 2006.
4. Amendments to Subsection 3(h) and Subsections 4(i) and (j) to reflect Rule E4. Approved by the Board March 26, 2009, effective May 25, 2009.
5. Amendments to accommodate ACSS V12 and other housekeeping amendments, approved by the Board November 24, 2011, effective April 2, 2012.
6. Amendment to section 4o) to clarify the definition for Computer Reject, approved by the Board February 23, 2012, effective April 23, 2012.
7. Added new subsections 4(m) and (n) to accommodate the exchange of images pursuant to bilateral agreements, approved by the Board March 29, 2012, effective October 1, 2012.
8. Amendments to add Stream I and R, approved by the Board October 11, 2012, effective December 10, 2012.
9. Amendments to accommodate changes to Rule A10 to support the electronic Exchange of Image Captured Payments, approved by the Board June 13, 2013, effective August 12, 2013.
10. Amendments to reflect the removal of Stream L from the ACSS, approved by the Board October 3, 2013, effective January 2, 2014.
11. Consequential amendments to accommodate the new ACSS streams for ISO AFT payment items, approved by the Board February 18, 2016, effective April 18, 2016.

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12. Amendments to add Stream O and S, approved by the Board September 28, 2018, effective November 27, 2018.
13. Amendments to Subsection 3(h) and Subsections 4(h) and (i) to reflect Rule E5. Approved by the Board November 28, 2019, effective January 27, 2020.
14. Amendments to add Stream V, approved by the Board September 21, 2020, effective November 23, 2020.
15. Amendments to accommodate changes associated with the ACSS Refresh, approved by the Board September 21, 2020, effective November 29, 2020.
16. Consequential amendments to reflect changes to Rules G2 and G3. Approved by the Board December 3, 2020, effective January 2, 2021.
17. Amendments to add Stream RSET and rename Stream V to NSET, approved by the Board September 23, 2021, effective November 22, 2021.
18. Consequential amendments to accommodate the removal of the LVTS, approved by the Board May 13, 2022, effective November 21, 2022.
19. Amendments to remove streams “I” and “R”, approved by the Board March 2, 2023, effective May 3, 2023.

Introduction

1. This Rule outlines procedures pertaining to the manual preparation of Clearing Logs, where computer generated Clearing Logs are not possible. Refer to Rule G9 for the Manual Preparation of the Government Instruments Clearing Log.

Definitions

2. In this Rule,
 - a. “Clearing Log” or “Log” means a report recapping Payment Items exchanged between Direct Clearers.

Use of Clearing Logs and Actual Items Delivered

3.
 - a. Manually prepared Clearing Logs shall be used as follows (a sample Clearing Log is attached as Appendix I):
 - i. Where a Workstation is unable to connect to the ACSS/USBE web application, a manually prepared Clearing Log shall be completed, in duplicate, for each delivery. Such Logs are referred to as “delivery” Clearing Logs. The original Log shall be included with the delivery and the duplicate retained by the delivering Direct Clearer.
 - ii. Where a recapitulation of multiple “delivery” Logs is required, (e.g., in a manual balancing situation), a “recap” Clearing Log shall be completed.
 - b. A Clearing Log shall reflect only the number and dollar value of the Items in the corresponding delivery(ies).

Clearing Log Completion

4. The following procedures apply when completing each Clearing Log:
 - a. the receiving Direct Clearer shall be identified in the appropriate area;
 - b. the Log shall be identified, via a checkmark in the appropriate box, as a “delivery” Clearing Log or a “recap” Clearing Log”;
 - c. the Settlement date shall be indicated in the appropriate box;
 - d. if the Log is a “delivery” Log, the time of the delivery shall be indicated in the appropriate box on a 24-hour basis (e.g., 22:00 hours rather than 10:00 p.m.);
 - e. if the Log is a “delivery” Log, the delivery number shall be indicated in the appropriate box;
 - f. the following information shall be indicated, in the appropriate areas, for each entry on the Log;
 - i. volume (number) of Items;

- ii. classification (stream identifier) of Items (refer to section 4);
 - iii. value of Items (amount); and
- g. the total volume and value of Items for all entries shall be indicated in the appropriate areas at the bottom of the Log.
- h. Entries on the Log using the stream identifier “A”, “N”, “P” or “Q” shall include the appropriate Point-of-Service Identifier where the entries are in respect of Point-of-Service Payment Items, PIN-less POS Payment Items and Delayed Authorization POS Payment Items, involving:
 - i. a Connection Service Provider – Point-of-Service who is not a Member, or
 - ii. a Member with multiple direct connections to an electronic point-of service network.
- i. Entries on the Log using the stream identifier “J” or “K” shall include the appropriate On-line Identifier where the entries are in respect of On-line Payment Items involving:
 - i. Connection Service Provider – On-line who is not a Member, or
 - ii. a Member with multiple direct connections to an On-line Payment Service.

Classification of Items

5. The following stream identifiers shall be used for the classification of Items:
- a. “A” – automated banking machine (ABM) adjustments;
 - b. “E” – encoded: Qualified Items, amount encoded by the delivering Direct Clearer (this stream may include Unqualified Items \$50,000 and over);
 - c. “F” – paper based Remittances: only paper-based bill payment Remittances that conform to Rule H6, amount encoded by the delivering Direct Clearer;
 - d. “U” – Unqualified Items: paper Items which are not suitable for processing on a MICR reader/sorter, e.g., mutilated Items, Items with attachments, adjusting entries etc.;
 - e. “D” – AFT debit Items;
 - f. “C” – AFT credit Items;
 - g. “N” – shared POS Payment Items (cash or currency as defined in Rule E1);
 - h. “P” – debit POS Payment Items, debit PIN-less POS Payment Items, and debit Delayed Authorization POS Payment Items (excluding cash or currency as defined in Rule E1);
 - i. “Q” – credit POS Payment Items, PIN-less POS Payment Items, and credit Delayed Authorization POS Payment Items (excluding cash or currency as defined in Rule E1);
 - j. “J” – credit On-line Payment Items (as defined in Rule E2);

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- k. "K" – credit On-line Payment Items returns/refunds (as defined in rule E2);
- l. "O" – Images of paper based Items exchanged electronically using an ICP File as described in Rule A10;
- m. "S" – Image of Returned Items exchanged electronically using an ICP File as described in Rule A10;
- n. "NSET" – Settlement Exchange Transactions (SETs) exchanged electronically in the National Electronic Settlement Region using an ICP File as described in Rule A10 to deal with the dislocation of settlement funds between the ACSS and Lynx;
- o. "X" – EDI Payment Items (excluding electronic Remittances);
- p. "Y" – Electronic Remittances; and
- q. "Z" – computer
- r. "AFTC" – ISO AFT credit items
- s. "AFTD" – ISO AFT debit items
- t. "RSET" – Settlement Exchange Transactions (SETs) exchanged as a paper Item to deal with the dislocation of settlement funds between the ACSS and Lynx.

Note: Entries shall be made by the Direct Clearer receiving funds, i.e., the receiving Direct Clearer for streams "C", "F", "J", "K", "Q", "X", "Y" and "AFTC", and the delivering Direct Clearer for the remaining streams.

Error Correction

- 6. The following procedures apply to the correction of errors on Clearing Logs:
 - a. where a receiving Direct Clearer does not agree with any information recorded on a Clearing Log, that Direct Clearer shall give telephone notice to the delivering Direct Clearer in respect of its disagreement; and
 - b. the Clearing Log may be amended only where the delivering and receiving Direct Clearers concur.

