

**Re: Purpose of Payment must be given on**  
**Cross-Border RMB Remittance of Corporate Customers**

To fulfill the clearing bank requirements of China National Advanced Payment System 2 (CNAPS2), corporate customers are required to indicate the nature or purpose of payment on each remittance amount in Renminbi to the Mainland of China (Cross-Border RMB Remittance) by standard CNAPS2 codeword on the instruction. If no indication of purpose is given, the remittance may be delayed or returned and the remitter may have to bear the additional charges and subject to exchange rate risk.

On each Cross-Border RMB Remittance instruction, Corporate customer please provide the corresponding Payment Purpose of the related Transaction or Business by referring to below Table 1.

**Table 1: Relationship of Payment Purpose/Codeword and Transaction & Business Category**

| <b>Codeword</b> | <b>Payment Purpose</b>             | <b>Transaction &amp; Business Category</b>   |
|-----------------|------------------------------------|--|
| CGODDR          | Cross-Border Goods Trade           | Cross-border settlement conducted for trade in goods, including individual retail consumptions, general merchandise, goods for processing, goods required for repairing, goods procured in ports by carriers, transactions to be settled by letter of credit, bills for collection, payment of import equipment and advanced payment, etc.   |
| CSTRDR          | Cross-Border Service Trade         | Cross-border settlement conducted for trade in services, including individual bill payments, 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; water, electricity and gas bills to be paid by corporations or financial institutions; rent; audit fees; hotel accommodation fees; legal fees; advertising and promotion fees; copyright and design fees; research and development fees; company registration fees; medical expenses; government services not mentioned above and other commercial services, etc. |
| CCTFDR          | Cross-Border Capital Transfer      | Capital account transactions, (capital transfers and acquisition/disposal of non-productive or non-financial assets), capital injection, capital reduction, capital payment, direct investments, securities investments, other investments, shareholder's loan/repayment, other capital payments as approved by relevant regulatory authorities, fund transfers for foreign direct investment ("FDI") by enterprises and RMB Qualified Foreign Institutional Investor ("RQFII") projects by enterprises, bonds, fund transfer between enterprises, individual investments, etc.  |
| CCDNDR          | Charity Donation                   | Donation to charities (non-profit making organizations)  |
| COCADR          | Other Current Account Transactions | Income and current transfers, remittance of profits, bonus, dividend payment, tax payment and scholarships, etc.   |

**How to indicate Payment Purpose/Codeword on cross border RMB remittance instruction**

- (1) Via internet banking, please select the appropriate payment purpose from the respective pull-down menu.
- (2) On paper application form, please tick the appropriate box of payment purpose on the form.

The Bank's system will convert the selected Payment Purpose to the corresponding CNAPS2 codeword and place it on the outgoing message of remittance.

For details of the service, please contact any branch of CYB or Enquiry Hotline: (852) 2840 1600.