

INSTRUCTION ON THE CONTENTS AND USE OF STANDARDIZED PAYMENT ORDERS HUB 3 AND HUB 3A IN PAYMENT TRANSFERS

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I. GENERAL PROVISIONS

The Instruction defines the content and the use of the standardized Payment Orders, in two forms: the **HUB 3** and the **HUB 3A** forms.

The Payment Order is intended for funds transfer in the country and abroad and cash transactions of the Payment Transfers participants.

The Payment Order form contains all information required for effecting payment (cashless funds transfer) as well as disbursement and downpayment of cash. The form and other characteristics of the forms ensure the possibility of scanning and OCR - object content recognition, manual processing and data reading by use of 2DBK (only for domestic transactions).

II. CONTENTS OF THE PAYMENT ORDER

The Payment Order includes the following elements:

- form title (UNIVERSAL PAYMENT ORDER, or DOMESTIC PAYMENT ORDER) is above all other information on the transaction,
- notice of EMERGENCY (cross box), and AMOUNT are entered in the first part of the Order,
- the part referring to the PAYER includes: name and address of the Payer, IBAN, and model and reference number of the Payer,
- the part referring to the PAYEE includes: name and address of the Payee, IBAN of the Payee, and model and reference number of the Payee,
- thereafter, the code of purpose and the payment description are entered,
- the requested date of executing the Order is filled on the Order,
- on the Universal Payment Order (HUB 3) the data required for cross-border and foreign payments and statistical data are entered in the left bottom section,
- the left bottom section of the Domestic Payment Order (HUB 3A) may be used for the 2DBK, or left unpopulated,
- on the form the sections for the stamp of the payment service user and of the authorised person, respectively, are separated,
- it is expected that banks and other payment service providers use the space below the line on the bottom of the form (without any particularly defined positioning) for certifying the receipt/execution. This section may be used to enter date, time, payment service provider's reference numbers, work place, etc.

Detailed rules for filling in particular fields on the Order are described in Item 5.

Along with the mentioned elements, on the left part of the vertical print-out from the top down the **HUB 3** and **HUB 3A** forms shall include:

- name of the Order, entered as «HUB 3 Form» or «HUB 3A Form», and then
- name of the printer or publisher, and an internal note if necessary.

In the lower right section the **HUB 3** Form shall also have the Order page number: number «1» for the red original and number «2» for the green copy.

The **HUB 3** Form counterfoil may include additional marks, such as the logo (the graphic mark) or the name of the bank or institution that places the Payment Order, or a title that denotes the purpose of this section of the form (e.g. PAYMENT CERTIFICATE).

III. FILLING IN THE PAYMENT ORDER

The **HUB 3** Payment Order Form is intended for computer and manual data input, and the **HUB 3A** Payment Order Form to computer (machine) data input in the following manner:

- manual data input – in capital letters; only one letter or number (digit) is entered into one particular box; dark colour pens shall be used (black or blue);
- machine data input – in an unproportional font (e.g. Courier), no "fitting" into slots is required, for the **HUB 3A** Payment Order Form proportional fonts are allowed on the counterfoil.

The content of the fields is entered by aligning it on the left – at the beginning of the slot, except for the slots to which different rules apply (amount).

Particular Payment Order Form fields shall be filled in the following manner:

Urgency:

Enter «X» in the proper cross box. The definition of urgency depends on the terms of a particular payment service provider.

Payment Currency:

The letter code of the transaction currency. On the **HUB 3A** Payment Order Form only the code of the Croatian domestic currency may be used.

Amount:

13 cardinal number places and 2 decimal places; aligned on the right, without spacing, the amount begins with the protection mark "=" (two horizontal lines) or the asterisk "*".

Payer:

Name of the Payer: name, address, no set formatting

Account Number:

- IBAN of the Payer in the form HRxx xxxx xxxx xxxx x.
- When making a cash downpayment, this field is not populated.

Reference Number of the Payer (debit):

- model: enter "HR" and a two-digit control model of the reference number. If there is nothing written in front of the model number, then it shall be considered that "HR" has been written.

Rules for filling the reference number of the Payer and the Payee for Payment Orders to the Treasury and other public bodies are defined pursuant to the effective Decree on the Manner of Downpayment of Budget Revenues, Mandatory Contributions and Income for Financing Other Public Requirements and the Unique Review of the Basic Reference Number Models, with model description, content and explanation for their implementation and the control number calculation method.

- reference number: 22 numeric characters with hyphens at most, in keeping with the model
- this field is left unpopulated when making a cash downpayment

Payee:

Name of the Payee: name, address, formatting not defined

Account Number:

- IBAN of the Payer in the form HRxx xxxx xxxx xxxx x.

For cross-border and foreign payments the IBAN length depends on the rules of the receiving country, a maximum of 34 characters

- A regards international payments to the countries that do not use the IBAN, the Payee's account number will be entered.
- When making cash disbursement, this field will remain unpopulated.

Reference Number of the Payee (credit):

- model: enter "HR" and a two-digit control model of the reference number. If there is nothing written in front of the model number, then it shall be considered that "HR" has been written,
- reference number: 22 numeric characters with hyphens at most, in keeping with the model,
- when making cash disbursement, this field will remain unpopulated.

Code of Purpose:

A four-letter code of transaction purpose pursuant to the ISO 20022 standard is entered.

Payment Description:

Text description of the respective payment in 4 rows of 35 characters at most is entered.

Date of Execution:

The date on which the person placing the respective Payment Order want their account debited, i.e. Payment Order execution.

Additional information for cross-border and foreign payments:

BIC and/or Name of the Receiving Bank:

This is used only for cross-border or foreign Payment Orders, stating the IBAN, or the Payee's account. If there is the BIC entered on the Payment Order, then the bank name is not required.

Marking the Type of Payee:

The "X" mark will be used to signify whether the foreign Payee is a legal or a private person. If left unpopulated, it will be considered that it is a legal person.

Currency of Coverage:

Filling in the abbreviation of the currency in which the Payer's account will be debited (if this is not the currency also of the Payment Order execution).

Costs Option:

The "X" mark will be used to define the manner of collecting costs:

- a) SHA – both the Payer and the Payee bear (each their own respective) costs
- b) OUR - the Payer bears all the costs involved

If left unpopulated, it will be considered that the "SHA" option is expected.

On the **HUB 3A** Payment Order, instead of additional data for foreign payments, in their place 2DBK is entered.

The detailed structure and the technical description of the 2DBK will be regulated under a separate Instruction.

Stamp of the PS User:

Stamp of the Payment Service User.

Signature of the PS User:

One or two signatures, in keeping with the authorization rights.

Counterfoil Content in the HUB 3A Form

All fields of the counterfoil are non-formatted and abbreviated names of the Payer and/or the Payee may be entered, and the abbreviated description of payment. Only the data of the amount, the Payee's account number and the Payee's reference number must be repeated in their full form.

On the counterfoil transaction execution may also be certified (receipt of the Payment Order).

Mandatory Fields for Populating the Payment Order:

Payment Order will be considered valid, i.e. the bank will effect it, if it has at least the following elements filled in:

1. Name of the Payer
2. the Payee's Account Number
3. Payment Currency
4. Amount
5. Date of Execution.

Disbursement Order will be considered valid, i.e. the bank will effect it, if it has at least the following elements filled in:

1. Name of the Payer
2. the Payee's Account Number
3. Payment Currency
4. Amount
5. Date of Execution
6. Certificate of the Payer.

Cashless Payment (Transfer) Order will be considered valid, i.e. the bank will effect it, if it has at least the following elements filled in:

1. the Payer's Account Number
2. the Payee's Account Number. For cross-border and foreign payments also the Payee's Name and Address are required.
3. Payment Currency
4. Amount
5. Date of Execution
6. Certificate of the Payment Service User.

The Payment Order **Purpose** (downpayment, disbursement, or transfer) is determined by the filled mandatory elements of the Payer and/or the Payee.

IV. THE PAYMENT ORDER FORM AS CERTIFICATE

The Payment Order Form may be used also as a certificate of payment. For this purpose, the following will be used:

- in the **HUB 3** form the certified form copy, and
- in the **HUB 3A** form the certified counterfoil.

In case of downpayment, the certified copy/ies of the **HUB 3** form and the certified counterfoil of the **HUB 3A** form will serve as a certificate of effected payment.

In case of transfer, the certified copy/ies of the **HUB 3** form and the certified counterfoil of the **HUB 3A** form will serve as a certificate of the Payment Order being received in the bank.