



## SMI "X" User Guide

# IATA Clearing House (ICH) and Simplified Invoicing and Settlement (SIS)

Version 1.0  
July 2024



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## 1 What is ICH's SMI (Settlement Method) "X"?

As the industry needs are continuously evolving, new business opportunities are arising. As a result, the Clearing House accepts and makes available, as and when required, new forms of transactions for clearance and settlement through the creation of a new Settlement Method Indicator SMI "X" as defined under ICH Procedure 15.

The SMI "X" is complementing and not replacing any of the already existing SMIs, such as SMI "I" which is used for regular ICH transactions.

SMI "X" agreement(s) will be separate instance(s) of the existing standard agreement in which SMI "I" transactions are being settled. Each SMI "X" agreement will have its own set-up, clearance calendar, group of participants, set of reports, notifications and settlement.

New data fields on the IS-XML and the IS-IDEC will be used to differentiate transactions settled through the SMI "X" agreements, with a unique agreement code (5 alpha numeric).

The ICH Manual and Regulations shall equally apply to SMI "X" transactions for purposes of invoicing, clearance and settlement, unless otherwise expressly provided in the applicable SMI "X" agreement(s) set forth under the applicable participation form(s).

## 2 What are the Benefit of using ICH's SMI "X"?

With SMI "X," participating members will benefit from various features, including but not limited to, additional currencies, flexible clearance calendars, and the creation of member clearance sub-groups.

It is important to note that there will be no currency conversion in SMI "X." Under the SMI "X" agreements, e-invoicing through SIS and settlement via ICH will be done in the same currency with no conversion and no usage of the FDR. Call Day Adjustment "CDA" will also not be applicable.

## 3 How can I sign up to use ICH's SMI "X" with my partners?

A Clearing House Member who chooses to benefit from new SMI "X" features may do so by subscribing to one or multiple SMI "X" agreement(s).

The following conditions must be met by a Clearing House Member to participate in any SMI "X" agreement:

- Be an active Clearing House Member in good standing
- Sign-up to one or multiple SMI "X" agreements by completing, signing and returning the applicable SMI "X" participation form(s);
- Provide to the Clearing House new banking details, as applicable.



## 4 What do I need to submit a SIS Invoice / Credit Note with SMI "X"?

Currently, the use of ICH's SMI "X" is with SIS Miscellaneous Invoices / Credit Notes only but could also apply as and when required to other e-invoicing billing categories. To begin e-invoicing in SIS with SMI "X", you must first have the "Agreement Indicator" provided to you by the ICH. This "Agreement Indicator" is unique to you and your SIS e-invoicing partner(s) only, based on the ICH special agreement between the parties, and must be provided in your SIS e-invoices for settlement in the currency defined in your agreement.

Using SMI "X" provides the members an option to define a specific ICH settlement date; as well as define a Currency of Clearance (Settlement) other than the standard USD/GBP/EUR. These details will be based on the SMI "X" agreements clearing-house members.

For every Invoice/Credit Note loaded or captured having SMI "X", there will be new validations in SIS as per the agreement as follows.

- SMI "X" must be used only between the Billing Member / Billed Member pair.
- The ICH Agreement Indicator defined must be valid between the the Billing Member / Billed Member pair.
- The Currency of Clearance defined must be valid, as per the agreement.
- The Exchange Rate defined must be correct, either as the industry-defined Five Day Rate or as a Custom / Bilateral rate

Failure to provide the above details for submitted invoices / credits via IS-WEB or IS-XML input file will result in the respective on-screen validation error messages or a validation errors in the SIS R2 validation report.

**Note:** While the use of SMI "X" is also extended to ACH members, settlement will be done by ICH only.

## 5 How to submit an Invoice / Credit Note via IS-WEB with SMI "X"?

The following are the steps to create and submit a Miscellaneous Invoice / Credit Note with SMI 'X' via IS-WEB, with values according to your ICH SMI "X" Agreement:

1. Navigate to 'Miscellaneous' à 'Receivables' à 'Create Invoice (or Credit Note)' screen.
2. Select a value for those fields marked with (\*) as mandatory.
3. In the 'InvoiceHeader' section , select 'Settlement Method' as 'ICH SMI-X' from the drop-down list.
4. When you select 'ICH SMI-X' as the settlement method then you need to provide valid values for the following fields as mandatory:
  - a. Enter the 'CH Agreement Indicator', 'CH Due Date' and 'Currency of Clearance' fields according to your ICH SMI "X" Agreement.
  - b. Select the same 'Currency of Billing' as 'Currency of Clearance'
  - c. Enter the value of 'Exchange Rate' as '1.00000'



Below is an example:

5. Complete the InvoiceHeader, Line Item(s) and Line Item Detail(s) data entry.
6. Submit your invoice by clicking on 'Validate' button and then the 'Submit' button.

## 6 How to submit an Invoice / Credit Note via IS-XML File with SMI "X"?

The following are the steps to to create and submit a Miscellaneous Invoice / Credit Note with SMI 'X' via IS-XML file, with values according to your ICH SMI "X" Agreement.

The following values should to be provided under the <PaymentTerms> section of the IS-XML file:

- <SettlementMethod> node with the value as 'X'
- <CHAgreementIndicator> with the values according to your ICH Agreement.
- <NetDueDate> with the values according to your ICH Agreement.
- <ClearanceCurrencyCode> with the values according to your ICH Agreement.
- <CurrencyCode> with the same value as <ClearanceCurrencyCode>
- <ExchangeReate> node the value as '1.00000'

Below is an example:

```
<PaymentTerms>
<CurrencyCode>CHF</CurrencyCode>
<ClearanceCurrencyCode>CHF</ClearanceCurrencyCode>
<ExchangeRate>1.00000</ExchangeRate>
<SettlementMethod>X</SettlementMethod>
<PaymentTermsType>0011</PaymentTermsType>
<NetDueDate>2024-05-29</NetDueDate>
<CHAgreementIndicator>CHF04</CHAgreementIndicator>
</PaymentTerms>
```



Additionally, the following values should be provided under the <InvoiceSummary> section of the IS-XML file:

- < TotalAmountInClearanceCurrency > node with the value of the total amount in Clearance Currency.

Below is an example:

```
<InvoiceSummary>
  <LineItemCount>1</LineItemCount>
  <TotalLineItemAmount>1350.000</TotalLineItemAmount>
  <TotalAmount>1350.000</TotalAmount>
  <TotalAmountInClearanceCurrency>1350.000</TotalAmountInClearanceCurrency>
</InvoiceSummary>
```

The following are some sample of SIS Invoice PDFs and ICH Form 1's with settlement method as SMI "X".

Line #	Date of Service	Product Id	Description	Quantity	UOM	Unit Price	Base Amount	Additional Amount	Tax	VAT	Line Amount
1	2024-05-01 to 2024-05-31	123	Test CH Agreement	1	EA	1,350.00	1,350.00	0.00	0.00	0.00	1,350.00
Charge Code: Misc											
Line Item Sub Total							1,350.00	0.00	0.00	0.00	
Invoice Header Sub Total								0.00	0.00	0.00	
Total Invoice Base Amount											1,350.00
Total Invoice Additional Amount											0.00
Total Invoice Tax Amount											0.00
Total Invoice VAT Amount											0.00
Total Due in Currency of Billing									CHF		1,350.00
Total Due in Currency of Clearance @ Exchange Rate 1.00000									CHF		1,350.00



## Invoice

Digitally Signed

<b>Billing Entity Name</b> IATA MONTREAL <b>Entity Designator &amp;</b> XB-A89 <b>Num.Code</b> <b>Location ID</b> Main <b>Contact Person</b> <b>Street</b> 800 Place Victoria, 11th floor <b>City</b> MONTREAL <b>State/Region</b> Quebec <b>Zip/Postal Code</b> H4Z 1A1 <b>Country</b> CANADA <b>Tax/VAT Registration #</b> 107510570RT0001 1006066123 <b>Company Registration #</b>	<b>Invoice #</b> Test040 <b>Date</b> 2024-05-29 <b>Month/Year</b> May 24 <b>Period</b> 04 <b>Tax Invoice Number</b> <b>Charge Category</b> Finance <b>Currency of Billing</b> CHF <b>Currency of Clearance</b> CHF <b>Settlement Method</b> ICH SMI-X <b>PO Number</b> <b>Location Code</b> YUL <b>Transmitter Code</b> XB-A89 <b>Transmitter Name</b> IATA MONTREAL <b>Attachments</b> No <b>Line Item Details</b> No <b>CH Agreement Indicator</b> CHF04 <b>CH Due Date</b> 2024-06-30	<b>Billed Entity Name</b> IATA GENEVA (EUR) <b>Entity Designator &amp;</b> XB-A60 <b>Num.Code</b> <b>Location ID</b> Main <b>Contact Person</b> <b>Street</b> 33, Route de l'Aeroport <b>P.O. Box</b> 416 <b>City</b> GENEVA 15 Airport <b>State/Region</b> <b>Zip/Postal Code</b> 1215 <b>Country</b> SWITZERLAND <b>Tax/VAT Registration #</b> 107510570RT0001 N/A <b>Company Registration #</b>
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Line #	Date of Service	Product Id	Description	Quantity	UOM	Unit Price	Base Amount	Additional Amount	Tax	VAT	Line Amount
1	2024-05-01 to 2024-05-31	123	Test CH Agreement	1	EA	1,760.00	1,760.00	0.00	0.00	0.00	1,760.00
<b>Charge Code: Misc</b>											
<b>Line Item Sub Total</b>							<b>1,760.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	
<b>Invoice Header Sub Total</b>								<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	
<b>Total Invoice Base Amount</b>											<b>1,760.00</b>
<b>Total Invoice Additional Amount</b>											<b>0.00</b>
<b>Total Invoice Tax Amount</b>											<b>0.00</b>
<b>Total Invoice VAT Amount</b>											<b>0.00</b>
<b>Total Due in Currency of Billing</b>										<b>CHF</b>	<b>1,760.00</b>
<b>Total Due in Currency of Clearance @ Exchange Rate 1.00000</b>										<b>CHF</b>	<b>1,760.00</b>

Sample of ICH Form 1 Report:

	<b>IATA CLEARING HOUSE</b>	2024-06-03 14:35 EST										
FORM 1 - Provisional												
AGREEMENT : CHF - Agreement CLEARANCE PERIOD: P04 May 2024 SETTLEMENT PERIOD: P04 May 2024 CREDITOR: XB-A89 - IATA MONTREAL												
Zone Code	Debtor Member	Currency Code	Billing Category	Invoice Number	Invoice Date	Local Currency	Local Amount	Input Rate	Converted Amount	Invoice Origin	Invoice Source	Suspended Invoice
H	XB-A60 - IATA GENEVA (EUR)	CHF	MISC	Test030	2024/05/29	CHF	1,350.00	1.00000	1,350.00	SIS	IS-XML	N
H	XB-A60 - IATA GENEVA (EUR)	CHF	MISC	Test040	2024/05/29	CHF	1,760.00	1.00000	1,760.00	SIS	IS-XML	N

Sample of ICH Form 3 Report:

	<b>IATA CLEARING HOUSE</b>	2024-06-03 14:40 EST									
FORM 3 LEGACY - Provisional											
AGREEMENT : CHF - Agreement CLEARANCE PERIOD: P04 May 2024 SETTLEMENT PERIOD: P04 May 2024 CREDITOR: XB-A89 - IATA MONTREAL (ZONE H)											
Zone Code	Member Code	Currency of Clearance	PAX Debits	UATP Debits	CARGO Debits	MISC Debits	TOTAL Debits	TOTAL Credits	BALANCE TOTAL	Exchange Rate	Currency of Settlement
H	XB-A60	CHF	0	0	0	0	0	3,110	-3,110	1.00000	CHF





**In case of any questions, please contact us via the**  
**[IATA Customer Portal](#)**