

SMPG - Corporate Action

Telephone Conference Minutes

2 February 2011

Final v1.0 – February 28, 2011

Table of Contents

[1. Tax and Proxy Subgroups - Status 4](#_Toc284952852)

[2. CA 192 – EIG+ Update Review 4](#_Toc284952853)

[3. CA78.2 - COAF Official Bodies Identification and COAF Guidelines 5](#_Toc284952854)

[4. CA159 - Maintenance of the CA Event Templates document 5](#_Toc284952855)

[5. CA170 - Placement of Cash Rates / Prices at Cash Movement Sequence 5](#_Toc284952856)

[6. CA194 - Reinvestment of Fund Cash Distribution (REIN) Code (UK) 6](#_Toc284952857)

[7. CA197 – Create New Funds Related Events 6](#_Toc284952858)

[8. CA199 - Extending Global MP to ISO 20022 6](#_Toc284952859)

[9. CA200.1 - Options: Renumbering in cases of currency option change ? 6](#_Toc284952860)

[10. CA200.2 - Options: Different options for different tax treatment 7](#_Toc284952861)

[11. CA 201 – QUOT Date Replacement 7](#_Toc284952862)

[12. Status of ISITC input Docs on CA 86.3, CA142, CA167, CA172, CA 196 7](#_Toc284952863)

Attendees

|  |  |  |  |
| --- | --- | --- | --- |
| **Country** | **First Name** | **Last Name** | **Institution** |
| BE | Charles-Raymond | Boniver | RBC Dexia |
| BE | Véronique | Peeters | BNY Mellon |
| CH | Lukas | Rhor | UBS |
| DE | Andreana | Pileri | Commerzbank |
| DK | Charlotte | Ravn | VP Securities Services |
| FR | Kimchi | Phungtran | BNP |
| JP | Hiroshi | Arakawa | Mizuho |
| JP | Ichiro | Yamamoto | Mizuho |
| MDPUG | Laura | Fuller | Telekurs |
| MDPUG | Peter | Hinds | Interactive Data |
| NO | Grethe | Pedersen | DnB NOR Bank |
| SE | Christine | Strandberg | SEB |
| US/ISITC | Sonda | Pimental | Brown Brothers Harriman&Co. |
| XS/ICSD | Delphine | Haillez | Euroclear |
| ZA | Dale | van Rayne | FirstRand Bank |
| - | Jacques | Littré | SWIFT Standards |

Apologies

|  |  |  |  |
| --- | --- | --- | --- |
| Country | First Name | Last Name | Institution |
| LU | Bernard | Lenelle | Clearstream Banking |

# Tax and Proxy Subgroups - Status

The tax subgroup conference call of January 10 had to be cancelled for logistical reasons. A new conference call will be scheduled by the co-chairs of that subgroup.

The Proxy Voting subgroup “rules of procedures” document has been finalised. A first conference call should now be scheduled by Didier Hermans.

Actions:

* Bernard Lenelle to re-propose a set of alternative conf. call dates to the tax subgroup members.
* Christine to contact Didier Hermans so as to ask him to set a date and agenda for the first conference call.

# CA 192 – EIG+ Update Review

Action items review:

1. EIG+ NMPG comments: No EIG+ comments received so far. Very last deadline for NMPG’s to send their feedback is now **February 16**. Jacques will publish the updated version asap after the 16th of Feb. For NMPG’s sending their comments after this deadline, the EIG+ will be republished later in the year with corrections highlighted in a separate spreadsheet.

Action: All NMPGs to send their EIG+ review feedback by February 16 at the latest

2. RDTE tracking non-european countries : still to be done by Jacques.

3. NMPG to report if NOAC explicit (i.e. included as an option) or implicit for VOLU. No answer received so far.

Action: All NMPG’s to send their answer to Jacques via email before next conference call.

4. Complete List of Qualifiers located at more than 1 place: Still to be done by Jacques

5. and 6. New CRs from co-Chairs:

Action: Bernard and Christine to present draft versions at the Rio meeting. CR deadline is June 1. Jacques to send new SR2012 CR template.

7. DRIP/DVOP sample updates: Still to be done by Jacques in parallel with the new templates.

8. EXWA sample review by MDPUG:   
- MDPUG have not yet discussed it, but it has been circulated. Feedback is expected in a few weeks.   
- Also question from MDPUG on EXER price in CONV. EXER is used in the sample but not indicated in the EIG+. Shouldn’t it be PRPP instead ?

Action: Bernard (who provided the sample) to provide feedback.  
 MDPUG will investigate if the issue is global or market specific.

- Additional comment from Laura regarding the CONV template sequence E, PAYD is not well placed.

Action: Jacques to correct CONV sample (->Done)

9. MDPUG Issue with Meetings: Jacques has referred the issue to Didier Hermans to deal with in the Proxy Voting sub-group.

10. RDTE and NEWO usage for PPMT: MDPUG to ask AU advice. MDPUG are unsure if they have any contact in Australia; they will discuss at their next meeting and revert.

11. New EIG+ layout to have EIG+ terms ISO20022 enabled: Still to be done by Jacques. Will try to do in the new version to be published this month.

12. EIG+ release schedule: The official schedule is fine, the issue is to schedule properly the NMPG’s inputs sufficiently in advance so that NMPG prepare for it in advance too. Christine proposed to supplement the schedule with a schedule for NMPG input.

Action: Co-chairs and Jacques to propose such a new schedule.

# CA78.2 - COAF Official Bodies Identification and COAF Guidelines

The final draft version (v0.4) of the document was discussed.

* Comment regarding 2.7 (multi-deposited securities) from Peter. The current section is the result of a consensus when the issue of muli-listed securities was discussed. No change to this paragraph.
* Questions from Kim regarding implementation for the COAF guidelines on whether the guidelines can be considered a market practice document and whether the implementation date would be SR2011 too ? The answer is yes to both questions. The document will be renamed “Maket Practice”.
* The US wants to reopen the MP discussion for use of CORP. Christine suggested they ask for it to be included in the agenda for Rio.
* Action 3 SWIFT: COAF usage clarification (received from CH): the COAF implementation will be provided by the new Swiss market infrastructure service called Connexor (SIX Group) on Q2 2011 for the notification and it will be limited to dividend payments for listed equities at the Swiss exchange.  
  Also, the SMPG will send a new request to all NMPGs for update/feedback regarding COAF use and official bodies.

Action :

* Jacques to rename the document as a MP with implementation date.
* Sonda to send proposal for new agenda item to discuss in Rio for use of CORP.
* Jacques to send NMPG’s new request for validation of the COAF Registration Organisations list.

# CA159 - Maintenance of the CA Event Templates document

So far the document has been updated with all the changes received so far. Now it is pending feedback from Veronique (update the samples to include entitlements) and Bernard. The plan is to publish this month as soon as the updates are provided.

The validation of the samples versus the EIG+ (Action 3) will be done by Jacques himself to speed up the process and publication.

Action:

Bernard and Veronique to provide the requested input for the samples.

# CA170 - Placement of Cash Rates / Prices at Cash Movement Sequence

Regarding WITF rate, Germany has already compiled an SR2011 example, and they need one WITF rate in sequence E which is not available any more as from SR2011. It must then be put in narrative. Germany will write a CR to put it back in E, in addition to E2.

We need also to create a new open item for the production of the SR2011 version of the GMP part 2 and document also DvE. This to be included in the agenda for Rio.

Action:

* Andreana to submit CR for WITF back in E for review in Rio.
* Jacques to create new Open item for Rio for the update of the GMP Part 2 and DvE for SR2011.

# CA194 - Reinvestment of Fund Cash Distribution (REIN) Code (UK)

In the UK, funds accumulate cash dividends as they are never paid. Currently the UK MP is to use the CAEV code DRIP/MAND.

The question is; should DVCA be used instead with DIVI//REIN ? Will the move of cash rates/prices in SR2011 affect this ?

Actions:

* MDPUG to investigate further before reverting to the SMPG.
* Andreana will contact Alan to discuss about the REIN Issue.

# CA197 – Create New Funds Related Events

Lukas Rohr from UBS attended the call on behalf of the IF-WG. The group decides to further discuss the issue in the joint IF-CA session in Rio.

In preparation for this, IF-WG will document as much as possible the processes and outturn for the CA-WG to better understand the background and to make the discussions in Rio as efficient as possible.

Action Jacques to change ownership of the open, item from CH to IF-WG and contact the IF-WG to add this topic to the common session in Rio.

**Post Meeting Comments**: The SMPG IF-WG co-chairs have been contacted by Jacques and it results that they are not keen on adding this topic to a common session in Rio as the Hedge Funds domain is not at all in the scope of the IF-WG and moreover they lack the necessary competency in that domain.

In consequence, this open item can only be handled within the CA WG and therefore we can only rely on the input provided by CH (UBS/CITCO) to progress on this item.

Action Swiss: to provide detailed input on each type of hedge-funds event detailing event flows and movements. Provide also samples for each event.

# CA199 - Extending Global MP to ISO 20022

The ISO 20022 subgroup had a first conference call on 1st of Feb to discuss how to proceed.

It has been decided to first finalise the current version of GMP part 1 to make it SR2010 compliant for end of February. After that, the sub- group will start working to make it ISO20022 compliant. If market practice changes are needed, these will be sent to the SMPG for approval.

Delphine will join the group as a replacement for Benoit.

The SMPG templates, when finalised, will be also translated to ISO 20022 by SWIFT.

If needed, Jacques will ask for help from the SMPG members for the conversion of the templates into a “SWIFT messages” format (coming from the MS Word tables).

# CA200.1 - Options: Renumbering in cases of currency option change ?

Postponed as Bernard could not join the conference call.

Action Bernard: To provide more input/explanations on the issue and potential solutions to be discussed at the next conference call.

# CA200.2 - Options: Different options for different tax treatment

Postponed as Bernard could not join the conference call.

# CA 201 – QUOT Date Replacement

Postponed as Matthew could not join the conference call.

# Status of ISITC input Docs on CA 86.3, CA142, CA167, CA172, CA 196

CA 86.3 Bulk MT564: ISITC have been working on the bulking proposal and a new version was sent for review earlier this week.

Action All: Feedback to be provided by next CA conference call.

CA 142 PCAL: No update.

CA 167 Consent: On hold at ISITC.

CA 172 Affected/Unaffected Balance: ISITC is finalising the MP. Lottery: Still an open item, US did not like the SMPG’s record date proposal. ISITC is discussing new proposal.

CA 196 OFFR: No update.

**------------------------ End of the Conference Call Minutes -----------------**