SMPG - Corporate Action

Telephone Conference Minutes

23 May 2012

Draft Version v0.1 – June 6, 2012

Table of Contents

[1. CA 203 – EIG+ Date (review & follow up NMPG inputs and related CR on INTP) 4](#_Toc326775201)

[2. CA 194 – Reinvestment of Fund Cash Distribution (REIN) Code (UK CR review) 4](#_Toc326775202)

[3. CA 223 - MT 56X - New Event Type for Partial Redemption in Pro-Rata (CR review) 4](#_Toc326775203)

[4. CA 224 - MT 56X - New Event Type INFO & new INFO Indicator (CR review) 5](#_Toc326775204)

[5. CA 225 – MT 565 - Add Option Features, Rates and Narrative & Remove OFFR (NMPG Feedback) 5](#_Toc326775205)

[6. CA 226 – Disclosure (DSCL) event  (CR review) NMPG feedback 6](#_Toc326775206)

[7. CA 230 – SOFE and INCE redundancy (CR review) 6](#_Toc326775207)

[8. CA 234 – New MP for Unknown Proceeds and CAOS (Review) 6](#_Toc326775208)

[9. CA 236 – Last Trading Date (CR Review) 6](#_Toc326775209)

[10. IPRC//PACK CR 7](#_Toc326775210)

[11. Next Conference Call 7](#_Toc326775211)

Attendees

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Country** | **First Name** | **Last Name** | **Institution** |
|  | CH | Michael | Blumer | Credit Suisse |
|  | FI | Sari | Rask | Nordea |
|  | FR | Kimchi | Phungtran | BNP Paribas |
|  | JP | Ichiro | Yamamoto | Mizuho |
| Co-chair | LU | Bernard  | Lenelle | Clearstream Banking |
|  | MDPUG | Laura | Fuller | Telekurs |
|  | MDPUG | Peter | Hinds | Interactive Data |
| Co-chair | SE | Christine  | Strandberg | SEB |
|  | UK & IE | Mariangela | Fumagalli | BNP Paribas |
|  | UK & IE | Matthew  | Middleton | LSE |
|  | US | Sonda | Pimental | BBH |
|  | XS | Delphine  | Haillez | Euroclear |
|  | ZA | Sanjeev | Jayram | First National Bank |

Apologies

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Country** | **First Name** | **Last Name** | **Institution** |
| Facilitator |  | Jacques | Littré | SWIFT |

Meeting Agenda

1. CA 203             EIG+ Date (review and follow up of NMPG inputs and related CR on INTP)
2. CA 194             Reinvestment of Fund Cash Distribution (REIN) Code (UK CR review)
3. CA 223             MT 56X - New Event Type for Partial Redemption in Pro-Rata (CR review)
4. CA 224             MT 56X - New Event Type  INFO & new INFO Indicator (CR review)
5. CA 225             MT 565 - Add Option Features, Rates and Narrative & Remove OFFR (NMPG Feedback)
6. CA 226             Disclosure (DSCL) event  (CR review)
7. CA 230             SOFE and INCE redundancy (CR review)
8. CA 234             New MP for Unknown Proceeds and CAOS (Review)
9. CA 236             Last Trading Date (CR Review)

# CA 203 – EIG+ Date (review & follow up NMPG inputs and related CR on INTP)

EIG+

* Kim will email the French NMPG’s feedback to Jacques later today. SUSP is a valid event in France.
* Sonda will email ISITC’s feedback to Jacques within a few days.

**Action**: NMPG’s to send any remaining feedback before end of week.

CR for INTP

* The WG reviewed the CR but had no specific comments except to inquire if the need is shared by other markets and how frequent it is in Russia.
* Laura requested an actual example.

**Action**: Bernard to ask the Russian NMPG to provide an example and report on the frequency of interest payments with different tax portions.

# CA 194 – Reinvestment of Fund Cash Distribution (REIN) Code (UK CR review)

Feedback from Mari: Andreana and Mari have discussed the issues raised by the UK. Andreana stated that she would investigate what, if anything, German needs are shared with the UK and if there is any impact on the UK CR, but she has not reverted since.

**Action**: Mari to contact Andreana to ask for status, as per Bernard’s request.

Review of the UK CR

* A few questions were asked and responded to by Mari.
* The WG supported the CR.

**Action**: Mari to attach the document with business scenarios to the CR, as per Christine’s request.

# CA 223 - MT 56X - New Event Type for Partial Redemption in Pro-Rata (CR review)

‘Value’ was changed to ‘amount’ in the long definition, but the same change needs to be done in the short definition as well.

**Action**: Bernard to send an updated CR by Tuesday.

# CA 224 - MT 56X - New Event Type INFO & new INFO Indicator (CR review)

CR comments

* Bernard proposed adding text to the decision tree, to better explain the process.
* Bernard to remove example 2.
* Proposal to change the definition to “Company information provided by the issuer, having no accounting/financial impact on the holder.”
* Remove ‘and the impact it has’ in the current work around section.

**Action**: Bernard to update the CR in accordance with the above.

PROC//INFO

**Action**: As per Bernard’s request, NMPG’s to investigate when PROC//INFO is used and for what purpose. Is it used for any other purpose than the one now covered by OPTF//NOSE? If not, PROC//INFO can be removed.

# CA 225 – MT 565 - Add Option Features, Rates and Narrative & Remove OFFR (NMPG Feedback)

Feedback on the 3 questions asked in Athens:

1. Can we create a market practice for validation on other fields/values to find the right option when an instruction does not have a proper CAON ?
2. Can we create a market practice for validation on other fields to identify the right event when an instruction does not have a proper CORP ?
3. Can we support the (not yet ready) US CR to add more data elements (Sonda’s document) in the MT565 ?

**Swiss NMPG**

1. Possible to use other fields if CAON is wrong. Question if similar fields need to be added to the MT567. Response from Sonda: There may be addition of more reason codes in the MT567, to report more of a mis-match of option details.

2. Need CORP or COAF.

3. Possibly

**Japanese NMPG**

Will email feedback

**ICSDs**

Call tomorrow, will provide feedback within a week

**UK NMPG**

Meeting Friday, will provide Friday afternoon or Monday morning

**South African NMPG**

1. Need correct CAON

2. Need CORP or COAF

3. ZA will revert on the US CR, but are not disinclined

**French NMPG**

1. Need correct CAON

2. Need CORP or COAF

3. FR is not in favor of the US CR

Kim mentioned that the FR market believes the issue will be resolved in France (and BE, NL, due to an ESES development) within two years, and thus there is no need for a short-term solution.

**Finnish NMPG**

No feedback yet; will do so as soon as possible.

**Swedish NMPG**

1. Probably, but we are not sure we would like to.

2. Probably not possible, at least not for 100% of events.

3. Probably not.

**US NMPG**

Yes on all three. ISITC do not believe the issue will be solved for quite some time, and other alternatives need to be put in place and the option features are the best solution they have been able to found.

# CA 226 – Disclosure (DSCL) event  (CR review) NMPG feedback

No country feedback was received.

**Action**:

1. Bernard to send his CR to the WG

2. NMPG’s are requested to discuss at their next meeting (or the one after that, if they have not yet had their post-Athens meeting) and comments to be sent via email by morning of May 31

# CA 230 – SOFE and INCE redundancy (CR review)

The CR was approved without comments.

# CA 234 – New MP for Unknown Proceeds and CAOS (Review)

Christine had not sent the proposal to the WG.

**Actions:**

1. Christine to send the proposal to the WG by end of day

2. NMPG comments to be sent via email by morning of May 31

# CA 236 – Last Trading Date (CR Review)

Sanjeev asked for clarifications of what the date would be used for, and why it is to be included in E1/D1 only. Christine clarified that the date is only to be used for securities that will cease to exist due to a reorganisation, and thus the SECMOVE sequence of the debit seemed the best place.

Laura asked if data providers would be requested to provide the date. Christine responded that the CAJWG standards do not cover data providers, but if/when issuers will include the date, data providers would likely be requested by their clients to include it.

The WG had no objection to having the CR sent by the SMPG. Since France has a similar CR, need to check whether the SMPG one covers the French needs.

**Action**: Kim will email the French CR to Christine for her to check if the SMPG’s CR covers all French needs.

# IPRC//PACK CR

Kim asked if PEND statuses should be used directly, instead of starting with IPRC//PACK. Christine responded that this would depend on the business scenario and the account servicer’s processes and system. Sending a PEND status directly would be one option, but sending an IPRC//PACK followed by a PEND status, would be equally possible and correct.

ISITC’s post-Athens meeting feedback is that account servicers may still need to report ‘lack and you need to do something’ vs. ‘lack and it is being processed’.

Christine proposed that the future CR for SR2014 to remove PACK should be accompanied with a CR to have different reason codes for the two LATE scenarios.

# Next Conference Call

 June 27, 2012 From 2 to 4 CET.

**------------------------ End of the Meeting Minutes -----------------**