

SMPG - Corporate Actions

Telephone Conference Minutes

21 June 2022

FINAL Version 1.0 – July 12, 2022

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Attendees List

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **NMPG** |  | **First Name** | **Last Name** | **Institution** | **🗸 = Present** |
| AT | Mr. | Guenter | Bauer | Unicredit | Excused |
| AU | Ms. | Priscilla | Ferri de Barros | ASX | Excused |
| BE | Ms. | Véronique | Peeters | BNY Mellon | Excused |
| CH | Mr. | Mike | Blumer | Credit Suisse | 🗸 |
| DE | Mr | Daniel | Schaefer | HSBC | 🗸 |
| DE | Mr | Melchior | Hendrik | Clearstream | Excused |
| DK | Mr. | Randi Marie | Hattens | VP Securities A/S | 🗸 |
| ES | Mrs | Diego | Garcia | DB | Excused |
| FI | Ms | Rask | Sari | Nordea Bank Plc | Excused |
| FR | Mr | Jean-Pierre | Klak | Statestreet | 🗸 |
| FR | Ms. | Stephanie | Clarkfischer | BNP Paribas | Excused |
| HK | Mr. | James | Mullens | Nomura | Excused |
| HU | Mr. | Zoltan | Tkalecz | Citi | Excused |
| HU | Mr. | Gàbor | Szentpéteri | Keler | 🗸 |
| IT | Ms | Paola | Deantoni | SGSS spa | Excused |
| JP | Mr. | Kazunori | Arata | Mizuho Bank | Excused |
| JP | Mr. | Yoshihito | Suzuki | Mizuho Bank | Excused |
| LU | Ms. | Catarina | Marques | Clearstream | 🗸 |
| MDPUG | Mr. | Peter | Hinds | Interactive Data | Excused |
| MDPUG | Ms. | Laura | Fuller | Telekurs | 🗸 |
| NL | Mr | Ben | van der Velpen | DACSI | Excused |
| NO | Mr. | Alexander | Wathne | Euronext | 🗸 |
| PL | Mr. | Michal | Krystkiewicz | KDPW | Excused |
| PL | MS | Monika | Adamowicz | KDPW | Excused |
| RU | Ms | Elena | Solovyeva | ROSSWIFT | Excused |
| SE | Ms. | Christine | Strandberg | SEB | 🗸 |
| SG | Mr. | Jyi-Chen | Chueh | SC | Excused |
| SL | Mr. | Rok | Sketa | KDD | Excused |
| UK & IE | Ms. | Mariangela | Fumagalli | BNP Paribas | 🗸 |
| Uk & IE | Mr. | Matthew | Middleton | LSE | 🗸 |
| US ISITC | Mr. | Steve | Sloan | DTCC | 🗸 |
| US ISITC | Mr. | Paul | Fullam | FIS | Excused |
| XS | Mr. | Jean-Paul | Lambotte | Euroclear | Excused |
| ZA | Mr. | Sanjeev | Jayram | First National Bank | Excused |
| SWIFT | Mr. | Jacques | Littré | SWIFT | 🗸 |
| SWIFT | Mr. | Didier | Hermans | SWIFT | Excused |

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# Summary of CA WG Meeting Agenda for June

1. CA469   CA - Managing CA instructions in scope of CSDR when partial settlement are implemented (Action: NMPGs)
2. CA501   CA - Amend scope of Tax on Non Distributed Proceeds Indicator (SR2022 CR 001794) (Action: NMPGs)
3. CA507   CA - Add New Protect Balance to Instruction Status (Action: Mari & Christine)
4. CA511   CA - Consistency between 22F::SELL &  69A::TRDP (Action: NMPGs)
5. CA512   CA - Review DRIP CHOS with Interim template (Action: Jean-Paul)
6. CA519   CA - Handling of Instructions after DTCH event (Action: NMPGs)
7. CA520   CA - CAPS Message Flow Description (Action: Mari & Christine)
8. CA522   CA - SR2022 EIG+/Events Templates & MP Updates (Action: Christine)
9. CA526   CA - Review GMP1 section 3.14 and 6.11 (movement sequences) (Action: NMPGs)
10. CA536   CA - Mandatory Cancellation of a accepted instruction which is no longer valid (New – Steve)
11. CA494   GM - Request of a seev.007 outside the original seev.004 (Action: Mari)
12. CA523   GM - seev.004 & seev.001 pagination MP (Action: NMPGs)
13. CA533   GM - Update GM MP for SR2022 (Action: Mari & Jacques)
14. CA537   GM – Voting with “Board of Directors” for Meeting resolutions (New – Randi)
15. CA493   CA - Repetitive Place of Safekeeping (SAFE) in MT564, MT 535 (Action: Mike)
16. CA502   CA - Add new First and Last Bid Increment Price to CA Details and Option Level for TEND and DTCH events (Action: Steve)
17. CA504   CA - Add new OFFE Indicator code when Dissenters Rights are Not Applicable (Action: Steve)
18. CA506   CA - Add new Status Reason Code for Rejections by Agent and Invalid Paperwork (Action: Steve)
19. CA515   CA - Withdrawal / Change / Revocability MP (Action: NMPGs)
20. CA530   CA - Interest coupon paying in kind and cash (Action: NMPGs)

# SMPG Global Meeting October 2022

The Global SMPG Autumn meeting is scheduled from Wednesday October 5 to Friday 7 (the week before SIBOS). It will be a physical meeting hosted by ABN AMRO in Amsterdam.

The exact location of the meeting in Amsterdam will be communicated later.

The Global plenary meeting will be held on October 5 in the afternoon (probably around 12 or 1 PM), still to be confirmed.

# Approval of May 26, 2022 Minutes

The minutes of May 26 are approved without any comments.

# CA469 CA - Managing CA instructions in scope of CSDR when partial settlement is implemented

MP approved by: FR, UK

JP: Only accepts instructions on actual settlement basis; thus, no concept of PENR / PEND.

SE and DK requested a change to the proposed MP to remove the reference to eligible balance (ELIG) position.

It is proposed to update the MP as follows (input from Mari):



**Action**: NMPGs to review and comment for next call.

# CA493 CA - Repetitive Place of Safekeeping (SAFE) in MT564, MT 535

Input from Mari/Mike:





Item not covered due to lack of time.

**Action**: Mike to put forward an update to the business need/case for distribution to NMPGs to 1) confirm they agree with the business and 2) assess if there is any appetite to make any change

# CA494 GM - Request of a seev.007 outside the original seev.004

Wording agreed by the SRDII subgroup in April has not yet been added in GM MP.

A call to review the updated draft GM MP for SR2022 has been held in the morning of June 21.

**Actions**: Mari to include wording in the GM MP to provide guidance in the request of the seev.007 if it was not included in the seev.004 previously.

# CA501 CA - Amend scope of Tax on Non-Distributed Proceeds Indicator

Input from Jacques:



MP approved by: FR

**Action**: Remaining NMPGs to review and comment for next call.

# CA502 CA - Add new First and Last Bid Increment Price to CA Details and Option Level for TEND and DTCH events

Item not covered due to lack of time.

No MP update input from Steve received yet.

**Action**: Steve to propose input to GMP1 section 9.30 to document usage of the new First and Last Bid Increment prices and Bid Range Type.

# CA504 CA - Add new OFFE Indicator code when Dissenters Rights are Not Applicable

Item not covered due to lack of time.

No MP update input from Steve received yet.

**Action**: Steve to propose input to GMP1 section 8.14 to document usage of new ::22F::OFFE//NDIS indicator code.

# CA506 CA - Add new Status Reason Code for Rejections by Agent and Invalid Paperwork (CR?)

Item not covered due to lack of time.

No input from Steve received yet.

**Action**: Steve/ISITC to revert whether a reason codes review is needed in the CAST as well for a possible CR for SR2023.

# CA507 CA - Add New Protect Balance to Instruction Status

No input received yet.

**Action**: **Mari & Christine** to propose new MP input in section 3.10. (Balances).

# CA511 CA - Consistency between 22F::CAOP//SLLE & 69A::PWAL

Updated input from Christine:



MP approved by: SE, FR, JP (although not applicable in JP).

**Action**: Remaining NMPGs to review the updated MP and comment for next call.

# CA512 CA - Review DRIP CHOS with Interim template



Item skipped as Jean-Paul is not present at the call.

**Action**:

1. Jean-Paul to check this with Euroclear NL to understand the best forum in NL to address this matter
2. Jacques to update the DRIP CHOS with interim template when finalised

# CA515 CA - Withdrawal / Change / Revocability Period MP

Item not covered due to lack of time.

JP: Revocability Period not used in JP.

**Action**: The NMPGs to review the proposed MP and check number of cases for which different action periods are needed for both changes and withdrawals.

# CA519 CA - Handling of Instructions after DTCH event

FR preference would be to get an MT 567 providing the final status of the instruction.

Since the MT 567 does not seem to be an acceptable solution, FR and CH requested a change to the proposed MP to make it clear that clients are informed via MT564 of the fact their shares won’t be tendered.

JP: DTCH event not used in JP.

Updated MP input from UK/Mari:



**Action**: All NMPGs to review the proposed MP and comment for next call.

# CA520 CA - CAPS Message Flow Description

Input from Michal:



Input from Mari/Christine not yet provided.

**Action**: Mari / Christine to draft some wording to be added to GMP1 to cover scenario A.

# CA522 CA - SR2022 EIG+/Events Templates & MP Updates

Input from Christine not yet provided.

**Actions**: Christine to draft the SR2022 MPs Update Summary.

# CA523 GM - seev.004 & seev.001 pagination MP & CR (CR)

Updated input from Jacques –Pagination MP



MP for seev.001 approved by: DE, DK, FR.

**Action**: Remaining NMPG’s to review the pagination MP for the seev.001 for next call.

# CA526 CA - Review GMP1 section 3.14 and 6.11 (movement sequences)

Input from Mari / Jean-Pierre:



MP approved by: SE, DK, FR.

CH (Mike): No problems with US events and multiple CASHMOVE, as the tax relevant tags ITYP, ETYP (and soon OTYP) are not repeatable in MT564 (and MT566) and there is no other way to report that the purchase/tender price is not taxable/reportable but that the early tender-premium is. Apart from the above case, I’ve never seen OFFR and ESOF (or SOFE or any other) populated in different CASHMOVE sequences.

MDPUG: Examples of events provided by Laura (SIX) where OFFR and SOFE are in different cash movement sequences as per GMP MP section 3.14:



**Action**: Remaining NMPGs to review and comment on the proposed updated market practice and examples for next call.

# CA530 CA - Interest coupon paying in kind and cash (New)

Item not covered due to lack of time.

JP: no such event in JP.

**Action**: NMPGs to review the topic for next call.

# CA533 GM - Update GM MP for SR2022

The GM subgroup met this morning on June 21 to review the propose draft GM MP update prepared by Mari as follows:



**Action**:

1. Germany to provide feedback on some of the changes in the MP linked to CRs requested by DE NMPG.
2. Mari to arrange another call to discuss CR1032 (Account Servicer Support for Participation Method and Associated Deadline)

# CA536 CA - Mandatory Cancellation of an accepted instruction which is no longer valid

Input from Steve:



CH, UK, FR, DK, DE, JP do not agree with the Steve’s proposal as if an event is cancelled/withdrawn, GMP1 state that there is no need to cancel each instruction. This service could be agreed bilaterally in a SLA.

**Action**: Close item.

# CA537 GM - Voting with “Board of Directors” for Meeting resolutions

For CH, resolutions cannot be really amended at the meeting. A new resolution should be created to replace the other.

For NO, SE, DK, this business case exist in their country, resolutions can be amended.

Decision: A recommendation should be added to GM MP to push account owners to use the meeting resolution voting option. Alexander to prepare a CR to add an indicator in the seev.001 to report whether meeting resolutions could be added at the meeting.

**Post-meeting outcome:**

After analysis of the instruction message, it turns out that using the “vote with Chairman" code for meeting resolutions is already available in the message and fulfil the business case of the CR submitted by DK for the GM messages (ISO CR ID 1128). So, no need to add a new type of “vote with board of directors” for meeting resolution.

The SEG ET has decided to request the amendment of the "Vote Instruction for Meeting Resolution" element to reflect that it also concerns the resolutions amended at the meeting.

No CR was submitted to ISO for SR2023 to request to add an indicator to report whether meeting resolutions could be added at the meeting or not.

**Next CA WG call:** July 19, 2022 from 2:00 to 4:00 PM CET.

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