

SMPG - Corporate Actions

Telephone Conference Minutes

15 November, 2022

FINAL Version 1.0 – December 16, 2022

Table of Contents

[1. Approval of Amsterdam October 2022 Minutes 4](#_Toc121145011)

[2. CA466 CA - MC - Handling MCs in the Cash Penalties and ECMS Context 4](#_Toc121145012)

[3. CA469 CA - Managing CA instructions in scope of CSDR when partial settlement is implemented 4](#_Toc121145013)

[4. CA473 GM - GoR TF GM template review 5](#_Toc121145014)

[5. CA493 CA - Repetitive Place of Safekeeping (SAFE) in MT564, MT 535 5](#_Toc121145015)

[6. CA506 CA - Add new Status Reason Code for Rejections by Agent and Invalid Paperwork 5](#_Toc121145016)

[7. CA512 CA - Review DRIP CHOS with Interim template 5](#_Toc121145017)

[8. CA513 CA - Reversal / repayment process in ISO 20022 6](#_Toc121145018)

[9. CA519 CA - Handling of Instructions after DTCH event 6](#_Toc121145019)

[10. CA520 CA - CAPS Message Flow Description 6](#_Toc121145020)

[11. CA526 CA - Review GMP1 section 3.14 and 6.11 (movement sequences) 7](#_Toc121145021)

[12. CA530 CA - Interest coupon paying in kind and cash 7](#_Toc121145022)

[13. CA538 SID - Amend definition of AccountOwnershipType5Code 7](#_Toc121145023)

[14. CA540 SID - Reporting of below Threshold Quantity 8](#_Toc121145024)

[15. CA542 CA – Questions on the CA SCoRE Standards 8](#_Toc121145025)

[16. CA543 CA - Currency Option Usage 8](#_Toc121145026)

[17. CA544 GM - Meeting Event in EIG+ 8](#_Toc121145027)

[18. CA545 CA - Issuer Agent Messages 8](#_Toc121145028)

[19. CA546 CA - API framework 9](#_Toc121145029)

[20. CA547 CA - RHTS MP in Taiwan 9](#_Toc121145030)

[21. CA548 CA - Narrative Update Date and Description fields in ISO 20022 9](#_Toc121145031)

[22. AOB 9](#_Toc121145032)

**Attendees List**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **NMPG** |  | **First Name** | **Last Name** | **Institution** | **🗸 = Present** |
| AT | Mr. | Guenter | Bauer | Unicredit | Excused |
| AU | Ms. | Priscilla | Ferri de Barros | ASX | Excused |
| BE | Mr. | Hakim | Akka | BNY Mellon | 🗸 |
| 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 | 🗸 |
| FR | Mr | Jean-Pierre | Klak | Statestreet | 🗸 |
| HK | Mr. | James | Mullens | Nomura | 🗸 |
| HU | Mr. | Zoltan | Tkalecz | Citi | Excused |
| HU | Mr. | Gàbor | Szentpéteri | Keler | 🗸 |
| IT | Ms | Paola | Deantoni | SGSS spa | Excused |
| JP | Ms. | Akiko | Kojima | Mizuho Bank | Excused |
| JP | Mr. | Yoshihito | Suzuki | Mizuho Bank | 🗸 |
| JP | Mr. | Hiroshi | Takahashi | Mizuho Bank | 🗸 |
| LU | Ms. | Catarina | Marques | Clearstream | Excused |
| LU | Ms. | Catherine | Falcone | Clearstream | 🗸 |
| MDPUG | Mr. | Peter | Hinds | Interactive Data | Excused |
| MDPUG | Ms. | Laura | Fuller | Telekurs | 🗸 |
| NL | Mr | Huseyin | Boler | ABN AMRO Clearing | 🗸 |
| NO | Mr. | Alexander | Wathne | Euronext | Excused |
| PL | Mr. | Michal | Krystkiewicz | KDPW | 🗸 |
| PL | MS | Monika | Adamowicz | KDPW | Excused |
| RU | Ms | Elena | Solovyeva | ROSSWIFT | 🗸 |
| 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 | 🗸 |
|  |  |  |  |  |  |

**Summary of CA WG Meeting Agenda November 2022**

1. Approval of Amsterdam minutes
2. CA466   MC - Handling MCs in the Cash Penalties and ECMS Context (Action: Mari/Christine)
3. CA469   CA - Managing CA instructions in scope of CSDR when partial settlement are implemented (Action: NMPG's)
4. CA493   CA - Repetitive Place of Safekeeping (SAFE) in MT564, MT 535 (Action: Mari/Christine)
5. CA506   CA - Add new Status Reason Code for Rejections by Agent and Invalid Paperwork (Action: Steve)
6. CA512   CA - Review DRIP CHOS with Interim template (Action: Mari / Jean-Paul)
7. CA513   CA - Reversal / repayment process in ISO20022 (Action: Mari / Christine / Randi / Jacques)
8. CA519   CA - Handling of Instructions after DTCH event (Action: NMPG's)
9. CA520   CA - CAPS Message Flow Description (Action: NMPG's)
10. CA526   CA - Review GMP1 section 3.14 and 6.11 movement sequences (Action: Mike / NMPG's)
11. CA530   CA - Interest coupon paying in kind and cash (Action: NMPG's)
12. CA542   CA - Questions on SCoRE (Action: NMPG's)
13. CA543   CA - Currency Option usage - NEW
14. CA545   CA - Issuer Agent Messages (Action:  NMPG's) - NEW
15. CA546   CA - API Framework - NEW
16. CA547   CA - RHTS MP in Taiwan (Action: Jyi-Chen) - NEW
17. CA548   CA - Narrative Update Date and Description fields in ISO 20022 – NEW
18. CA538   SID - Amend definition of AccountOwnershipType5Code (Action: NMPG's)
19. CA540   SID - Reporting of below threshold  quantity (Action: Mari / NMPG's)
20. CA544   GM - Meeting Event in EIG+ (Action: Christine) - NEW
21. CA473   GM - GoR TF GM template review (Action: Jacques)
22. AOB

# Approval of Amsterdam October 2022 Minutes

The minutes of the Amsterdam meeting are approved without any comments.

# CA466 CA - MC - Handling MCs in the Cash Penalties and ECMS Context

MP input not yet provided.

**Action**:

1. Mari/Christine to put up some MP proposal.

2. Mari to check if UK wants to submit a CR for SR2024 to translate the new ISO 20022 market claims into a MT567.

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

2 inputs from Mari/Christine:





DK fine with both documents with a preference for Christine’s version.

FR in agreement with the principle, both versions are fine.

Not applicable in FI.

**Action**: Remaining NMPG’s to review the MP proposals and provide feedback.

# CA473 GM - GoR TF GM template review

Jacques has quickly reviewed the GM and CA templates from the GoR TF templates.

So far, it seems that there are not so many standards changes that have impacted the templates.

We should inform them of the differences and ask them whether they plan to update them.

**Action**: Jacques & Christine to draft email for AFME / EBF / ECSDA (Alessio Sarcinelli, Marcello Toppa,…) to remove the GOR templates from their website or indicate date of SR.

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

Input from Mike:



Pending action items. Item carried forward.

**Action**: Christine/Mari to share business case and examples provided with the SnR WG co-chairs and suggest a joint CA/SnR meeting for Oslo.

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

Input required from Steve. Item carried forward.

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

# CA512 CA - Review DRIP CHOS with Interim template

Input:



Discussions on the case are on-going in the Dutch NMPG and DACSI**.**

**Action**: NL NMPG representative to provide results of the discussions.

# CA513 CA - Reversal / repayment process in ISO 20022

Jacques has already updated the GMP1 sections 2.2 (mapping), 3.2.3 (ADDB function), 4.4.5 (remove the note).

These changes in the GMP1 must be indicated for November 2023 implementation.

Updated Input from Christine:



**Action**:

1. 1. Christine to update the input document to include what was discussed and indicate changes in GMP1.
2. 2. Jacques to check in GMP1 the MP implementation date indicated for the recent changes (as some are only for SR2023)
3. 3. Randi to review GMP1 section 4 accordingly.
4. 4. Christine/Mari to create a CR for SR2024 to add reversal reasons in the MT564.

# CA519 CA - Handling of Instructions after DTCH event

Updated MP input from Mari:



MP approved by: DK, FR, FI.

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

# CA520 CA - CAPS Message Flow Description

Input from Mari:



FI would like to see the examples first to understand fully the proposal.

MP approved by: DK, FR, HK

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

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

Mike, Jean-Pierre and Mari have suggested some changes in GMP1 section 3.14 and 6.11 as follows:



MP approved by: JP, FR, DK

**Actions**:

1. Remaining NMPG’s to review the updated MP and revert.
2. Mike to update the example in section 13.3 accordingly.

# CA530 CA - Interest coupon paying in kind and cash

The usage of the various rate qualifiers respectively for INTR and PINK events are as follows:

The two RATEs qualifiers value will sum to 1 / 100%.

The PINK event must link back to the INTR event.

|  |  |  |  |
| --- | --- | --- | --- |
| **INTR event (first)** | | **PINK event (second)** | |
| INTR | Original/annual rate | ADEX |  |
| RATE | Equal to the percentage the issuer will pay in cash | RATE | Equal to the percentage the issuer will pay in securities |
| INTP | Equal to INTR\*RATE (and period, etc.) |  |  |

MP approved by FI.

**Action**: NMPGs to review and revert at next call.

# CA538 SID - Amend definition of AccountOwnershipType5Code

The definition of the code value “Usufructuary” (USUF) in the seev.047 disclosure response should be completed. Proposed definition:

“*Person having the temporary right to use and derive income or benefit from someone else's property.”*

Approved by: FR, FI.

**Action**: Remaining NMPG’s to review and revert.

# CA540 SID - Reporting of below Threshold Quantity

Input from Michal:



**Decision**: In the SID MP in the seev.047 section, move the “Non-Disclosed Shareholding Quantity” and “Below Threshold Shareholding Quantity” from the optional to the mandatory part of the MP and make them conditional.

Approved by: FR, FI

**Action**:

1. 1. Mari to update the SID MP.
2. 2. Remaining NMPG’s to review the decision and revert.

# CA542 CA – Questions on the CA SCoRE Standards

Input from Mari:



CAPC (Preliminary Advice Cancellation Advice - seev.044) usage vs MT in ISO 15022:

1. CAPC should be mapped to a “564 REPE + ADDB//CAPA + PREV” and the amount set as zero” (instead of 564 CANC + ADDB//CAPA + PREV).
2. It is also proposed to remove the usage of the CAPC message and replace it with a CAPA REPL
3. CAPA for instructions to only be issued at the end of the instruction period.

JP NMPG would like to keep maximum flexibility for mapping and is against the change in market practice.

MP approved by: HK, FI.

**Action**: Remaining NMPG’s to review and revert.

# CA543 CA - Currency Option Usage

The usage in the MP is not aligned to what is reported in the SMPG templates.

Should we now also use it for other events that are not income related (DVCA or INTR) ?

In that case, a CR will be required to amend the definition of OPTN in the standards.

UK feedback: OPTN only reported for dividend event if the price/dividend rate is unknown

JP: OPTN used for events with currency option, e.g. REDM, PCAL, MCAL

CH & FR: used for events INTR and DVCA today with currency options when the price is unknown. Could potentially appear in tender offers or subscriptions.

FI: OPTN not applicable in FI.

**Action**: Remaining NMPG’s to provide examples of events other than INTR and DVCA where OPTN is used.

# CA544 GM - Meeting Event in EIG+

With ISO 20022 GM messages, EIG+ contents for meeting events is longer aligned.

Pending action, carried forward.

**Action**: Christine to review the global grid and add additional explanation on the Corporate Actions numbering.

# CA545 CA - Issuer Agent Messages

Is there an appetite to review them so that they could be used in the US or other countries?

UK will check.

**Action**: NMPG’s to revert.

# CA546 CA - API framework

Would it be an added value to standardize CA API’s ?

The SMPG CA WG can provide the CA expertise to support the definition of the API standards.

Carried forward.

**Action**: Mari, Christine and Jyi-Chen to reconvene on this.

# CA547 CA - RHTS MP in Taiwan

Carried forward as Jyi-Chen is not present.

**Action**: Jyi-Chen to work with SWIFT APAC team to solve the issue of not having intermediate securities for rights issues. A PRIO event should be used.

# CA548 CA - Narrative Update Date and Description fields in ISO 20022

The second paragraph of section 3.15 in GMP1 is worth being reviewed so as to align the MPs between ISO 15022 and 20022.

**Action**: Mari to propose an update to Section 3.15.

# AOB

**SR2023 EIG+ Global Grid or Country column and templates update**

**Action**: All NMPGs to provide input/changes to Jacques before end of year on the EIG and Event Templates .

**Jean-Pierre Klak leaving the SMPG CA WG as FR representative**

Another FR representative will be elected very soon and will be communicated.

The CA WG co-chairs, members and facilitator thank Jean-Pierre for his great and active contribution to the CA WG and even more for co-chairing the CA tax sub-group for so many years!

Thank you and good-bye Jean-Pierre !!

**Next CA WG meeting:** December 13, 2022 from 2:00 to 4:00 PM CET

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