

SMPG - Corporate Actions

Telephone Conference Minutes March 19, 2024

Final Version 1.0 – April 22, 2024

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**Attendees List**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **NMPG** |  | **First Name** | **Last Name** | **Institution** | **🗸 = Present** |
| AT | Mr. | Guenter | Bauer | Unicredit | 🗸 |
| 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 | Excused |
| DE | Mr | Melchior | Hendrik | Clearstream | 🗸 |
| DK | Mr. | Randi Marie | Hattens | VP Securities A/S | 🗸 |
| ES | Mrs | Diego | Garcia | DB | Excused |
| FI | Mr  | Tero  | Tollikko | Danske Bank | 🗸 |
| FR | Ms. | Stephane | Peard | SGSS | 🗸 |
| HK | Mr. | James | Mullens | Nomura | Excused |
| HU | Mr. | Zoltan | Tkalecz | Citi | Excused |
| HU | Mr. | Gàbor | Szentpéteri | Keler | Excused |
| IT | Ms  | Paola  | Deantoni  | SGSS spa | Excused |
| JP | Ms. | Akiko | Kojima | Mizuho Bank | 🗸 |
| JP | Mr. | Yoshihito | Suzuki | Mizuho Bank | Excused |
| JP | Mr. | Fusahiko  | Abe | Mizuho Bank | Excused |
| JP | Mr. | Daichi | Kumagai | Mizuho Bank | 🗸 |
| JP | Ms. | Shiori | Ikeda | Mizuho Bank | 🗸 |
| JP | Ms. | Yuka | Asano | Mizuho Bank | 🗸 |
| LU | Ms. | Catarina | Marques | Clearstream | Excused |
| LU | Ms. | Catherine | Falcone | Clearstream | 🗸 |
| MDPUG | Ms. | Laura | Fuller | Telekurs | 🗸 |
| NL | Mr  | Huseyin | Boler | ABN AMRO Clearing | 🗸 |
| NO | Mr. | Alexander | Wathne | Euronext | 🗸 |
| PL | Mr. | Michal | Krystkiewicz | KDPW | 🗸 |
| PL | MS | Monika | Adamowicz | KDPW | Excused |
| RU | Ms | Elena | Solovyeva | ROSSWIFT | 🗸 |
| SE | Ms. | Christine | Strandberg | SEB | 🗸 |
| SG | Mr | Girish | Pandit | DB | 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 | 🗸 |
| XS | Mr.  | Jean-Paul  | Lambotte | Euroclear  | 🗸 |
| ZA | Mr. | Sanjeev | Jayram | First National Bank | 🗸 |
| Swift | Mr. | Jacques | Littré | Swift | 🗸 |
| Swift | Mr. | Charles | Boniver | Swift | 🗸 |

**Summary of CA WG Meeting Agenda March 19, 2024**

1. Approval of February meeting Minutes
2. CA542           CA - Coexistence and CA SCoRE Standards (Action: Task Force, NMPG’s, Jacques)
3. CA550           CA Tax - Usage of Tax Qualifiers & RateType Code & TAXR//0, (Action: NMPG)
4. CA566           CA - Short/Long balances in CA MX Messages (Action: Mari, Christine)
5. CA568           CA - Usage of CINL in MT564 Seq. E or E1? (Action: NMPG’s)
6. CA569           CA Tax - Add Tax Information to Securities Proceeds (Action: NMPG’s, Jacques)
7. CA572           MC - Market Claim market Practice review (Action: NMPG’s)
8. CA576           CA - CA Business Elements for camt.053 message (Action: NMPG’s)
9. CA579           GM - Vote through network and usage of the VOPI code (Action: Mari)
10. CA580           GM - Add Resolution Id MP (Action: Mari, Jacques)
11. CA584           CA - Change request for Coexistence (Action: Catarina)
12. CA585           CA - Template for Meeting Fees Payment? (Action: Catarina, Mari, Jean-Paul)
13. CA587           CA - add ECPD and GUPA dates as optional in the EIG+ for DRIP CHOS (and all elective events ?)
14. CA588           GM - Cancellation of a GM notification for key data change (Action: NMPG’s)
15. CA590           GM - Meeting Id MP (New: Mike)
16. CA591           CA - Code UKWN for QTSO/MQSO (New: Mari)
17. CA592           CA - MEET Date - Update definition ?(New: Alexander)
18. CA593           CA – OFFE Indicator in D & E (New: Randi)
19. AOB

# Approval of February meeting Minutes

February minutes are approved without any comments.

Written DE input on open items will be included into these minutes of March.

# CA542 CA – Coexistence and CA SCoRE Standards

* Follow up on Action 2: Review of GMP1 sections 2, 3 & 4.

Jacques will distribute this week for NMPG review and approval an updated and cleaned version of GMP1 with sections 3 and 4. Final approval for Milan meeting.

* Follow up on Action 3 – ECMS/SCoRE Std - Migration of CA to ISO 20022 – Data Types Restrictions Usage Guidelines on Variant 1

Updated SMPG Coexistence Guidelines:



Mari has provided the following draft SMPG statement for review:



UK, LU and PL have approved the statement.

Once fully approved, the SMPG statement will be updated with the table for SMPG steering committee to approve and it can be published on SMPG Web Site and shared with ECSDA.

**Actions items**:

* Action 2: NMPG’s to review the latest version sent by Jacques for comments at the Milan meeting.
* Action 3: NMPG’s to review Coexistence Guidelines and SMPG Statement and revert with comments at Milan meeting.
* Action 4: Jacques to build a seev.031 sample applying the agreed restrictions.

# CA550 CA Tax - Usage of Tax Qualifiers & RateType Code & TAXR//0,

*DE comments****:***

*For examples b1 and b2, we suggest to also to provide :92J::GRSS//TXBL/8,. According to our experience, charges (CHAR) are usually provided as amount, not rate, and found it a bit confusing that the example states a rate.*

The WG agreed to remove the charge rate.

The MP is approved by: FR, DE, DK, UK

Updated as above by Mari with UK comments:



**Action**: NMPGs to provide feedback by April meeting, otherwise it will be considered approved.

# CA566 CA – Short/Long Balances in CA MX Messages

Mari and Christine have finalised the proposed updates (for section 8.13) in GMP1 and moved the result in section 3.10 and removing 8.13.

See final updated GMP1 to be sent by Jacques with the minutes.

**Action**: NMPGs to provide feedback to next meeting.

# CA568 CA – Usage of CINL in MT564 seq. E or E1

Input From Randi:



The WG proposal for a new MP on the usage and placement of :22F::DISF (Disposition of Fraction) in the MT564 is as follows (and accordingly in the MT566):

1. :22F::DISF should be placed in sequence E,
2. :90a::CINL price should be placed in sequence E1:
	* in the debit movement if price is applied on underlying securities
	* in credit movement if the price is applied on the new securities
3. :19B::CINL amount should be placed in sequence E2.

DISF should however remain in E1 as it could still be used in specific scenario.

* DK, SE, LU, XS, FI, UK NMPGs have approved the MP.

All NMPGs to provide feedback by April, otherwise it will be considered approved.

**Actions: Remaining NMPGs to provide feedback by April meeting, otherwise will be considered as approved.**

# CA569 CA Tax - Add Tax Information to Securities Proceeds

Updated MP input from Mari:



DE NMPG approves the MP.

**Action: NMPGs** to provide feedback by April meeting, otherwise it will be considered approved.

# CA572 MC - Market Claim Market Practice Review (Action: NMPGs)

Input: Draft MC MP:



*DE NMPG feedback:*

*The following responses apply to scenarios 1 (pages 8-12) and 2 (pages 13-17).*

*P9: RelatedSettlementInstructionDetails – RelatedSettlementQuantity <RltdSttlmQty> should remain mandatory, it is essential for Cash Market Claims from our point of view and it should be provided for Securities Market Claims. We would prefer to have it as a mandatory field, as this would make it more clear how to use the field. It should be simple for the sender to provide the data element.*

*P9: RelatedSettlementInstructionDetails – TransactionReference – MarketInfrastructureTransactionIdentification <MktInfrstrctrTxId>: We believe that there should be a possibility to provide further references of the underlying trade (especially the a.m. MITI, which is commonly used now). The Section can only be provided 1..1 and it can only contain 1..1 Reference Fields stating the clients reference of the underlying trade (i.e. RELA). While the MITI is in the standard, it is only the MITI of the Claim.*

*P10: MarketClaimDetails – CashMovementDetails <CshMvmntDtls> - EntitledAmount <EntitldAmt>: The field is mandatory already in the ISO20022 Standard (as is the MarketClaimDetails – SecuritiesMovementDetails <SctiesMvmntDtls> - EntitledQuantity <EntitldQty>).*

*P11: Delivering Settlement Parties or Receiving Settlement Parties: We don’t understand the comment, as the two fields Depository and Party1 are mandatory according to the ISO Standard. We believe that it is correct, the way it is described right now.*

*P11: Transaction reference: Market Claims generated outside of T2S would not have a T2S reference. A market claim generated by T2S and sent to the CSD and, potentially, as DCP would not yet have a CSD reference. However, if the references exist, they should be moved to the mandatory business data requirements with the comment that they must be provided if the data element exists (similar to the SECU vs. CASH blocks on page 10).*

**Action: All NMPGs** to review the draft MP document and revert with comments.

# CA576 CA - Business Elements for camt.053 message

Updated Input from Charles (camt.053 elements):



No input received apart from DE last meeting.

**Action**: NMPG’s to comment on the input and revert.

# CA579 GM - Vote through network and usage of the VOPI code

The MP on the Vote Though Network code VOPI (Vote As Per Intermediary Information) and VOCI (Vote Though Chain) should be clarified as follows:

* VOCI should be passed on as received to the next intermediary.
* Vote directly to the issuer: should be passed on as received. Everyone has to instruct to the issuer.
* VOPI: It cannot be forwarded through the chain as is as the information is dedicated to the next level in the chain. The message is stopped as the recipient has to decide whether to turn it into a VOCI.
* Also delete the ICSD sentence (page 24).

Pending actions, carried forward.

**Action**: Mari to add wording for the usage of VOPI in the GM MP.

# CA580 GM – Add Resolution Id MP

Meeting resolution identification (Issuer Label) MP proposed by Jacques and approved by the WG:

|  |  |
| --- | --- |
| IssuerLabel <IssrLabl> | *This element uniquely identifies a meeting resolution amongst all listed resolutions (possibly provided in multiple languages) in the notification message. A resolution provided in multiple languages must be included (all language versions) under the same issuer label identification.*  |

*DE NMPG Comment Post meeting:*

*The NMPG DE (PSG) agreed that the proposed wording for the SMPG Market Practice is OK, but it was mentioned by several members that in production this is not always the case. One member mentioned examples from Luxembourg and Hendrik referred to US contested agenda (Green and White vote cards). It is expected that a clarification from SMPG will help issuers and providers to adjust their current numbering, e.g. in case of different combined ordinary and extraordinary meetings, to use at least the extraordinary resolutions such as X1, X2, etc. instead of the same numbers used for ordinary resolutions (1, 2, 3, etc). It was agreed that a validation rule for unique issuer labels is not a good option at this time.*

**Action**: Jacques to copy in “Issuer Label” elements in the GM messages and close item.

# CA584 CA – Change Request for Coexistence

To ensure full data type alignment between ISO 15022 and 20022 for rates and prices, should we submit a change request in ISO 15022 to reduce size of 92A,B,R and 90a to 11 digits max ?

*DE feedback : Why do we not adapt ISO20022 to match the longer ISO15022 format? The business impact would be smaller, since the ISO20022 messages have not yet been so broadly used and would it not be more future-proof to use a longer field?*

**Actions**:

1) NMPGs to provide feedback.

2) Catarina to work on a draft CR for SR2025.

# CA585 – CA Template for Meeting Fees Payment ?

Shall we create a CONS MAND template for payment of meeting fees ?

*DE feedback: We have not been able to find a specific description of Meeting Fee Payment events in the GMP1. We found it mentioned in GMP2 in the EIG+. We do think that a clarification that CONS MAND should be used for Meeting Fees Payments and a description how to use the messages should be provided. We don’t however see an absolute need for a specific CONS MAND template just for meeting fees, if the LINKAGE is the only difference between a “normal” CONS MAND message and the bespoke message specific to Meeting Fee Payments.*

**Action**: Catarina, Jean-Paul and Mari to start working on a template for CONS MAND to be used to announce the payment of meeting incentive fees.

# CA587 CA – Add ECPD and GUPA dates as optional in the EIG+ for DRIP CHOS

ECPD and GUPA are only mandatory for the EU markets, and not mandated elsewhere. Should we add them as optional in the relevant event in the EIG ?

No feedback received, item carried forward.

**Action**: NMPGs to provide feedback for next call.

# CA588 GM – Cancellation of a GM Notification for Key Data Change

*Can the general meeting date be considered as a key data element ? Should the change of it trigger a cancellation of the original event and a replacement with a new event ?*

The change of meeting date or record date of a meeting should not trigger a cancellation of a meeting event. The existing event should be updated. In CA the key data are the ISIN, CAMV and the CA event code.

*DE NMPG comment post meeting:*

*The NMPG DE (PSG) does not agree with SMPG's statement, by German law, a change in the meeting date requires a new invitation and compliance with the legal timetable and announcement process. This is therefore a “key date” and requires a cancellation of the existing event and a new announcement with the meeting date. It was said that the opposite is also possible in some countries, such as Luxembourg (Aroundtown LU1673108939), where a meeting is postponed in order to achieve a quorum at a later date. Buzzword: "1. call, 2. call". In these cases, the record date changes, the references as well, but the instructions already given should remain in place. It requires intermediaries to adjust positions in the event of record date position changes to the previous event and to consider instruction from “other” events.*

*We consider the meeting date to be an event key date (in line with our national legislation), as Germany has to vote for its market.*

Approved by: UK, DK, NO

**Action**: NMPGs feedback requested.

# CA590 GM – Meeting Identification MP

*Open Item Context (from Mike/CH):*

*We’re getting seev.001 messages with The SRD2 flag set to true and in the Issuer Meeting ID we get NONREF. I’d urgently suggest, that we update GM MP to clearly state, that NONREF is not an accepted value even if the SDR2 flag should be set to false*.

The WG agreed with the suggestion. To be added to MP so that Issuer Meeting ID is not reported as NONREF.

*DE NMPG Comment Post Meeting:*

*The NMPG DE (PSG) agreed that NONREF is not a valid value for an issuer meeting ID. The NMPG DE (PSG) also agreed that the SRDII indicator must be set correctly and not "randomly" or with default values for markets.*

**Action:**

1. Mike to provide message examples to Mari.
2. Mari and Christine to provide update to the GM MP.

# CA591 CA – Code UKWN for QTSO/MQSO

*Context: usage of UKWN versus ANYA in QTSO and MQSO not clear.*

If they are not announced, QTSO and MQSO should not be included. ANYA is to be used only if the other amount is known. UKWN is to be used if a minimum/maximum has been announced but not known yet.

There is already a usage rule on QTSO/MQSO in the UHB in seq. D of the MT564 as follows:

*When MQSO is present, QTSO must be present too. When QTSO is present, MQSO must be present too. When MQSO is used with option C with the value ANYA (Any and all), then QTSO must not be used with the value ANYA. When QTSO is used with option C with the value ANYA, MQSO must not be used with the value ANYA.*

**Action**: Mari to clarify the usage rule which is also linked to the PTSC rate.

# CA592 CA – MEET Date Update Definition

*Context provided by Alexander/NO:*

*In dividends there is a need to understand which fiscal year the dividend pertains to. In the old days when companies paid once a year the D-block 98::MEET date was sufficient, to point to the decisions data. Now we have companies where the board of directors receive an authorisation to decide the future payments ( this also applies for other events as well). The date that the board has their meeting and decided that dividends will be paid (based on the authorisation given at the general meeting) will then be the decision date and the fiscal tax year that is applicable to the dividend.*

*Could we update the description of the MEET tag to also include the “Date/time at which the bondholders' or shareholders' meeting or other decision meeting will take place” ?*

No real appetite to change the definition of meeting date. Instead a new “tax year” element could be added to the message.

NMPG to check whether they have the sale use case. If not, a comment in narrative for NO might be the best solution, otherwise a CR to add a new date if the use case is shared.

**Action**: NMPGs to check whether they have the same use case as NO for Milan meeting.

# CA593 CA – OFFE Indicator in D & E

*Context: when to use OFFE and in which sequence in which cases ?*

The correct usage would rather be to use it seq. D as it is not clear why OFFE would be valid for one option in particular. However, it would be useful to investigate why or when it is used in seq. E as the FIN MT data figures shows it is used quite frequently (ratio 1/5 compared to the usage in D).

**Action**: NMPGs to confirm if they use it in their country and, if so, whether it’s used in D or E.

# AOB

None.

**Next CA WG meeting: April 9 to 11 Global SMPG Milan Meeting**

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