**CA542 CA - SCoRE Questions**

1. Payment of coupons with negative interest rates – I could not find a market practice on this (apologies if I missed it). In case of a negative coupon, should the MT566 carry a CRED movement with a negative amount or a DEBT movement?

2. CAPC usage vs ISO15022 –

· in GMP1 it’s mentioned that CAPC should be translated in ISO15022 as “564 CANC + ADDB//CAPA + 20C::PREV”. However, are we sure this is a good idea? Sending a MT564 CANC to cancel a MT564 REPE with ADDB//CAPA can be misread and it may cause more damage than good as the receiver would believe the entire event is cancelled and not only the entitlement. Shouldn’t we just recommend to map the CAPC to a “564 REPE + ADDB//CAPA and amounts as zero”?

· Looking at GMP1, there is a mapping for the CAPA in 4.3.5 but it doesn’t extend to the CAPC. Should we create a new item to review the mapping of the CAPA and CAPC?

· If an entitlement is cancelled, we owe to send a CAPC. However, I could not see any market practice on this and I think we need one. As an example, if we need to send a CAPC because the account owner had sent 3 instructions and then cancelled all of them, do we send a CAPC per instruction or one for the full quantity?

3. Reversals:

· Should we link the CAPA to pre-advice the reversal to the previous CACO? Should we link the CARE to the CACO? – in 6.3 of GMP1 we mention the linkage is optional. However, the linkage may become very messy very quickly. Should we change the wording to “not recommended”?

· In the CAPA to pre-advice the reversal there are reason codes that I couldn’t find in the MT564 – at the last SMPG CA call we mentioned the recommendation of using the SMPG DSS followed by the ISO20022 reason codes. Will we document this as part of CA513?

· In case of a reversal, I understood that the CAPA should be translate to a “564 ADDB + ADDB//REVR”, am I right?