SMPG Corporate Actions
Global Market Practice - Part 1
SR 2022
For ISO 15022 and ISO 20022 Standards

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1 Introduction

1.1 Revision Record

Version	Publication Date	Sections Affected	Description
SR2023 v1.1	12 July 2023	- 7.7 (new section)	- Add MP on Statuses for Instructions Processed on a Partial Execution Basis
SR2023 v1.0	8 May 2023	2.2, 3.2.3, 3.7.5, 3.11.8; 3.11.9, 3.15, 3.21; 7.6.2, 7.6.3; 8.6, 8.14; 8.32, 9.29.3; 9.30.2, 9.31, 13.10	- MP sections updated
SR2022 v1.0	11 March 2022	Section 7.6.1	- Section updated
SR2021 v1.3	7 December 2021	- 9.22.1	- Scenario 5 in Table last column amended
SR2021 v1.2	19 November 2021	- 3.20	- New section on End of blocking period
SR2021 v1.1	July 2021	- 9.29.3 - 8.6 & 13.10 - 3.17 - 8.17 - 3.16 - 3.19 - 9.31 - 9.22.1 - 3.2.4	- Add 3 new TNDP indicator values for US with SMPG DSS. - Income Payment / Proceeds with Multiple currencies update and examples - BOIS MP update - ISO Date Time MP Update - New section on the support of national languages for narratives for notifications - New MP for SRDII CA notifications - Payment of incentive premium for general meetings - "Type of Consent" table updated - Update of "Cancellation Advice versus Withdrawal" section
SR2021 v1.0	18 February 2021	- None	NA
SR2021 v0.1	13 Nov. 2020	- Section 3.12.7 - Section 5.9 - Section 6.1 - Section 6.4 - Section 9.29 - Section 9.30	- Typo - New MP on Place of safekeeping - Clarification on MT566 - New MP on Linkage with MITI - New TNDP MP - New MP on DTCH event
SR2020 v1.0	9 July 2020	- Section 2.2	Update text in table for the CA Narrative message seev.038 in 15022 MT Function column
SR2020 v0.1	February 2020	- Section 10 – Market Claim - Section 9.28 - New - Section 8.34 - New - Section 3.12.7 – New - Section 9.1 – Rights Issues	- Full revamp of Market Claim section - New Scheme of arrangement section - On Contractual Payment - Interest Rate and Redemption Amount for Index Bonds

			- Updated as per CA439

1.2 SMPG Market Practice Documents Overview

The SMPG Global Market Practices for Corporate Action are defined in three main documents outlined here below:

- **SMPG CA Global Market Practice Part 1:** The present document. It covers the following topics:
  - Main corporate action message flows per category of events;
  - Market practices defined per message types;
  - Message independent market practices;
  - Market practices on particular CA events;
  - Market practices on market claims and interest compensation;
  - Market practice on Proxy Voting in ISO 15022
- **SMPG CA Global Market Practice Part 2**: This document covers the following information (provided in the form of a Excel sheet file):
  - **Event Interpretation Grid (EIG+)**: the EIG defines the allowed combinations of event types and Mandatory/Voluntary indicators and for each combination, the allowed options and DPRP (Date, Period, rate, Price) data elements that may apply globally and for local markets.
  - **Date elements Placement Guidelines**: Illustrates the allowed position(s) of the Date, Period, Rate, Price and other qualifiers as defined in the ISO 15022 MT564 and MT 566 messages.
  - **Complex Events Grid:** This table is used to ease the selection of the appropriate event type code for complex events.
  - **Redemption Matrix:** This table is used to ease the selection of the appropriate redemption event type by providing the key differences between the various redemptions events.
  - **Return of Capital Matrix:** This table is used to ease the selection of the appropriate return of capital event type by providing the key differences between the various return of capital events.
  - **Distribution with Option table:** This table gives the market practice for a rights event: either in one event (using event type code RHTS) or in two or more events (using event type code RHDI and a second event type code EXRI).
- **SMPG CA Global Market Practice Part 3**: This document covers the following information (provided in the form of a Excel sheet file):
  - **MT 567 Status and Reason Codes for instruction and Event processing status and** : Specifies the valid combinations of Status codes and Reason codes for the MT 567.
  - **CA SMPG MT 567 Decision Table:** Specifies the status and reason codes to be used according to the result of the instruction and instruction cancellation processing.

The following important SMPG documents are complementary to the above global market practice documents:

- **SMPG CA Event Templates**: This document provides examples of ISO 15022 MT messages for more than 60 corporate events. Its purpose is to demonstrate with concrete examples the application of various SMPG market practices (like the EIG+).
- **Proxy Voting Scenario**: Illustrates how 56x MT's can be used to support proxy voting business flows and scenario.

The above documents are all freely available for download from the SMPG web site (www.smpg.info).

1.3 Scope of this document

This document records market practices, which is much wider than just ISO15022 and ISO 20022 messages and fields. The agreed principles are applicable regardless of the syntax or the carrier chosen. ISO 15022 examples and syntax of the decisions are sometime given for information.

This present document is structured in several parts as follows:

- Section 2 describes the agreed Corporate Actions flows per events category;
- Section 3 defines market practices on the notification message;
- Section 4 defines market practices on the Movement Preliminary Advance message;
- Section 5 defines market practices on the instruction message;
- Section 6 defines market practices on the movement confirmation message ;
- Section 7 defines market practices on the status advice messages ;
- Section 8 defines market practices that are applicable to all flows;
- Section 9 defines market practices on specific corporate action events;
- Section 10 defines market practices on market claims and interest compensation.
- Section 11 defines market practices for the usage of the MT 56X messages for supporting the proxy voting process;
- Section 12 defines preliminary coexistence rules between the corporate action ISO 15022 – ISO 20022 Standards.
- Section 13 is a collection of ISO 15022 examples illustrating some of the market practices.

The intention of this document is not to record the history of the discussions but only to give the agreed results of the debates.

1.4 Notation Conventions and Market Practice Reference Tables

When relevant, a market practice reference table is given after each market practice to indicate more precisely

- The elements of the standards concerned by the market practice in both ISO 15022 and ISO 20022 syntaxes;
- A reference to SMPG open item(s) which generated the creation or modification of the MP.

In the reference table, the location or path of the elements in the ISO 15022 messages is provided with the following convention:

"MT56x / MT Sequence Ref. / Tag / Qualifier // Code"

The location / path of the elements in the ISO 20022 messages is provided with the following convention:

"seev.0xx – MX Sequence Ref. / MessageElementLevel1 / MessageElementLevel2/…/ Code"

The following notation has been used in the reference tables point to MX message sequences in ISO 200222:

MX Sequence Reference	ISO 20022 Corresponding Full Path
A0	NotificationGeneralInformation (seev.031) CancellationAdviceGeneralInformation (seev.039) MovementPreliminaryAdviceGeneralInformation (seev.035)
A	CorporateActionGeneralInformation
A1	EventsLinkage
B	CorporateActionGeneralInformation/UnderlyingSecurity
B2	AccountDetails
C	IntermediateSecurity (seev.031) or BeneficialOwnerDetails (seev.033) or InstructionProcessingStatus (seev.034) or InstructionCancellationRequestStatus (seev.041) EventProcessingStatus (seev.032)
D	CorporateActionDetails (seev.031) or CorporateActionInstruction (seev.033 & seev.034)
E	CorporateActionOptionDetails (seev.031) or CorporateActionMovementDetails (seev.035) or CorporateActionConfirmationDetails (seev.036)
E1	CorporateActionOptionDetails / SecuritiesMovementDetails (seev.031) or CorporateActionMovementDetails / SecuritiesMovementDetails (seev.035) or CorporateActionConfirmationDetails / SecuritiesMovementDetails (seev.036)
E2	CorporateActionOptionDetails / CashMovementDetails (seev.031) or CorporateActionMovementDetails / CashMovementDetails (seev.035) or

	CorporateActionConfirmationDetails / CashMovementDetails (seev.036)
F	AdditionalInformation

Table example:

ISO 15022	**ISO 20022**		
MT 564 / A / 23G	seev.031 – **A0** / NotificationType		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
March. 2007	N/A		CA109

1.5 SMPG Meetings and Conference Calls

This document contains market practices that have been defined or updated at any of the following conference calls and meetings:

- SMPG CA Telcos held on:
  - In 2007: 12th February, 24th May; 21st June; 6th September, 6th December;
  - In 2008: 10th January; 23rd January; 6th March; 19th March; 20th May; 26th June; 30th July; 13th November;
  - In 2009: 15th January; 18th March; 9th April; 14th May; 29th May; 18th June 2009; 24th September; 5th October 2009; 10th December 2009
  - In 2010: 25th Feb., 25th Mar., 6th July, 4th Aug, 15th Sep., 13th Oct., 13th Dec..
  - In 2011: 2nd Feb., 14th Mar., 6th May, 27th May, 29th, June, 14th Sept., 7th Nov., 30th Nov., 20th Dec.
  - In 2012: 25th Jan., 29th Feb., 28th Mar., 23rd May, 27th Jun., 13th Sept., 11th Oct, 13th December.
  - In 2013: 24th Jan., 21st Feb., 25th Mar., 23rd May, 27th Jun., 29th Aug,, 26th Sept,24th Oct; Dec. 12th.
  - In 2014: 28 Jan, 27 Feb., 4 Apr., 22 May, 19 Jun., 24 Jul., 4 Sep., 23 Oct., 20 Nov., 18 Dec..
  - In 2015: 29 Jan., 24 Feb., 24 Mar., 21 May, 23 Jun., 23 Jul., 8 Sept., 10 Nov., 8 Dec.
  - In 2016; 26 Jan., 16 Feb., 22 Mar., 17 May, 26 Jul., 25 Oct.; 22 Nov.; 13 Dec.
  - In 2017, 24 Jan., 21 Feb., 28 Mar, 23 May, 27 Jun, 12 Sep., 7 Nov.
  - In 2018, 24 Jan., 23 Jan., 20 Feb., 27 Mar, 22 May, 19 Jun, 31 Jul., 25 Sep, 13 Nov., 11 Dec.
  - In 2019, 22 Jan., 19 Feb., 19 Mar., 21 May, 19 Jun., 27 Aug., 22 Oct. ; 19 Nov., 17 Dec.
  - In 2020, 21 Jan., 18 Feb., 21 Apr., 19 May, 16 Jun., 14 Jul., 1 Sep., 3 Nov., 1 Dec.
  - In 2021, 12 Jan., 9 Feb., 9 Mar., 18 May, 22 Jun.,20 Jul.,14 Sep., 16 Nov., 14 Dec
  - In 2022, 18 Jan., 22 Feb., 22 Mar., 24 May, 21 Jun., 19 Jul., 2 Sep., 8 Nov., 13 Dec.
  - In 2023, 10 Jan., 7 Feb., 14 Mar., 25 May, 20 Jun.
- SMPG Global Meeting in Boston, 5th – 6th October 2007;
- SMPG Global Meeting in Paris, 23rd – 25th April 2008;
- SMPG Global Meeting in Vienna, 19th – 20th September 2008;
- SMPG Global Meeting in Moscow, 5th – 7th May 2009;
- SMPG Global Meeting in Frankfurt, 2nd – 3rd November 2009.
- SMPG CA Meeting in Luxembourg, 27th – 29th April 2010
- SMPG Global Meeting in Amsterdam 29th – 30th Oct. 2010

- SMPG Global Meeting in Rio de Janeiro 5th – 7th April 2011
- SMPG CA Meeting in La Hulpe – 10th – 11th October 2011
- SMPG Global Meeting in Athens 24th – 26th April 2012
- SMPG Global Meeting in Osaka 5th – 7th November 2012
- SMPG Global Meeting in Frankfurt 23rd – 25th of April 2013
- SMPG Global Meeting in Johannesburg 12th – 14th of November 2013
- SMPG Global Meeting in London 22nd – 23rd of April 2014
- SMPG Global Meeting in Boston 24th – 26th of September 2014
- SMPG Global Meeting in La Hulpe 15th – 17th of April 2015
- SMPG Global Meeting in Singapore 7th – 9th of October 2015
- SMPG Global Meeting in Helsinki 20th – 22nd of April 2016
- SMPG Global Meeting in Zurich 21th – 23rd of September 2016
- SMPG Global Meeting in Dublin 26th – 28th of April 2017
- SMPG Global Meeting in Luxembourg 4th – 6th of October 2017
- SMPG Global Meeting in Warsaw 18th – 20th of April 2018
- SMPG Global Meeting in Sydney 17th – 19th of October 2018
- SMPG Global Meeting in Frankfurt 10th – 12th of April 2019
- SMPG Global Meeting in Brussels 18th – 20th of September 2019
- SMPG Global Meeting in Johannesburg 10th – 12th of March 2020
- SMPG Global Meeting Virtual 30th Sep – 2nd of Oct. 2020
- SMPG Global Meeting Virtual 12th – 16th of Apr. 2021
- SMPG Global Meeting Virtual 4th – 8th of Oct. 2021
- SMPG Global Meeting Virtual 25th – 28th of Apr. 2022
- SMPG Global Meeting in Amsterdam 5th - 7th of Oct. 2022
- SMPG Global Meeting in Oslo 18th – 20th Apr. 2023

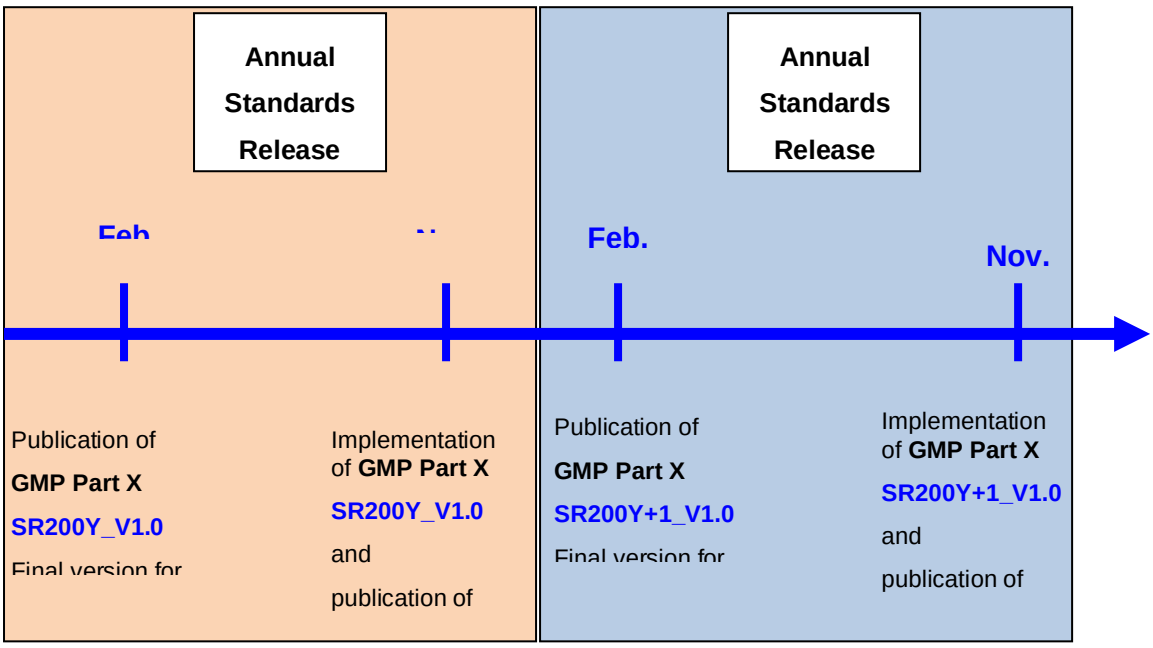
1.6 Yearly Release Schedule

The SMPG CA Global Market Practice documents have two official releases per year. The objective of these releases is to allow users and implementers to synchronise the implementation of the Global Market Practice documents with the yearly SWIFT Standard Releases[1].

A draft (v0.1) of the Global Market Practice documents is first published in November of the year preceding the year of the SWIFT Standards release for which the market practices should apply.

A final version (v1.0) of the Global Market Practice documents is then published in February of the same year of the Standards release for which the market practices should apply.

This is illustrated in the following graphical time line:



Example:

The version of the Global Market Practice documents published in November 2011 will be "v0.1". This version includes the updates to the market practices (or draft and new MPs) to be applied with the SWIFT Standards release of November 2012.

This version v0.1 will evolve until February 2012, when it will become "v1.0", the final version with market practice updates to be applied in November 2012.

In November 2012, a new version will be released named "v0.1", etc...

Interim versions:

Of course, there could be interim versions of the Global Market Practice documents. These would be versioned v0.2, v0.3.etc... However, this should remain exceptional. The objective of this release schedule is to keep the number of versions in circulation to a minimum.

1.7 Documents Maintenance

Important changes to previous version of the Global Market Practice document part 1 are indicated in the Revision Record table in section 1.1 above.

[1] SWIFT Standards releases are always live on the SWIFTNet FIN network in November each year.

2 Category of Events and Flows[1]

As the event category (not to be confused with the event type) influences the CA flows, a broad categorisation of events has been established. Based on this broad categorisation, generic communication flows are defined.

2.1 Categories of events

The SMPG agreed on the existence of 3 categories of events.

Mandatory events - Mandatory events are those defined as events where, the shareholder has no option or ability to take action or influence the timing of the event. In short, the event will happen and there is no choice for the holders.

E.g.: a stock split.

Mandatory events with options - A mandatory event with options is defined as an event where, if the shareholder does nothing, something will occur to change the shareholders holdings in terms of securities or cash. However, the shareholder has a choice in which way he would like his holdings to be affected. In short, the event will happen and the holder has a choice.

E.g.: Dividend Options

Voluntary events - Voluntary events are those defined as events where, the shareholder has option to have his holdings affected. In short, the event may or may not happen and/or the holder can elect to take part or not.

E.g.: Tender Offer.

See the Event Interpretation Grid (EIG) in the GMP Part 2 for the allowed combinations of corporate action events and categories of events.

ISO 15022	ISO 20022		
MT 564 / A / 22F / CAMV	seev.031, seev.035, seev.039, seev.044 – **A /** MandatoryVoluntaryEventType / Code		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
NA	NA		NA

2.2 ISO 20022 versus ISO 15022 Messages Mapping

The following table illustrate the mapping between the ISO 20022 messages and the ISO15022 messages:

For SR2023

ISO 20022 Message name	Short Name	ISO 20022 Msg Id.	ISO 15022 MT (Function)
CA Notification	CANO	seev.031	**564 + 568** (NEWM, REPL, RMDR)
CA Event Processing Status Advice	CAPS	seev.032	**567** (EVST + 25D::EPRC)
CA Instruction	CAIN	seev.033	**565** (NEWM)
CA Instruction Status Advice	CAIS	seev.034	**567** (INST + 25D::IPRC)
CA Movement Preliminary Advice (Function=ENTL)	CAPA	seev.035	**564 (REPE)**
CA Movement Preliminary Advice(Function = CAPA)	CAPA	seev.035	**564** (REPE + ADDB//CAPA) or **564** (NEWM + PROC//ENTL + ADDB//CAPA) or **564 (REPE + ADDB//CAPA + ADDB//REVR)**

[1] SMPG meeting July 2000.

ISO 20022 Message name	Short Name	ISO 20022 Msg Id.	ISO 15022 MT (Function)
			564 (ADDB + ADDB//CLAI or TAXR
CA Movement Confirmation	CACO	seev.036	**566** (NEWM)
CA Movement Reversal Advice	CARE	seev.037	**566** (REVR)
CA Narrative	CANA	seev.038	**No equivalent except when MT568** is used as a Stand-alone message with NEWM and exclusively with **+** CAEV//WTRC + 70a::ADTX or REGI or TAXE
CA Cancellation Advice	CACN	seev.039	**564 + 568** (WITH, CANC)
CA Instruction Cancellation Request	CAIC	seev.040	**565** (CANC)
CA Instruction Cancellation Request Status Advice	CACS	seev.041	**567** (CAST + 25D::CPRC)
CA Instruction Statement Report	CAST	seev.042	NA
CA MovementPreliminaryAdviceCancellationAdvice	CAPC	seev.044	**564** (REPE + ADDB//CAPA + 20C::PREV) with movements quantity/amount set to zero

ISO 15022	ISO 20022		
MT 564	Seev.035, seev.044		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Nov. 2022	Nov. 2023		CA513

2.3 Communication flows

It was agreed there were at least 3 steps - Announcement, Pre-Advice / Final Entitlement and Confirmation for all categories of event. Additional steps are required when options come into play. Flows were defined for all broad categories.

The processing status is attributed according to the *quality* of the event information.

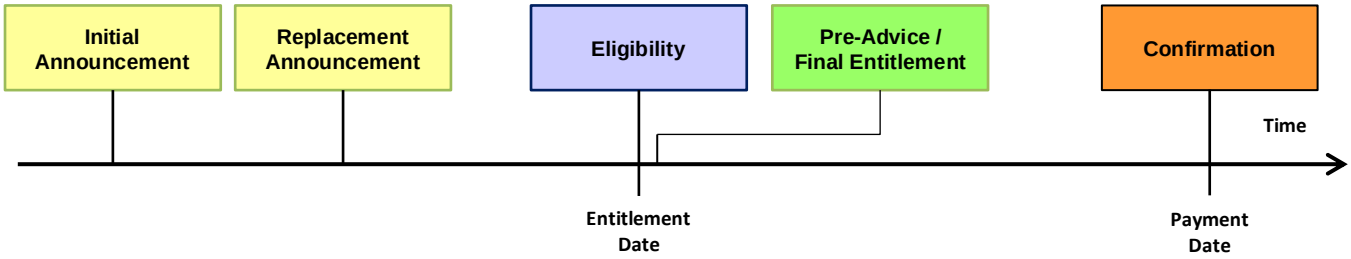
The following colours conventions have been adopted in the flow description diagrams in the sections following:

Stage	ISO 15022	ISO20022
Announcement	*Corporate Action Notification:* - MT 564 (NEWM or REPL)	Corporate Action Notification – **seev.031** - CANO (NEWM or REPL)
Eligibility	*Corporate Action Notification:* - MT 564 (REPE)	Corporate Action Notification - **seev.031** - CANO (REPL) + EligibleBalanceIndicator set to “true”
Pre-Advice/ Final Entitlement	*Corporate Action Notification:* - MT 564 (NEWM) + PROC//ENTL + ADDB//CAPA or - MT 564 (REPE) + ADDB//CAPA	Corporate Action Movement Preliminary Advice – **seev.035** - CAPA (NEWM or REPL) with optionally EligibilityIndicator set to “true”

Confirmation	*Corporate Action Confirmation:* - MT 566 (NEWM)	Corporate Action Confirmation - **seev.036** - (CACO)

2.3.1 Mandatory Events Flows

Examples of such events are stock dividend (DVSE) or cash dividend (DVCA) events. In this case, the eligibility process could potentially be skipped as shown below.



Initial announcement:

- The initial announcement is sent as soon as the event is announced.

Replacement announcement:

- Replacement announcements are sent before the entitlement date on the basis of updated information.

Eligibility:

The Eligibility message is a is sent to confirm the final eligible balance to the account owner. It may or may not contain any entitlement information.

Pre-Advice / Final entitlement:

This message is optional and contains 2 main pieces of information:

- A. the eligible balance or final eligible balance once the entitlement date is reached.
- B. the anticipated movements (cash and/or securities)

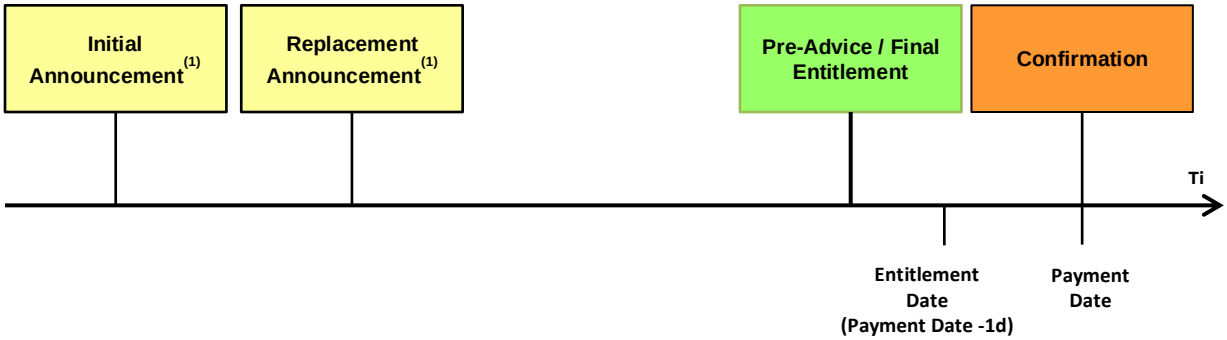
In the case of cash payments, this information is typically used by treasury departments to manage the cash accounts (pre-advice of funds).

Confirmation

- At the payment date, the message is sent to confirm to the account owner that securities and/or cash have been credited / debited to an account as the result of a corporate action event.

2.3.2 Well known / fixed Income events

Examples of such events are Interest payment (INTR) events.

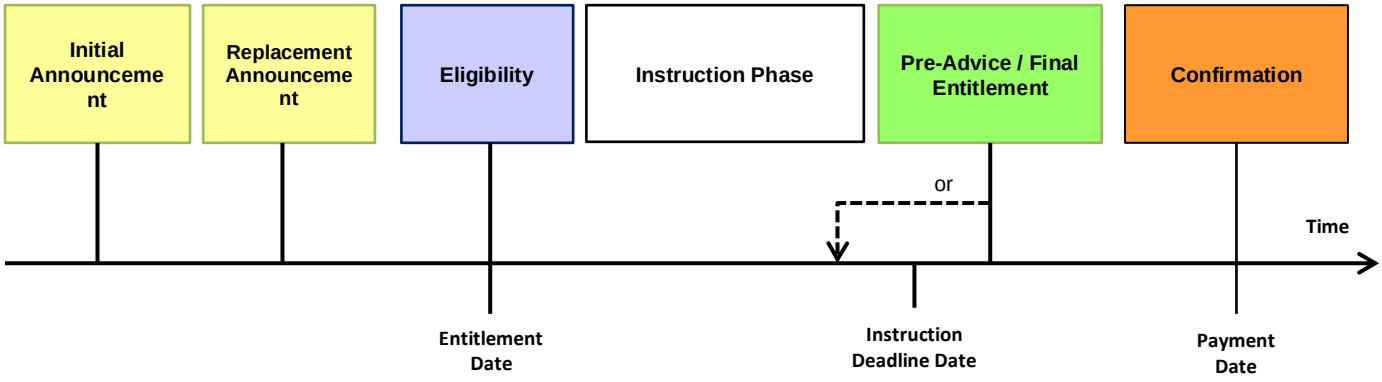


[1] For these events, the announcement notification messages are optional (for example, in the case of predictable events like monthly interest payments).

See section 2.3 for a description of the different stages.

2.3.3 Mandatory with Options Events Flows

Examples of such events are optional dividend without interim securities (DVOP) . or cash distribution with currency options



Initial announcement:

- The initial announcement is sent as soon as the event is announced.

Replacement announcement:

- Replacement announcements are sent before the entitlement date on the basis of updated information.

Eligibility:

The Eligibility message is sent to confirm the final eligible balance to the account owner. It may or may not contain any entitlement information.

Pre-Advice / Final entitlement:

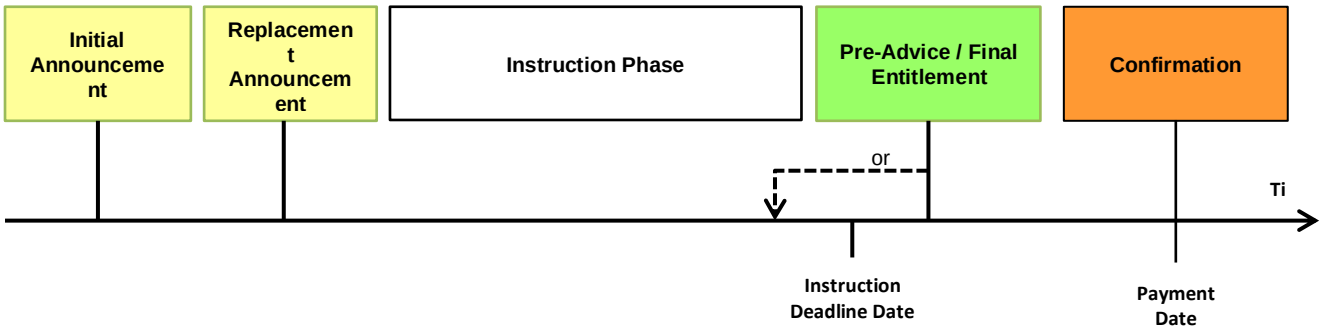
This message is optional and contains 2 main pieces of information:

- A. the eligible balance or final eligible balance once the entitlement date is reached; the uninstructed balance is recommended to be advised.
- B. the anticipated movements (cash and/or securities) on the basis of the instructions sent by the account owner.

Confirmation

- At the payment date, the message is sent to confirm to the account owner that securities and/or cash have been credited / debited to an account as the result of a corporate action event.

2.3.4 Voluntary Events Flows/ Mandatory with options without Eligible date



Examples of such events are tender offer (TEND) events and rights exercise (EXRI).

Initial announcement:

- The initial announcement is sent as soon as the event is announced.

Replacement announcement:

- Replacement announcements are sent on the basis of updated information.

Pre-Advice / Final entitlement:

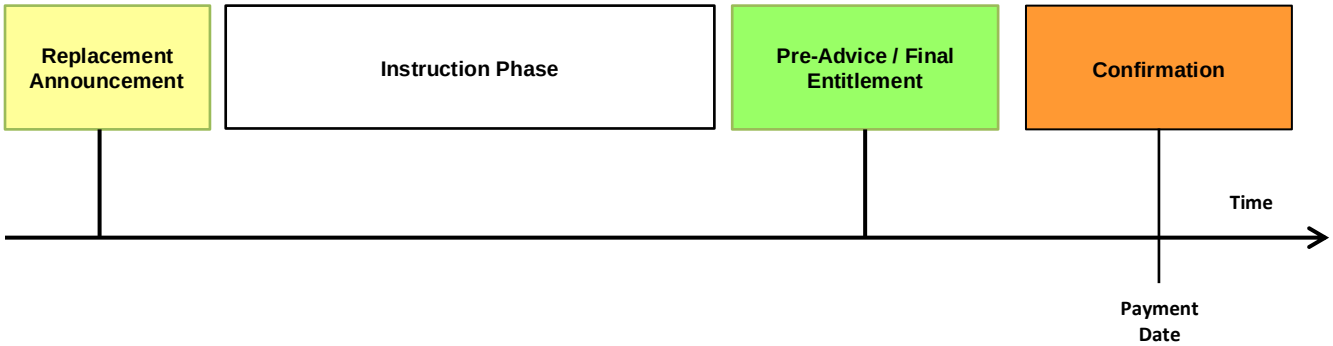
This message is optional and contains 2 main pieces of information:

- A. the eligible balance; the uninstructed balance is recommended to be advised.
- B. the anticipated movements (cash and/or securities) on the basis of the instructions sent by the account owner.

Confirmation

- At the payment date, the message is sent to confirm to the account owner that securities and/or cash have been credited / debited to an account as the result of a corporate action event.

2.3.5 Instruction Phase Flows



Reminder:

- Messages to account owners that have not responded to the corporate action event by the deadline.
- This is strictly between the account servicer and account owner and would occur close to the deadline. This message would only be sent in the event no election response was received or if a partial election response was received.
- Reminder (if any) is strictly driven by SLA. Its details, e.g. whether a default option is indicated or when the reminder is initiated, is also left entirely to parties based on SLA.

Status:

- The status message sent from the account servicer to the account owner is optional[1]. It confirms the reception of the instruction by the account owner and its "processability".
- Processability criteria are defined based on SLA between the 2 parties but are likely to involve a check on the account, the quantity and the option. The scope of the status message is just to ensure that basics details of the instructions are recognised by the account servicer.

[1] Madrid meeting November 2000.

3 Notification Message (MT 564 / seev.031 & seev.039)

3.1 Generic Elements of a Notification

An announcement message will include the following elements:

a) Notification Type / Function of the message [:23G:] (mandatory);

b) Notification Processing Status / [:25D::PROC] (mandatory);

c) Event Category / [:22F::CAMV] (mandatory);

d) Event Type / [:22F::CAEV] (mandatory);

e) *BusinessMessageIdentifier* [Head.001] / Sender's Message Reference [:20C::SEME] (mandatory);

f) Corporate Action Event Identification / [:20C::CORP] (Mandatory);

g) Official Corporate Action Event Identification / [:20C::COAF];

h) Underlying Financial Instrument Identification via an ISIN / [:35B:ISIN] (Mandatory);

i) Safekeeping Account / [:97A::SAFE] (single account, all accounts- not identified individually);

j) Total Eligible Balance / [:93a::ELIG];

k) Event details.

- Certificate Number (necessary in certain countries still dealing with physicals but optional element) is not dealt with in this document but may be required in certain circumstances.
- The more technical elements (such as sender or receiver) have not been included in the above list.
- When holdings are held in different places of safekeeping and the terms of the event differs, the account servicer will either align the terms whenever it is possible or create two separate events (see also section 3.8.2).
- The SMPG felt that market practice could only be established on the "complete" notification rather than preliminary or interim. In fact, preliminary or interim notifications are subsets of a "complete" notification and information on the events are published in so many ways across the countries that attempting to include "incomplete" notification in the Market Practice would not be realistic.
- It may also be that the full announcement is not sent, as full details are not known, until the entitlement date is reached. This is mainly the case for mandatory events. In this case, the notification message sent at entitlement will contain the full announcement details as well as the entitlement specific details (e.g. Mortgage-Backed instrument).
- The Preparation Date is not a common element in ISO 15022; the time stamp in the message header can supply this information should it be required[1]. In ISO20022, the mandatory "*CreationDate"* element is only present in the Business Application Header message (head.001).

3.2 Function of the message.

The notification type is indicated by the Function of the Message qualifier in an MT 564 and by the Notification Type element in ISO 20022.

There are different levels of notification such as early notification, confirmed notification, updated notification and so on.

[1] Madrid meeting November 2000.

The Function of the Message in the MT 564 and the Notification Type element in the seev.031 indicate whether the announcement/notification is a new notification (NEWM), a replacement (REPL) or an Eligible Balance Notification i.e. .a replacement with an eligible balance and/or entitlements; respectively:

[:23G:NEWM <> seev.031 – A0 / NotificationType/NEWM].

[:23G:REPL <> seev.031 – A0 / NotificationType/REPL].

[:23G:REPE <> seev.031 – A0 / NotificationType/REPL + A0 / EligibleBalanceIndicator].

Other special functions exist as well:

- Reminder **[:23G:RMDR <> seev.031 – A0 / NotificationType / RMDR**],
- Cancel **[:23G:CANC <> seev.039 - A0 / CancellationReasonCode / PROC]**
- Withdrawal **[:23G:WITH <> seev.039 - A0 / CancellationReasonCode / WITH].**

ISO 15022	ISO 20022
MT 564 / A / 23G / NEWM, REPL, REPE, ADDB, CANC, WITH, RMDR	seev.031 - **A0** / NotificationType / NEWM, REPL, RMDR seev.031 – **A0** / EligibleBalanceIndicator seev.039 – **A0** / CancellationReasonCode / WITH, PROC

Decision Date	Implement. Date	Update Date	Open Item Ref.
Dec. 2000	Nov. 2021	Jul. 2021	CA496

3.2.1 New Notification

A notification message with a notification type NEWM is always used as the first notification for a given event.

After a NEWM is sent, any subsequent notification will be a REPL (Replacement) or Eligible Balance Notification **[:23G:REPE <> seev.031 – A0 / NotificationType / REPL + A0 / EligibleBalanceIndicator]**.

If a notification is sent when a new recipient/account buys the underlying security in an ongoing event, this is a NEWM message even if other recipients/accounts receive the same notification as a replacement or an eligible balance notification.

For late announcement and well known events recommendations, refer to 3.2.6.

3.2.2 Eligible Balance Notification

An Eligible Balance Notification messages can be used in the Eligibility stage or in the Pre-Advice / final entitlement stage.

In ISO 15022, an Eligible Balance Notification is indicated with a Function of the Message with code REPE.

In ISO 20022, an Eligible Balance Notification is indicated with a Notification Type with code REPL and the "*EligibleBalanceIndicator"* element set to value "true".

If a final entitlement message is sent (i.e. after the response deadline of elections) then it should include details of the actual stock and cash benefits[1]. Final entitlement message market practices are provided in chapter 4 (Movement Preliminary Advice message).

3.2.3 Additional Business Process

The Additional Business Process (:23G:ADDB) function in the MT 564 can be used to notify an additional business process to a corporate action event like the pre-advice of a claim or compensation, or a tax refund.

[1] Geneva meeting September 2002.

The additional business process which applies in those cases is indicated in the Additional Business Process Indicator element in the Corporate Action Details sequence of the MT 564, **[**i.e. respectively as **:22F::ADDB//CLAI or :22F::ADDB//TAXR**

In ISO 20022, the same additional business function for a claim or compensation, or a tax refund is exclusively available in the Movement Preliminary Advice message by using the same additional business process indicator **[seev.035 – D / AdditionalBusinessProcessIndicator / Code / ADDB//CLAI or TAXR**].

ISO 15022	ISO 20022
MT 564 / A / 23G / ADDB + D / 22F / ADDB//CLAI or ADDB//TAXR	seev.035 - D / AdditionalBusinessProcess / Code / CLAI or TAXR

Decision Date	Implement. Date	Update Date	Open Item Ref.
Nov. 2000	Nov. 2023	October 2022	CA513

3.2.4 Cancellation Advice versus Withdrawal

The Withdrawal (WITH) function in the MT 564 or the seev.039 Cancellation Advice message with a Cancellation Reason code value WITH (withdrawal) is to be used when the sender wishes to notify the withdrawal of the event or of the offer by the issuer. This implies that the corporate action event reference **[:22F::CORP <> A / CorporateActionEventIdentification]** will not be re-used.

The Cancellation Advice (CANC) function in the MT 564 or the seev.039 Cancellation Advice message with a Cancellation Reason code value PROC (Processing) is to be used when the sender wishes to cancel a corporate event previously announced by the account servicer in the case the account servicer has sent an announcement to an account owner with erroneous key event announcement information data (like the ISIN or the event identification code - see also section 3.6.2 on the Corporate Action Reference and section 8.1.2.6 on the Official Corporate Action Reference). This also implies that the corporate action event reference **[:22F::CORP <> A / CorporateActionEventIdentification]** will not be re-used.

In ISO 15022, the cancellation advice (CANC) function can also be used when the sender wishes to cancel a previously sent Preliminary Advice of Payment message (MT 564 + :22F::ADDB//CAPA in sequence D). In this case, the field ":22F::ADDB//CAPA" must be present in sequence D of the MT564 Cancellation Advice message.

3.2.5 Replacement or Eligible Balance Notification

After a Notification message with a notification type NEWM has been sent, any changes in non-key[1] event announcement information data must be notified with a Replacement Notification message

[:23G:REPL <> seev.031 – A0 / NotificationType / REPL]

or an Eligible Balance Notification message

[:23G:REPE <> seev.031 – A0 / NotificationType / REPL + A0 / EligibleBalanceIndicator with value "true"].

If an Eligible Balance Notification message has been sent, then the replacing message containing the new details is also an Eligible Balance Notification and not a Replacement message.

When a Replacement Notification message or an Eligible Balance Notification message is used, it is understood that the Replacement or the Eligible Balance Notification message contain the entire set of information, not just the elements replaced or added.

3.2.6 In Late announcement and well known events

Late announcements

[1] Key event data are typically the event identification code, the event category, the financial instrument identification (ISIN),

1) When a mandatory event is notified late and the entitlements are known, the rule "first notification message" i.e. Notification Type = NEWM" should be followed.

This NEWM Notification message (sent after record date) may include eligibility and entitlement details.

If not, an Eligible Balance Notification message will need to follow.

2) When a mandatory event is notified late, the entitlements are known and the payment date is in the past, for consistency and easy automation purposes, it is recommended:

- In ISO15022, to issue a new notification before sending the Movement Confirmation message with the processing status qualifier PROC with value ENTL (25D::PROC//ENTL) in sequence A and with the Additional Business Process with value CAPA (:22F::ADDB//CAPA) in sequence D indicating that the message contains entitlements.

  In addition its use is restricted to function of message NEWM, and requires the presence of one or more of movement sequences E1 and E2.

- In ISO 20022, to issue a new Movement Preliminary Advice message.

ISO 15022	ISO 20022
MT 564 / A / 23G / NEWM MT 564 / A / 25D / PROC//ENTL MT 564 / D / 22F / ADDB//CAPA	seev.035 – **A** / Type / NEWM

Decision Date	Implement. Date	Update Date	Open Item Ref.
Apr. 2006	Nov. 2006		CA66

Well known events

For well-known events, the rule remains that a new Notification message (i.e. NotificationType = NEWM) should be used. This new Notification message may include eligibility and entitlement details. If not, an Eligible Balance Notification message will need to follow.

Well known events are typically redemptions and interest payments with payment occurring according to the terms and conditions of the instrument.

Event --→	Well Known	One off and message sent **after** entitlements known and **before** payment date	One off and message sent **after** entitlements known and **after** payment date
New Notification	Mandatory	Mandatory	Mandatory
Eligible Balance Notification	Optional	Optional	Optional
Confirmation	Mandatory	Mandatory	Mandatory

Note that the confirmation message is **always** sent when the event results in outturns of cash and/or stock.

ISO 15022	ISO 20022
MT 564 / A / 23G / NEWM MT 564 / A / 25D / PROC//ENTL MT 564 / D / 22F / ADDB//CAPA	seev.035 – **A** / Type / NEWM

Decision Date	Implement. Date	Update Date	Open Item Ref.
Nov. 2004	Nov. 2006		

3.3 Announcement Processing status

An announcement status can be confirmed or unconfirmed and complete or incomplete. The announcement status is given in an Notification message in the Processing Status element:

[:25D::PROC// <> seev.031 – NotificationGeneralInformation / ProcessingStatus].

3.3.1 On COMP (Complete) Processing Status

The complete notification being defined as the notification containing all the needed elements for an event, it is obvious that at an early stage of the event, not all elements could be available. It was agreed that in such cases, only the available data should be indicated rather than listing all the needed elements with a "to be announced" or "unknown" value.

The SMPG decided that for a non-elective mandatory (MAND) event, a Notification message may be considered complete (COMP status) when the account servicer has all the details/elements needed to process/pay the event and that for an elective event (CHOS/VOLU), a Notification message may be considered complete when there are sufficient details for the client to make a decision[1].

The needed elements required to consider an announcement as complete should be determined on a Corporate Action (CA) by CA basis by National Market Practice Groups (NMPGs) and documented as Mandatory elements in the GMP Part 2 EIG+ document.

These are general guidelines and exceptions may occur. NMPGs are encouraged to document known exceptions in their local market practices.

A Preliminary Notification message **[:25D::PROC//PREU or PREC <> EventConfirmationStatus / INCO]** may be sent, this is dependent on service level agreement.

A further Notification message may be sent to the client; again this is dependent on client agreement (and thus falls out of the scope of global market practice)[2].

ISO 15022	ISO 20022
MT 564 / A / 25D / PROC//PREU, PREC, COMU, COMP	seev.031 – **A** / ProcessingStatus / Code / EventCompletenessStatus & EventConfirmationStatus

Decision Date	Implement. Date	Update Date	Open Item Ref.
Nov. 2000	Nov. 2002	Nov. 2016	CA296

3.3.2 On ENTL (With Entitlement) Processing Status

From SR2006, in ISO 15022, a Processing Status code ENTL may be used (i.e.:25D::PROC//ENTL). Please refer to section 3.2.6 on late announcements for more information.

[1] Madrid meeting November 2000.

[2] Madrid meeting November 2000.

3.4 Event Category

There are 3 categories of events (mandatory, mandatory with options and voluntary). Please refer to section 2.1 for definitions. See the GMP Part 2 EIG+ document for further details.

ISO 15022	ISO 20022		
MT 564 / A / 22F / CAMV	seev.031 – **A** / MandatoryVoluntaryEventType		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Nov. 2000	Nov. 2002		

3.5 Event Type

Event type is to be given in the Notification message. The structured manner of identifying the event is through an appropriate code (see SWIFT documentation) in the event type element **[:22F::CAEV <> A / EventType].**

See also the GMP Part 2 EIG+ document for further details.

ISO 15022	ISO 20022		
MT 564 / A / 22F / CAEV	seev.031 – **A** / EventType		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Nov. 2000	Nov. 2002		

3.6 References

Any Notification message should contain at least 2 key references:

- the senders message reference,

- the corporate action event reference.

3.6.1 Senders Message Reference

The **sender's message reference [:22F::SEME <> head.001 – BusinessMessageIdentifier]** is a reference used to identify uniquely each message sent.

Therefore each message sent - regardless of its function or event status - should bear a new and unique senders message reference.

In ISO 15022, the sender's message reference is provided in seq. A in the qualifier :22F::SEME

In ISO 20022, the sender's message reference is provided in the Business Application Header message (head.001) in the mandatory *BusinessMessageIdentifier* element.

ISO 15022	ISO 20022		
MT 564 / A / 20C / SEME	head.001 – BusinessMessageIdentifier		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Nov. 2000	Nov. 2002		

3.6.2 Corporate Action Event Reference

The **corporate action event reference [:20C::CORP <> A / CorporateActionEventIdentification]** - as opposed to the sender's message reference - is a reference to the event.

This means that all messages pertaining to the same event should contain the same corporate action event reference.

This reference should also be unique in the sense that for clarity two events should not bear the same corporate action event reference.

If an issuer announces the same event for two or more of its issued securities, for example a cash dividend with the exact same terms for both the ordinary share and the preferential share, each event must be given its own corporate action event reference.

The corporate action event reference must be unique per combination of event type **[:22F::CAEV <> A / EventType]**, event category **[:22F::CAMV <> A / MandatoryVoluntaryEventType]** and Financial Instrument Identification **[:35B:ISIN <> A / UnderlyingSecurity / FinancialInstrumentIdentification / ISIN]**.

The event type, event category and Financial Instrument identification (ISIN) are crucial to the processing of an event; if one or more of them changes, the old event is to be cancelled by the account servicer and a new one started.

As a consequence, the corporate action event reference cannot be re-used. The same applies also to the official corporate action event reference if the Issuer changes one or more of those elements.

ISO 15022	ISO 20022
MT 564 / A / 20C / CORP	seev.031 – **A** / CorporateActionEventIdentification
MT 564 / A / 22F / CAEV	seev.031 – **A** / EventType
MT 564 / A / 22F / CAMV	seev.031 – **A** / MandatoryVoluntaryEventType
MT 564 / B / 35B / ISIN	seev.031 – **A** / UnderlyingSecurity / FinancialInstrumentIdentification / ISIN

Decision Date	Implement. Date	Update Date	Open Item Ref.
Nov. 2000	Nov. 2002	Nov. 2012	CA155

3.6.3 Official Corporate Action Event Reference

Refer to section 8.1 for the COAF market practice.

3.7 Linkages

Linkage is a mechanism to link different pieces of information.

SMPG has looked into rules on how to achieve a constant reliable way to reconcile and link the flow of information. This would be achieved by specific rules on how and when to use the linkage information in the message.

3.7.1 Linkage of Different Message Types

In addition to the corporate action event reference **[Seq. A :20C::CORP <> A / CorporateActionEventIdentification]**, the market practice requires a link only to the preceding notification message **[seq. A1 :20C::PREV <> PreviousNotificationIdentification]**.

There is no market practice requirement to link the Eligible Balance Notification message to the Instruction message using the Related Message Reference **[seq. A1 - :20C::RELA <> InstructionIdentification].**

Therefore a single Eligible Balance Notification message may be sent at the end of the response period, when the entitlements may be calculated, to indicate the entitlements for each of the options instructed.

ISO 15022	ISO 20022		
MT 564 / A1 / 20C / PREV & RELA	seev.031 – PreviousNotificationIdentification & InstructionIdentification		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Apr. 2005	Nov. 2006		

3.7.2 Linkage of Notification Messages

When an notification update message is sent, it should always bear the unique reference to the Corporate Action Event Reference in the message.

The linkage information will contain the reference to the last previous sent message. One will only expect a referencing to the last message sent, NOT to the whole chain of previous messages.

ISO 15022	ISO 20022		
MT 564 / A1 / 20C / PREV	seev.031 – PreviousNotificationIdentification		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Nov. 2000	Nov. 2002		

3.7.3 Linking MT 564 and MT 568[1]

Note: This section is not applicable to ISO 20022 since there is no MX messages matching the functionality of the MT 568 Narrative.

It was agreed that the MT 564 should include a reference to a subsequent MT 568 - if a subsequence MT 568 is used. It is confirmed that an MT 568 should NOT be sent independently. The MT 568 should be linked with the MT 564 as per the existing Standards usage rules reading that "Usage rule of MT 568: This message should not be used in lieu of a structured message, i.e., the MTs 564, 565, 566, or 567."

The Function of Message (field 23G) should be the same in the MT 564 and its associated MT 568. And, before an MT 568 is sent, the relevant narrative fields of the MT 564 should be used.

ISO 15022	ISO 20022		
MT 564 / A / 23G	seev.031 – **A0** / NotificationType		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
March. 2007	N/A		CA109

3.7.4 How to Handle MT 564 and Linked MT568 Narrative Updates

Note; This section is not applicable to ISO 20022 since there is no MX messages matching the functionality of the MT 568 Narrative.

Whenever a narrative text needs to be updated/amended in a MT 564, a replacement MT 564 shall be resent with the whole updated/amended narrative text included i.e. the narrative text may not only contain the amended or updated part of the narrative text.

In case multiple linked MT 568s have been sent, and one of the MT 568s needs to be replaced, the whole sequence of linked MT 568 messages needs to be replaced.

[1] Madrid meeting November 2000.

If an MT 564 is to be replaced but the narrative content of any linked MT 568 does not need any changes, the whole chain of linked 568 messages must be resent even if only the MT 564 is changing.

3.7.5 Pagination and Linkages for multi-parts MT564 (seev.031 / seev.035) & linked / MT 568 Announcements

3.7.5.1 Scenario 1 – Multiple Paginated MT 564 (seev.031 / seev.035)

For long notification or movement preliminary advice messages for which the length would overcome the maximum network payload size limit (for instance 10K characters on SWIFTNet FIN or 100 KB on SwiftNet Interact or FINplus for the payload), a pagination mechanism is available through the use of the Pagination element (field :28E: for ISO 15022) present at the top of these messages:

This could occur for instance if there are 10s or 100s of different options to choose from within a given event or if a long list of 100s or 1000s of account and account owners must be provided or if very long narrative text must be provided.

In this case, accounts or options or long narrative information could eventually be split amongst several multi-parts linked notification or movement preliminary advice messages.

The split of the information contents within the notification or movement preliminary advice should follow the following guidelines (see section 1.4 for references to ISO 20022 sequences identification):

1. If sequence B2 has too much account information (i.e. when doing account bulking - many accounts repetitions of seq. B2 are present)
   a. Fill the first notification or movement preliminary advice with all A, B, D, E and F sequences and add as many B2 sequences that can fit, and
   b. In the following notifications or movement preliminary advice(s), send all mandatory sequences A and B as in the first notification or movement preliminary advice and add as many as possible of the additional B2 sequences that could not fit into the previous notifications or movement preliminary advices.

2. If sequence E has too much options information (i.e. many Options are present)
   a. Fill the first notification or movement preliminary advice with all A, B, D and F sequences and add as many E sequences that can fit in and,
   b. In the following notifications or movement preliminary advice(s), send all mandatory sequences A and B as in the first notification or movement preliminary advice and add as many as possible of the additional E sequences that could not fit into the previous notification or movement preliminary advice(s).
3. If there are both too much accounts repetition and options information, it is recommended not to bulk on an account level.

4. The Page Number field (in :28E:Page Number/Continuation Indicator in MT 564 sequence A or in the seev.031 / seev.035 in the Pagination/PageNumber element) must start at page "1" and must be incremented by 1 for each subsequent pages.

Usage of BusinessMessageIdentifier, Previous Notification Identification (PREV reference) & Pagination field

Each page must get its own **BusinessMessageIdentifier** (<BizMsgIdr>) in the Business Application Header (BAH - head.001).

All notification or movement preliminary advice messages in the multi-parts chain of notifications or movement preliminary advice messages must link back to the previous notification or movement preliminary advice message in the chain using the Previous Notification Identification element (PREV reference) – see green arrows in the illustration below.

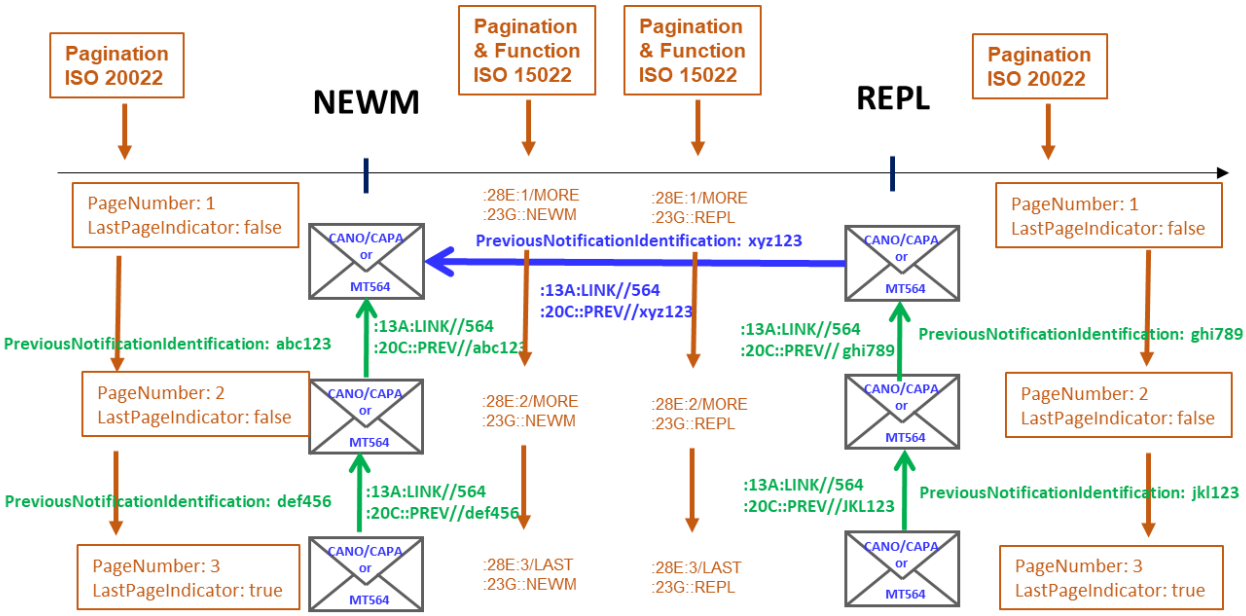
In ISO 15022, the Previous Message Reference (:20C::PREV) element shall contain the Sender's Message Reference (:20C::SEME) element value contained in the previous message.

In ISO 20022, the Previous Notification Identification (<PrvsNtnctnId>) element shall contain the BusinessMessageIdentifier (<BizMsgIdr>) element value contained in the Business Application Header (head.001) of the previous message.

All notification or movement preliminary advice message in the multi-parts chain of notification or movement preliminary advice messages must also be linked through the usage of the Pagination (28E) field – see brown arrows in the illustration below.

In the case of a REPL or REPE message, with the exception of the first (i.e. Page 1) notification or movement preliminary advice message in the chain of multipart notification or movement preliminary advice message, all other (Page 2 and following) notification or movement preliminary advice messages that are part of the multi-parts chain of notification or movement preliminary advice message must NOT link back to the notification or movement preliminary advice message chain sent previously (i.e. the initial NEWM or previous REPL) – see blue arrow in the illustration below.

The way all these messages are linked is illustrated here:



ISO 15022	ISO 20022		
MT 564 / A / 28E	seev.031 / see.035 – Pagination / PageNumber		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Aug. 2011	Nov. 2022	Feb.. 2022	CA232, CA485, CA525

3.7.5.1 Scenario 2 - One MT564 with Multiple Linked MT568

Note: This section is not applicable to ISO 20022 since there is no MX messages matching the functionality of the MT 568 Narrative

For long MT568 messages for which the length would overcome the 10K character limit on SWIFTNet FIN, a pagination mechanism is available through the use of the 28E field present at the top of the messages:

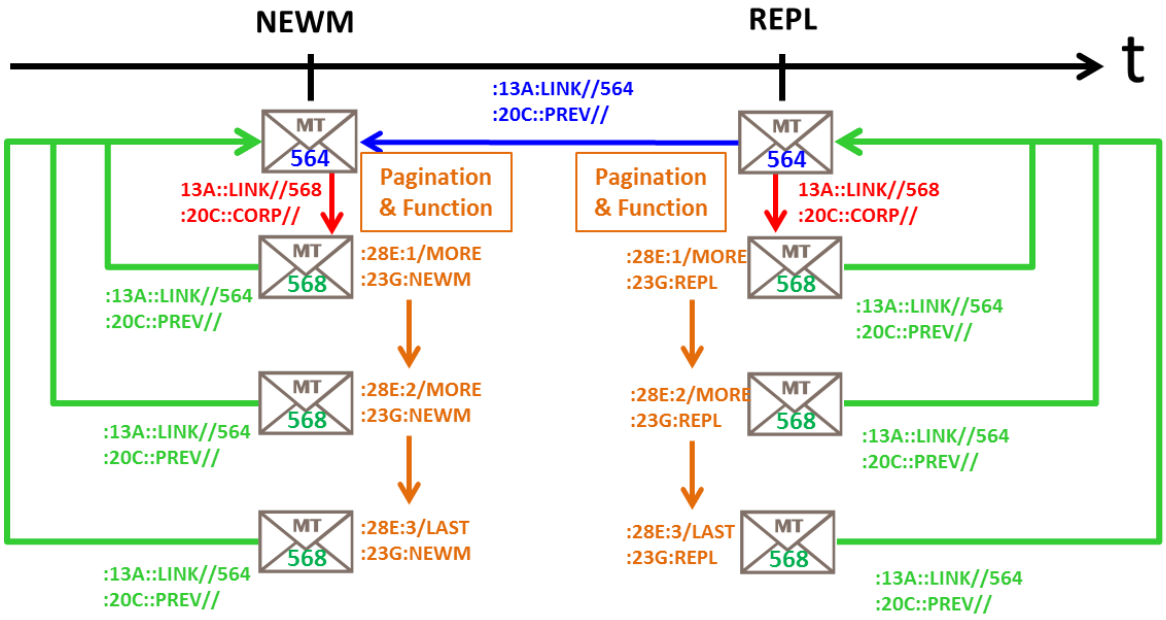
The MT564 message and the first MT568 in the chain of multi-parts MT568 must be linked via the CORP reference (i.e. forward link as illustrated below with red arrows) –.

All MT568 messages that are part of the multi-parts MT 568 chain must all be linked via the PREV reference to their linked MT564 (i.e. backward link as illustrated below with green arrows) – as per section 3.7.3 MP.

All MT 568 in the chain of multi-parts MT568 are linked through the use of the Pagination (28E) field (as illustrated below with orange arrows)

A MT564 REPL or REPE must be linked to the previous MT 564 sent via the PREV reference (as illustrated below with a blue arrow) – as per section 3.7.2 MP.

MT 568 REPL or REPE messages that are part of the multi-parts chain of MT568 must NOT link back to the MT568 chain sent previously.

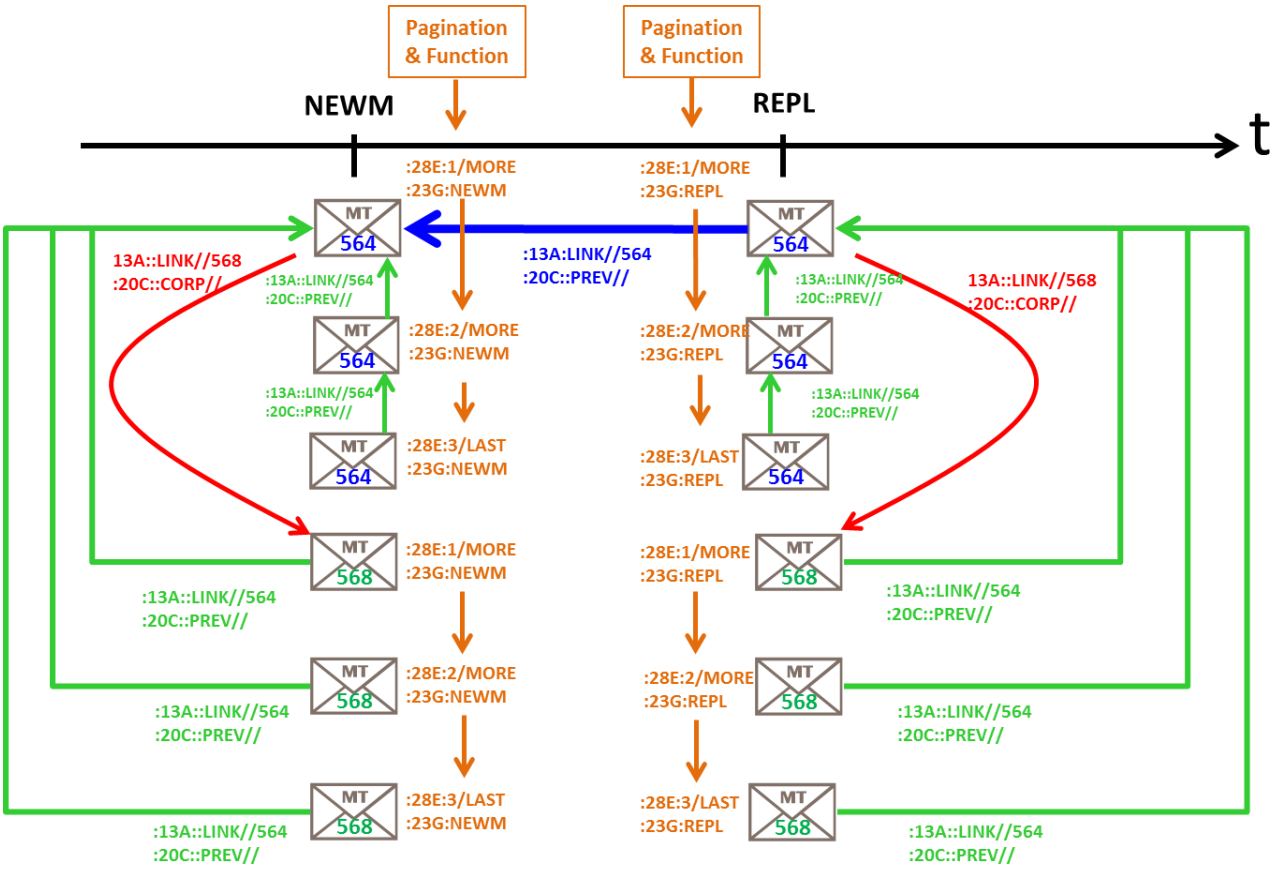


3.7.5.2 Linkage Scenario 3 – Multiple Linked MT564 with Multiple Linked MT568

Note: This section is not applicable to ISO 20022 since there is no MX messages matching the functionality of the MT 568 Narrative

The only difference between this scenario 3 and the previous scenario 2 is the addition of the multi-parts chain of MT564.

All guidelines provided for scenario 1 also apply in this case.



ISO 15022	ISO 20022
MT 564 / A / 28E MT 564 / A1 / 13A / LINK MT 564 / A1 / 20C / PREV	NA

Decision Date	Implement. Date	Update Date	Open Item Ref.
May. 2015	Nov. 2022	Aug. 2022	CA297, CA525

3.7.6 Linking 2 or more events

When two or more events are connected, it is possible to link the two events together.

This can be achieved in ISO 15022 using the Linkages subsequence and the qualifiers CORP and COAF in the field :20C::.

In ISO 20022, this can be achieved via the EventsLinkage sequence and the "*LinkedCorporateActionIdentification"* and *"LinkedOfficialCorporateActionEventIdentification"* elements.

The sender's message reference of the other event may not be used to link the 2 events. It is of course possible to link more than 2 events together by repeating the event linkages information.

When events take place consecutively, e.g. a rights issue processed as separate events with a distribution of rights (RHDI) followed by a rights exercise (EXRI) and ending with an assimilation event (PARI), the second event may be linked to the first event, and the third event linked to the second event.

ISO 15022	ISO 20022
MT 564 / A1 / 20C / CORP & COAF	seev.031 - **A1** / EventIdentification / LinkedCorporateActionIdentification & LinkedOfficialCorporateActionEventIdentification

Decision Date	Implement. Date	Update Date	Open Item Ref.
Nov. 2000	Nov. 2002	Apr. 2014	

3.8 Identification of Securities[1].

3.8.1 How to describe a security?

The ISIN should be used as a minimum, following the recommendation from G30.

If another number scheme is used then it must have description.

ISO 15022	ISO 20022
MT 564 / B / 35B / ISIN	seev.031 - **B** / FinancialInstrumentIdentification / ISIN

Decision Date	Implement. Date	Update Date	Open Item Ref.
Nov. 2000	Nov. 2002		

[1] Madrid meeting November 2000.

3.9 Account (multiple or all accounts - GENR)[1]

A single Notification message may be sent when a client owns more than one account using the ”GENR” code in the account details. Balances, Entitlement quantities and/or amounts must not be supplied when using this syntax i.e. Eligible Balance Notification messages cannot be used with the code “GENR”.

It is also possible to list several accounts within a single notification. In such case, it is possible to include balances for each of the accounts but entitlement quantities and/or amounts must not be supplied.

An Eligible Balance Notification message or a Movement Preliminary Advice message is sent for each individual account owned by the client (note that the entitlement must be calculated individually for confirmation).

ISO 15022	ISO 20022
MT 564 / B2 / 97C / SAFE//GENR	seev.031 - **B2** / ForAllAccounts / IdentificationCode / GENR

Decision Date	Implement. Date	Update Date	Open Item Ref.
Oct. 2006	N/A	Sep. 2016	SR2007 III.37 CA351

3.10 Balances

There was no definitive agreement in terms of whether or not all notifications should contain holding/positions.

Based on local practices and/or SLA, holdings may only be given at the time of entitlement.

Some countries also have a practice of sending a final entitlement notification after the instruction/elections are received but following the period when elections are closed.

3.10.1 Eligible Balance

The SMPG established that the eligible balance is calculated, discussed *how* it is calculated and concluded there is no standard method.

> Eligible Balance used in the MT 564 entitlement message =
>
> Actual (booked) balance (at best of knowledge at the time **the entitlement is calculated**)
>
> +/- any transactions (of all types) that will affect the client’s final entitlement.[2]

The “at best of knowledge” phrasing of the definition allows for variations in national market practices and SLAs; for instance, whether unmatched transactions are included.

Each NMPG should document the composition of the eligible balance based on their country specifics. If different from the above definitions and recommendations, it should be stated in the country specific market practice document.

Other balances can be provided in addition to the eligible (ELIG) balance. For all those additional balances, it is possible to further specify a balance using the balance type code “eligible” or “non-eligible”. If the balance type code is not specified, it is understood as being “eligible”.

Some markets would like to breakdown the eligible balance on the Preliminary Notification message, this is dependent on client agreement (and thus falls out of the scope of global market practice).

ISO 15022	ISO 20022
MT 564 / B2 / 93a / ELIG	seev.031 - **B2** / AccountsListAndBalanceDetails / Balance / TotalEligibleBalance

[1] Madrid meeting November 2000.

[2] Brussels meeting June 2001.

Decision Date	Implement. Date	Update Date	Open Item Ref.

3.10.2 About Affected and Unaffected Balances

Please note that the “Unaffected Balance” and “Affected Balance” elements are specific to the lottery events such as drawing.

The affected balance is the position that was drawn in the lottery.

The unaffected balance is the position that was not chosen in the lottery.

ISO 15022	ISO 20022
MT 564 / B2 / 93a / AFFB & UNAF	seev.031 - **B2** / AccountsListAndBalanceDetails / Balance / AffectedBalance & UnaffectedBalance

Decision Date	Implement. Date	Update Date	Open Item Ref.
Sep. 2016	Nov. 2016		CA350

3.11 Event Details

The Notification message will contain the event details such as dates, rates, ratio and amounts. The presence of specific date, period, price or rate, as optional or mandatory elements, has been documented in the SMPG Global Market Practice part 2 (EIG+).

The SMPG has worked on clarifying the definition and usage of some details:

3.11.1 Preparation Date

Preparation Date is not a common element; the time stamp in the message header can supply this information should it be required.

ISO 15022	ISO 20022
MT 564 / A / 98a / PREP	head.001 – CreationDate

Decision Date	Implement. Date	Update Date	Open Item Ref.
Jun. 2001 / Jan. 2002	Nov. 2002		

3.11.2 Record Date

Record date is at the close of the day.

In markets where the eligible balance is struck on record date, it is done at the close of the record date.

ISO 15022	ISO 20022
MT 564 / D / 98a / RDTE	seev.031 – **D** / DateDetails / RecordDate

Decision Date	Implement. Date	Update Date	Open Item Ref.
Mar. 2001	Nov. 2002		

3.11.3 Ex Date

In markets where the eligible balance is struck on ex-date, it is done at the start of the ex-date.

ISO 15022	ISO 20022		
MT 564 / D / 98a / XDTE	seev.031 – **D** / DateDetails / ExDividendDate		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Mar. 2001	Nov. 2002		

3.11.4 Payment Date – Earliest Payment Date – Value Date

Payment Date is a common element and it is the date supplied by the issuer of the CA event.

When in a Notification message, the payment date is a non-banking date, the Earliest Payment Date may be used to indicate the actual payable date, i.e. the date when the payment will be processed in the system. It is however optional.

Value Date is used to indicate the date at which cash starts to earn interests in a credit entry or ceases to earn interests in a debit entry.

Note: on non-banking date, Posting Date in the Confirmation message and Value Date in both the Notification and Movement Confirmations messages must be a banking date.

An example of the usage of those dates in a Notification message is provided in section 13.1.

ISO 15022	ISO 20022		
MT 564 / E1&E2 / 98a / PAYD, EARL, MT 564 / E2 / 98a / VALU	seev.031 – **E1 & E2** / DateDetails / PaymentDate, EarliestPaymentDate seev.031 – **E2** / DateDetails / ValueDate		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Nov. 2000	Nov. 2002	Nov. 2011	

3.11.5 Announcement Date

The Group affirmed that the announcement date is as defined by the issuer. No change in MT as new info arises

ISO 15022	ISO 20022		
MT 564 / D / 98a / ANOU	seev.031 – **D** / DateDetails / AnnouncementDate		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Jun. 2001/Jan. 2002	Nov. 2002		

3.11.6 Response and Market Deadline

3.11.6.1 Market Deadline

The definition of market deadline is "*Issuer or issuer's agent deadline to respond, with an election instruction, to an outstanding offer or privilege.*".

The market deadline reported by account servicers is the one announced by the issuer or issuer's agent or the offeror. The market deadline may be expressed in the local time zone of the issuer or issuer agent or in UTC format, depending on SLA. For information regarding use of UTC format, please see section 8.17.

When election instructions may or must be sent to the issuer or issuer's agent via the issuer CSD, the deadline in the issuer CSD system by which such instructions must be sent must be the market deadline as set by the issuer.

In case the CSD system cannot receive election instructions up until market deadline, the notification sent by the CSD must include both the market deadline date and time set by the issuer as well as the CSD's own response deadline date and time.

This also applies to events where the CSD is acting as an investor CSD.

ISO 15022	ISO 20022
MT 564 / E / 98a / MKDT	seev.031 – **E** / DateDetails / Market Deadline

Decision Date	Implement. Date	Update Date	Open Item Ref.
Feb. 2016	Nov. 2016	Jun. 2021	CA303, CA431, CA457

3.11.6.2 Response Deadline & Early Response Deadline

The response deadline and early response deadline should be provided in the local time zone of the account servicer or in UTC, depending on SLA.. If local time is used, the time zone of the account servicer is known and should be stored in the system. This is the case for corporate actions as well as for settlement.

For information regarding use of UTC format, please see 8.17.

ISO 15022	ISO 20022
MT 564 / E / 98a / RDDT & EARD	seev.031 – **E** / DateDetails / ResponseDeadline & EarlyResponseDeadline

Decision Date	Implement. Date	Update Date	Open Item Ref.
Jun. 2001/Jan. 2002	Nov. 2002	Jun. 2021	CA303, CA457

3.11.6.3 Market Deadline for Instructions related to Pending Receipt Positions

Election to Counterparty Market Deadline

It represents the market deadline applicable to a pending receipt position; it is also known as "**Buyer Protection Deadline**".
This is the market deadline by which the buyer needs to instruct the seller, either directly or via the CSD if an electronic buyer protection deadline process exists.

Guaranteed Participation Date
It represents the last trade date for a buyer to be sure it can participate in an event. It is one settlement cycle before Buyer Protection Deadline date.

ISO 15022	ISO 20022
MT 564 / D / 98a / ECPD & GUPA	seev.031 – **D** / DateDetails / ElectionToCounterpartyMarketDeadline & GuaranteedParticipationDate

Decision Date	Implement. Date	Update Date	Open Item Ref.
Oct. 2014	Nov. 2014		CA365

3.11.7 Securities Trading and Lending Related Deadlines

Stock Lending Deadline and Borrower Stock Lending Deadline

Stock Lending Deadline represents the response deadline applicable to a loan position enrolled in the lending program offered by the service provider.
In case an account owner has lent some or all of its securities to the lending program of the account servicer, this is the deadline to provide its instruction.

Borrower Stock Lending Deadline represents the response deadline applicable to a loan position enrolled in the lending program offered by a specific third party borrower.

As of SR2016, in ISO15022, the qualifier :98a::BORD cannot be repeated when used with format options :98A, 98B, 98C and 98E. It can only be repeated with format option 98J and 98K.

ISO 15022	ISO 20022		
MT 564 / E / 98a / BORD	seev.031 – **E** / DateDetails / StockLendingDeadline & BorrowerStockLendingDeadline		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Oct. 2014	Nov. 2014	Oct. 2016	CA265, CA342

3.11.8 Period of Action

For options provided by the issuer/offeror, the period of action is provided by the issuer/offeror (or its agent) and always ends on market deadline.

If the period of action is used for an account servicer option where there is some form of market deadline/end date, e.g. SLLE (Sell Entitlement) in a rights exercise event, the period should end on the market deadline/end date though instructions may only be accepted until the response deadline.

If the period of action is used for an account servicer option where there is no form of market deadline/end date, e.g. a currency option provided by the account servicer performing FX, the period should end on the response deadline.

ISO 15022	ISO 20022		
MT 564 / E / 69a / PWAL	seev.031 – **E** / PeriodDetails / ActionPeriod		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Oct. 2015	Nov. 2016	October 2022	CA303, CA511

3.11.9 General on Options

The event might contain options.

The options are identified by:

- an option code **[Seq. E - :22F::CAOP// <> E / OptionType / Code]** and
- an option number. **[–Seq. E -:13A::CAON// <> E / OptionNumber]**.

Each option is contained in an occurrence of the Corporate Action Options Details sequence.

See also the Event Interpretation Grid (GMP Part 2 - EIG) for matching between corporate action events and corporate action option codes.

ISO 15022	ISO 20022
MT 564 / E / 22F / CAOP MT 564 / E / 13A / CAON	seev.031 – **E** / OptionType/Code seev.031 – **E** / OptionNumber

Decision Date	Implement. Date	Update Date	Open Item Ref.
Nov. 2005	Nov. 2006		CA06

The option code and option number are mandatory in the Notification, Movement Preliminary Advice and Movement Confirmation messages.

Any options added by the account servicer should be added after the issuer's options in numerical terms and for each of those added options, the Option Features indicator **[Seq. E - :22F::OPTF//ASVO <> E / OptionFeatures / Code / ASVO]** should then be present.

ISO 15022	ISO 20022
MT 564 / E / 22F / OPTF	seev.031 – **E** / OptionFeatures

Decision Date	Implement. Date	Update Date	Open Item Ref.
Aug. 2011	Nov. 2012		SR2012 CR

It is recommended that in the Notification, Movement Preliminary Advice messages, the options numbering follow these rules:

1. The option numbers should start from 001.
2. Incremental by 1 should be the rule (do not "jump" numbers).
3. Only numeric characters should be used (no alpha characters).
4. The option number order should be kept throughout the life of the event (between account servicer and account owner).
5. Announcement can always be updated (replaced) except if the event type and/or mandatory/voluntary event type and/or the underlying security identification change.
6. When an option has a status “Cancelled” or “Inactive” **[Seq. E - :22F::OSTA//CANC or INTV <> E / OptionAvailabilityStatus / Code / CANC or INTV],** it will remain in the Notification, with the same option number, and option status “Inactive” or ”Cancelled”. Added options are given a new number (Option numbers are not recycled). If an option detail is changed in the market, it is up to the account servicer to assess if the change can lead to confusion. If it may lead to confusion, the SMPG recommendation is to list the original option as status “Cancelled” and include a new option. If the change will not lead to confusion, the account servicer should update the original option. For instance, if an “Inactive” option would become active again, it is recommended to always create a new option.
7. CSDs are not to allow issuers/issuer agents to change the order/number/code of options, but instead use the “Inactive” or “Cancelled” indicator codes.

ISO 15022	ISO 20022
MT 564 / E / 13A / CAON	seev.031 – **E** / OptionNumber

Decision Date	Implement. Date	Update Date	Open Item Ref.
Jun. 2003	May. 2005	Apr. 2016, May 2023	CA316, CA561

3.11.9.1 Identification of an option selected on an Election.

See chapter 5 on Instruction message (MT 565, seev.033, seev.040).

3.11.9.2 Default Option and Standing Instruction

Default option

The default option is the default decided by the sender of the message, i.e. the account servicer. It may or may not be the default option announced by the issuer. The sender of the message should always specify which option is the default option, by including one option even for mandatory events where there is only one option in the event.

For mandatory events with two or more options and thus including the Option Features "Option Applicability" code (CAOS) (see 8.24 – Option Applicability), either all or no options may be specified as the default option.

In the case of VOLU events, the default option is always NOAC (see section 8.22).

ISO 15022	ISO 20022
MT 564 / E / 17B / DFLT MT 564 / E / 22F / OPTF//CAOS MT 564 / E / 22F / CAOP//NOAC	seev.031 – **E** / DefaultProcessingOrStandingInstruction / DefaultOptionIndicator seev.031 – **E** / OptionFeatures / Code / CAOS seev.031 – **E** / OptionType / Code / NOAC

Decision Date	Implement. Date	Update Date	Open Item Ref.
Jun. 2001	Nov. 2002	Dec. 2015	CA317

Standing instructions

Standing instructions may or may not be offered by the account servicer. It must be agreed at SLA level.

A standing instruction always overrides an MT 564 notified default option if they are different.

In elective corporate action events, instructions will be processed with the following order of precedence :

1. specific instruction (MT 565 or any other specific instructions received from the account owner)
2. standing instruction (when SI are lodged at the account servicer as per SLA)
3. default action.

ISO 15022	ISO 20022
MT 564 / E / 17B / STIN	seev.031 – **E** / DefaultProcessingOrStandingInstruction / StandingInstructionIndicator

Decision Date	Implement. Date	Update Date	Open Item Ref.
Jun. 2003	May. 2005		

3.11.9.3 Standard for 35B when ID of Outturn Security Not Known.

The SMPG preference is for 'UKWN' as it is an existing code used with other qualifiers.

ISO 15022	ISO 20022
MT 564 / E / 35B / UKWN MT 564 / E1 / 35B / UKWN	seev.031 – **E** / FinancialInstrumentIdentification / Description / UKWN seev.031 – **E1** / SecurityDetails / FinancialInstrumentIdentification / Description / UKWN

Decision Date	Implement. Date	Update Date	Open Item Ref.
Apr. 2005	Nov. 2006		

3.11.10 Last Trading Date

The Last Trading Date element is to be used for the last official trading date of a security which will cease to exist due to a mandatory reorganisation, for example, a redemption or split event.

ISO 15022	ISO 20022
MT 564 / E1 / 98a / LTRD	seev.031 – **E1** / DateDetails / LastTradingDate

Decision Date	Implement. Date	Update Date	Open Item Ref.
Nov. 2012	Nov. 2013		

3.12 Interest and Dividend payments

3.12.1 On Intermediate Payments[1]

How should the rate intermediate payments be handled for both fixed income securities and equities?

The SMPG decided that the interest period and the rate on which the interest payment is based on, or the current rate (for a floating rate note) should be supplied.

The interest rate for the interest period is indicated using the "Interest Rate Used for Payment" element **[seq. E2 - :92a::INTP <> E2 / RateAndAmountDetails / InterestRateUsedForPayment]**. The method of interest calculation *may* be supplied.

3.12.2 Interest Rates Usage for Floating Rate Notes

For Floating Rate Notes, the "Interest Rate" element and "Interest Rate Used For Payment" rates usage is illustrated in the table below:

ISO 15022/ISO 20022 Name	Value for Qualifier	Calculation	Info in terms and conditions	Note
INTR / Interest Rate	2%	0.6% + 1,4%	USD Libor 6m + 1.4 (spot rate of LIBOR must be taken 2 business days before start of the period)	In 80% of the cases the INTR is not 'given' but only a basis is given in the terms and conditions. At the time of the event the libor 6m = 0.6%

[1] Brussels meeting June 2003.

INPE / Interest Period	01/01/2015-01/07/2015		Period will start on 1 Jan of each year and run until 1 July	6 months period
MICO / Method of Interest Computation Indicator	A001		30/360 ISDA calculation rules	
DAAC / InterestAccruedNumberOfDays	180 (days)	30 days * 6 months		Results from INPE and MICO
PRFC	0.9			**In the last partial redemption (PRED), the pool factor of the security has been reduced from 1 to 0.9. NB: this value is optional for securites with no pool factor.**
INTP / InterestRateUsedForPayment	0.9%	2%*180 days * 0.9 /360 days		**INTR * DAAC * PRFC /(nb of days in the year)** (Days in a year from MICO value)

It is also recommended for Floating Rate Note that, as soon as the rate is known, a notification be sent and a confirmation when the payment is made. It is NOT recommended to announce both the current and the next rate in the same event.

Payment frequency: If there is a period and calculation method in the message, the payment frequency is deemed as not being necessary.

ISO 15022	ISO 20022
MT 564 / E2 / 92a / INTP	seev.031 – **E2** / RateAndAmountDetails / InterestRateUsedForPayment

Decision Date	Implement. Date	Update Date	Open Item Ref.
Jun. 2003	May 2005	Feb. 2016	CA300

3.12.3 Usage of Interest Rate Used For Payment

The SMPG only recommends the usage of Interest Rate Used for Payment with a “Rate” data type.

The usage of “Interest Rate Used For Payment” with a “Currency and Amount” data type is SLA dependent and needs to be explained (see also the following section 3.12.4).

ISO 15022	ISO 20022
MT 564 / E2 / 92A & 92F / INTP	seev.031 – **E2** / RateAndAmountDetails / InterestRateUsedForPayment / Rate or Amount

Decision Date	Implement. Date	Update Date	Open Item Ref.

Apr. 2015	Nov. 2015		CA300

3.12.4 On Rates Declared for more than One Share[1]

Some securities, e.g. in Brazil, publish payment rates at greater than a single share, e.g. per 100 or per 1000 held, this is the tradable unit.

In this case, the interest rate may need to be provided with a "Currency and Amount" data type and with a related note in the "Additional Text" element [**seq. E or F - :70a::ADTX <> E or F / AdditionalInformation / AdditionalText]** specifying 'Rate announced per 100 shares' or 'Rate announced per 1000 shares'".

ISO 15022		**ISO 20022**	
MT 564 / D / 92F / INTR		seev.031 – **D** / RateAndAmountDetails / Interest / Amount	
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Jun. 2002	May. 2005		

3.12.5 On The Usage of Tax Free Information

With the implementation of SR 2005, the "Gross Dividend Rate" and "Net Dividend Rate" elements have become repetitive when used with a Rate Type Code [**seq. E2 - :92J::GRSS// <> E2 / RateAndAmountDetails/ GrossDividendRate / RateTypeAndAmountAndRateStatus**], so that it is possible to use a "Gross Dividend Rate" or a "Net Dividend Rate" with different "Rate Type Codes" simultaneously in the same cash movement iteration.

An example of the usage of the repetitive "Gross Dividend Rate" in is provided in section 13.2.

ISO 15022		**ISO 20022**	
MT 564 / E or E2 / 92J / GRSS & NETT		seev.031 – **E or E2** / RateAndAmountDetails / GrossDividendRate and NetDividendRate / RateTypeAndAmountAndRateStatus	
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Aug. 2004	Nov. 2005		

3.12.6 Usage of Rate Status for Gross and Net Dividend rate

If the "Rate Status" "Indicative" (INDI) is used for the "Gross Dividend Rate" and "Net Dividend Rate" [**seq. E or E2 - :92H::GRSS// <> E or E2 / RateAndAmountDetails/ GrossDividendRate / AmountAndRateStatus**], the final dividend rate can be announced either as Gross or Nett Dividend Rate with "Rate Status" "Actual Rate" (ACTU) or just with a rate provided with a simple "Currency And Amount" data type [**seq. E or E2 - :92F::GRSS <> E or E2 / RateAndAmountDetails/ GrossDividendRate / Amount]**.

If a rate status "Indicative" (INDI) is not needed, always use a rate provided with a simple "Currency And Amount" data type.

ISO 15022		**ISO 20022**	
MT 564 / E or E2 / 92H / GRSS & NETT		seev.031 – **E or E2** / RateAndAmountDetails / GrossDividendRate and NetDividendRate / AmountAndRateStatus	
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**

[1] Geneva meeting September 2002.

Apr. 2016	Nov. 2016		CA334

3.12.7 Interest Rate and Redemption Amount for Index Bonds

Bonds can be linked to index (e.g. inflation index) which is used to adjust the interest and redemption amounts. Such index can be reported in the Corporate Action sequence of the Notification message **[MT564 – seq. D - :92a::INDX <> seev.031 - D / RateAndAmountDetails / IndexFactor]**.

- For interest payment, the interest rate used for the payment **[MT564 – seq. E - :92a::INTP <> seev.031 - E / RateAndAmountDetails / InterestRateUsedForPayment]** for the period, is calculated by taking the index into account.

  For instance, INTP = (INTR * DAAC * PRFC *** INDX**) / (nb of days in the year).

  The interest amount to pay to the account holder is then the eligible balance multiplied by INTP - without multiplication by the (inflation) index a second time.

- For redemption payment, the generic cash price received per product **[MT564 / E2 / 90a / OFFR <> seev.031 – E2 / PriceDetails / GenericCashPriceReceivedPerProduct]** is calculated taking into account the index.
  The redemption amount to pay to the account holder is then the eligible balance multiplied by OFFR, - without multiplication by the (inflation) index a second time.

  The difference compared with an interest payment is that there is no way to show what the OFFR rate was before it was multiplied with the index; only the resulting OFFR can be included in the message.

ISO 15022	ISO 20022
MT 564 / E / 92a / INTP MT 564 / E2 / 90a / OFFR	seev.031 – **E** / RateAndAmountDetails / InterestRateUsedForPayment seev.031 – **E2** / PriceDetails / GenericCashPriceReceivedPerProduct

Decision Date	Implement. Date	Update Date	Open Item Ref.
Jan. 2020	Nov. 2020		CA425

3.13 Issuer/Offeror Taxability Indicator Usage

The “Issuer Offeror Taxability Indicator” may only be used when no tax rate is provided in the message. The purpose is to inform of the taxability, at a later stage/event, of the securities credited in this stage/event.

A Data Source Scheme or a proprietary Issuer code may be used for this element, for example “IRSX” in the United States.

The lists of “Issuer Offeror Taxability Indicator” codes to be used are provided in the document titled "TXAP Taxability Codes" that is available on the SMPG website at **www.smpg.info**.

ISO 15022	ISO 20022
MT 564 / E1 or E2 / 22F / TXAP	seev.031 – **E1 or E2** / IssuerOfferorTaxabilityIndicator

Decision Date	Implement. Date	Update Date	Open Item Ref.
Aug. 2011	Nov. 2012	Feb. 2016	SR2012 CR; SR2016 CR0983

3.14 Movement Sequence Usage in the MT564

All prices and rates are to be included at the relevant movement level (sequences E1/E2), not the option level (E). The only exception to this rule is when there will be no corresponding movement for the rate/price, at any time in the event. In this case, the rate/price can be included in sequence E. If the rate/price cannot be included in sequence E due to standards reasons, it must be included in the "Additional Text" element [**seq. E or F - :70a::ADTX <> E or F / AdditionalInformation / AdditionalText]**.

When multiple prices/fees and rates are announced for an option, each should be specified within its own movement sequence. An exception is use of "Interest Rate Used For Payment", "Gross Dividend Rate" and "Net Dividend Rate", and the applicable tax rates (for instance. "Withholding Tax Rate"), when several rates can be included in the same movement sequence.

The Notification message should accurately reflect the projected movements on the cash/securities account, per option. If an option is included in the Notification with two cash movements and one securities movement, the Movement Confirmation message sent for that option should also include two cash movements and one securities movement. (Please note that these movements can be sent in separate Movement Confirmation messages.) See also section 6.11.

An example of the usage of the movement sequences in a Notification message in ISO 15022 is provided in section 13.3.

3.15 Usage Guidelines for Narratives in the Notification & MT 568[1]

The Additional Information elements / narrative information fields may be considered as a barrier to automation.

Based on the type of narrative information, one can define whether the information can be ignored, map it to be reported somewhere else or stop STP to have it processed or read by a human being as its content is critical.

Therefore, the Notification message with narrative information is not a barrier to STP, provided that everyone understands *how* the different types of narrative information are used in this context and uses it the same way.

In case of narrative information being updated in the ISO 15022 MTs messages, it is possible but not recommended to indicate the change and the date at the top of this narrative.

In case of a narrative being updated in the ISO 20022 seev.031 (Notification) and seev.035 (Movement Preliminary Advice) messages, although these elements are optional, it is not recommended to fill in the "Update Description" and "Update Date" elements.

Narrative information should only include information that is not formatted elsewhere in the message.

Each narrative information has its own use and any information must go in the relevant narrative should there be a need to use a narrative. As a general rule, the same information should not be found in more than one narrative information type.

ISO 15022	ISO 20022
MT 564 / E & F / 70E MT 568 / C / 70a	seev.031 – **E /** AdditionalInformation seev.031 – **F**

Decision Date	Implement. Date	Update Date	Open Item Ref.
Jun. 2003	May. 2005	Aug. 2015 Oct. 2016 May 2023	CA268, CA338, CA548

[1] Geneva, Brussels, Luxembourg and Singapore meeting 2002-2003.

3.15.1 Additional Text / ADTX

ADTX should be used when some details on the Corporate Action event cannot be included within the structured fields of this message. The information is to be read by the receiver as it is information is not somewhere else in the message.

It should be made clear to everybody that if there is a way to provide this information in a structured field, it MUST be provided in a structured field and NOT be given in the additional text narrative.

Although this field is repetitive in certain cases, it must not be over-used.

In ISO15022, should there be a lot of narrative information required in addition to the structured ones, the MT 568 is to be used.

3.15.2 Narrative Version / TXNR

TXNR should only reiterate some information that has already been included within structured fields of this message and/or should provide information that can be ignored for automated processing. A receiver must be confident that they can completely ignore this type of narrative without impacting on the legality or completeness of the Corporate Action event. Any narrative advising on the usage of account servicer's proprietary platform should be included in TXNR.

3.15.3 Information Conditions / INCO

Information *conditional* to the whole Corporate Action, for example, an offer is subject to 50% acceptance.

Due to the very nature of conditions, it may require some narrative to unambiguously detail the conditions.

This information is important and *needs* to be read by the receiver.

3.15.4 Information To Comply With / COMP

Information conditional to the account owner and which must be complied with. For example, not open to US residents, QIB or SIL to be provided.

Due to the very nature of conditions, it may require some narrative to unambiguously detail the conditions.

This information is important and *needs* to be read by the receiver.

3.15.5 Offeror / OFFO

The Offeror/Acquiring Company is the entity making the offer and is different from the issuing company. This should provide details of the offeror's offer.

In many circumstances, there is no standards identification of the offeror. Therefore, this narrative allows to properly cater for that information without mixing it with other type of narrative.

The fact that there is no standards identification of the offeror does not prevent the receiver to map that information internally for further processing.

Offeror is repeatable, but in the case of competing offerors, there should be different events and therefore no repetition of the field for those competing offerers. In the case of a joint offer with several offerors, the offerors field should be repeated as many times as there are joint offerors.

3.15.6 Security Restriction / NSER

Restriction on a new security.

When a new security is issued due to a corporate actions event, some restrictions may be attached to it (e.g. cannot be sold for a given period of time).

The security identifier may not be sufficient to derive that information. Therefore, this narrative allows to properly cater for that information without mixing it with other type of narrative.

3.15.7 Party Contact Narrative / PACO

This element must contain the contact details of some party. A typical example is the contact details of the person who wrote/generated the message and from whom more info is available. This information is typically unstructured.

The received may or may not read systematically this information if received based on its own process and requirements.

3.15.8 Registration Details / REGI

Details to be provided to allow registration of disbursed securities when the identification of the financial instrument and/or the account is not sufficient.

3.15.9 URL Address / WEBB

This is the web address where additional information on the event can be found. It is not the general web site address of the company involved in the event.

3.15.10 Taxation Conditions / TAXE

Details on taxation conditions that cannot be included within the structured fields of this message.

3.15.11 Disclaimer / DISC

Disclaimer relative to the information provided in the message. It may be ignored for automated processing.

It is to be noted that tax specific disclaimers should be handled by SLA.

3.15.12 New Company Name / NAME

Provides the new name of a company following a name change.

3.15.13 Basket or Index Information / BAIN

Provides additional information on the basket or index underlying a security, for example a warrant.

3.15.14 Certification Breakdown / CETI

The Certification Breakdown element provides details on the type of certification /breakdown required.
This field should only be used if the information cannot be included within the structured fields (please refer to the available codes for “Certification Breakdown Type” element:
[**seq. E - :22F::CETI <> E / CertificationBreakdownType**]).

3.15.15 Processing Text for Next Intermediary / PTNI

The Processing Text for Next Intermediary element **[seq. F - :70E::PTNI <> F / ProcessingTextForNextIntermediary]** should only be used by a CSD or an Account Servicer and its direct participants or immediate account holders, i.e. the next counterparty down the chain of intermediates, containing information enabling both parties to facilitate processing of an Corporate Action event. e.g., usage instructions for proprietary tools or interfaces, how to upload required documentation.

Any narrative text must be either completely deleted or, if applicable, updated when sending the message onwards down the chain of intermediaries. Any URL-link to a proprietary web site address belonging to the CSD or an Account Servicer should not be included in PTNI, but EPWI (see section 3.15.16 below) should be used instead.

ISO 15022	ISO 20022

MT 564 / F / 70E MT 568 / C / 70a	seev.031 – **F** seev.035 – **F**		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
25 Apr. 2022	Nov. 2022		CA503

3.15.16 Event Processing Web Site Address / EPWI

The Event Processing Web Site Address / EPWI **[seq. D - :70a::EPWI <> D / AdditionalInformation / EventProcessingWebSiteAddress]** should only be used by a CSD or an Account Servicer and its direct participants or immediate account holders, i.e. the next counterparty down the chain of intermediates, containing the web site address (URL-link) for proprietary tools or interfaces enabling both parties to facilitate processing of an Corporate Action event. Any URL-link must be either completely deleted or, if applicable, updated when sending the message onwards down the chain of intermediaries.

ISO 15022	**ISO 20022**		
MT 564 / D / 70a	seev.031 – D / AdditionalInformation		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
25 Apr. 2022	Nov. 2022		CA503

3.16 Support for National Languages in Narratives

Where the issuer announces the terms of the event in both the national language(s) and English, we recommend that, if required, any narrative to describe such terms includes all languages, at the same time, in any notification message.

If for any reason, the terms are not announced in English and national languages at the same time, once the details in the other national language(s) are announced, a replacement message (REPL) should be issued with the narratives, if any, updated to include the terms in such language(s).

Once the issuer's announcement is received by the first intermediary and distributed along the chain of intermediaries, we recommend that the narratives are transmitted in English, unless otherwise agreed by the receiving and transmitting parties in their SLA.

3.16.1 ISO 15022

In the :70a: Narrative fields of the MT 564 and MT 568, each language should be preceded by the ISO 639-1 language code of the target language put in brackets except if provided only in English.

When more than one language is provided for a narrative, each language will be inserted in different occurrences of the narrative i.e. one language per narrative

For instance in the case of a narrative in both French and English:

Examples:

":70E::ADTX//(EN) This is the announcement text in English."

":70E::ADTX//(FR) Ceci est le texte de notification en francais.".

3.16.2 ISO 20022

The mandatory "Language" element in each type of narrative specifies the language in which the narrative is provided.

Examples:

```
<AdditionalInformation>
    <AdditionalText>
        <Language>en</Language>
        <AdditionalInformation>This is the announcement text in English.</AdditionalInformation>
    </AdditionalText>
    <AdditionalText>
        <Language>fr</Language>
        <AdditionalInformation> Ceci est le texte de notification en francais.</AdditionalInformation>
    </AdditionalText>
</AdditionalInformation>
```

ISO 15022	ISO 20022		
MT 564 / D & E & F / 70E /	seev.031 – D & E / AdditionalInformation seev.031 - F		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
June 2021	Nov. 2021		CA468

3.17 Reminder

The following are some guidelines on the ability to send reminder messages to customers who have not instructed fully on their eligible balance for the corporate action event before the deadline.

This flow is strictly between the account servicer and account owner who has not responded and would occur just prior to the close of an offer. This flow would only be sent in the event no election response was received or if a partial election response was received. This flow is optional and usage/timing is left to SLA.

If sent, it must be a Notification message bearing the Notification Type / Function of the message RMDR.

The Uninstructed balance will inform the account owner on the quantities for which no instruction was received.

ISO 15022	ISO 20022		
MT 564 / B2 / 93a / UNBA & INBA	seev.031 – **B2** / AccountsListAndBalanceDetails / Balance / UninstructedBAlance & InstructedBalance		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Jan. 2002	Nov. 2002		

3.18 Beneficiary Owner Level and Details Disclosure for Instruction Processing

ISO 15022	ISO 20022
MT 564 / E / 22F / OPTF//BOIS & CETI//FULL MT 565 / C (BENODET) MT567 / A2a / 24B / PEND//FULL or REJT//FULL	seev.031 – **E** / OptionFeatures / Code / BOIS & E / CertificationBreakdownType / Code / FULL seev.035 – **E** / OptionFeatures / Code / BOIS & E / CertificationBreakdownType / Code / FULL seev.033 – **C** seev.034 – **C** / Pending/Reason / ReasonCode / FULL & InstructionProcessingStatus / Rejected / Reason / ReasonCode / FULL

Decision Date	Implement. Date	Update Date	Open Item Ref.
Dec. 2016	Nov. 2017	Jul. 2021	CA357, CA446

Two codes are present in the Notification message for the account servicer to advise the account owner about the beneficiary owner's information required in its instruction(s). Both codes correspond to two different scenarios:

Scenario 1) Beneficiary Owner Instruction

[Seq. A - :22F::OPTF//BOIS <> CorporateActionOptionsDetails/OptionFeatures/Code/BOIS]:

The account servicer requests the account owner to instruct at the level of beneficial ownership and not at omnibus level. This does not mean that a disclosure is necessary.

The account owner could:

- either send a MT565 message per beneficial owner, or
- one MT565 repeating the beneficial owners' instructions in the BENODET sequence.

Scenario 2) Full Beneficial Owner Breakdown

[:22F::CETI//FULL <> CorporateActionOptionsDetails/CertificationBreakdownType/Code/FULL]:

The holder of the security has to provide his beneficiary Owner details for disclosure/instruction purposes. This is typically done by using the Beneficial Owner Details [BENODET] sequence in the Instruction message.

Validation of scenario 1 is not feasible for the account servicer, as it might not have a view on the omnibus account. Therefore, there is no related reason code defined in the Instruction Status Advice message.

Scenario 2 is simpler as the information should be explicitly mentioned in the beneficial owner details of the instruction. In case the account owner did not comply with the request, the account servicer can reject the instruction using the "*Pending Beneficiary Owner Details*" reason code ***[:24B::PEND//FULL or :24B::REJT//FULL <> InstructionProcessingStatus/Pending/Reason/ReasonCode/FULL or InstructionProcessingStatus/Rejected/Reason/ReasonCode/FULL]*** in the Instruction Status Advice message.

3.19 Elements in Support of the Shareholders Rights Directive (SRD II)

3.19.1 Introduction

The amended Shareholders Rights Directive (EU) 2017/828 (hereinafter "SRD II") and Implementing Regulation (EU) 2018/1212 (hereinafter "SRD II IR") aim to encourage long-term shareholder engagement and to improve corporate governance in EU/EEA companies traded on EU/EEA regulated markets by enabling shareholders to exercise their voting rights and rights to information across borders.

The market practice described in this document is based on the SRD II directive and SRD II Implementation Regulation which impact the corporate action notification flow[1].

3.19.2 Mapping SRDII Implementation Regulation Requirements to Notification Message[2]

Type of information	Description	Format	MT564 qualifier <> seev.031
A. Specification of the corporate event			
1. Unique identifier of the corporate event	Unique number	[12 alphanumeric characters]	**20C::COAF in seq. A <> A / OfficialCorporateActionEventIdentification**
2. Type of corporate event	Specification of the type of corporate event such as distribution of profit, reorganisation of the issuer shares	[42 alphanumeric characters]	**22F::CAEV in seq. A <> A / EventType**
3. ISIN	ISIN of the underlying share	[12 alphanumeric characters]	**35B in seq. B <> A / UnderlyingSecurity / FinancialInstrumentIdentification / ISIN**
4. ISIN	If applicable. ISIN of the interim share or security	[12 alphanumeric characters]	**35B in seq. E1 <> E1 / SecurityDetails / / FinancialInstrumentIdentification / ISIN**
3. URL	URL hyperlink to the website where full information regarding the corporate event, to shareholders, is available	[255 alphanumeric characters]	**70E/G::WEBB in seq. D <> D / AdditionalInformation / URLAddress**
B. Key dates applicable to the corporate event (to be included as applicable to the relevant corporate event)			
1. Last participation date	Definition as per the implementing regulation	[Date (YYYYMMDD)]	**98A::GUPA in seq. D <> D / DateDetails / GuaranteedParticipationDate**
2. Ex-date	Definition as per the implementing regulation	[Date (YYYYMMDD)]	**98A::XDTE in seq. D <> D / DateDetails / ExDividendDate**
3. Record date	Definition as per the implementing regulation	[Date (YYYYMMDD)]	**98A::RDTE in seq. D <> D / DateDetails / RecordDate**
4. Start of the election period	Definition as per the implementing regulation	[Date (YYYYMMDD)]	**69A::PWAL in seq. E <> E / PeriodDetails / ActionPeriod**
5. End of the election period	Definition as per the implementing regulation	[Date (YYYYMMDD)]	**69A::PWAL in seq. E <> E / PeriodDetails / ActionPeriod**
6. Issuer deadline	Definition as per the implementing regulation	[Date (YYYYMMDD); UTC (Coordinated Universal Time)]	**98E::MKDT in seq. E <> E / DateDetails / MarketDeadline**
7. Payment date	Definition as per the implementing regulation	[Date (YYYYMMDD)]	**98A::PAYD in seq. E1 or E2 <> E1 or E2 / DateDetails / PaymentDate**
8. Buyer protection deadline	Definition as per the implementing regulation	[Date (YYYYMMDD)]	**98A::ECPD in seq. D <> D / DateDetails / ElectionToCounterpartyMarketDeadline**
C. Specification of the elections available to the shareholder (repeating block; to be presented for each ISIN, if applicable)			
1. Alternative options for the shareholder	Specification of the options	[100 alphanumeric characters]	**22F::CAOP in seq. E <> E / OptionType**

3.19.3 SRDII Indicator

The Shareholder Rights Directive Indicator in the notification message **[MT564 / D / 17B / SRDC <> seev.031 – D / ShareholderRightsDirectiveIndicator]** should be set by the issuer CSD or first intermediary as follows:

- It should be set to YES (value “true”) only when the corporate event is in scope of SRD II and the notification/event information has been received from the issuer. Once the indicator has been set to

[1] Corporate action instructions messages in ISO 15022 and ISO 20022 format are fully compliant with SRD II already.

[2] See Implementing Regulation (EU) 2018/1212 Table 8

YES because of an announcement received from the issuer CSD or first intermediary, it cannot be changed back to NO.
- It should be set to NO (value "false") when the corporate event is to be intended as in scope of SRDII but the issuer CSD or first intermediary did not receive the notification/event information from the issuer.
- It should not be populated if the corporate event is outside the scope of SRD II.

For the notification message, if the indicator was present in the NEWM and REPL messages, the presence of the indicator is however optional in the REPE/RMDR. If present in the REPE/RMDR function, its value must be the same as in the NEWM/REPL (it cannot be amended).

The indicator cannot be added in the RMDR, if not already present in the notification NEWM/REPL message. It can be added to the REPE message only if this information has been received after the eligibility date of the event (e.g. after record date).

Any other intermediary in the chain should report the value of this indicator as per the value received from the previous intermediary.

However, the indicator can be set to NO by an account servicer that did not receive a notification with the indicator via the chain of intermediaries as per SRD II, but deems the event to be in scope of SRD II.

3.19.4 UTC Time for Deadlines

According to SRD II IR table 8 above, the issuer deadline should be expressed in coordinated universal time (UTC) format.

To report a date and time in UTC, the "ISODateTime" data type should be used in 20022 messages, whilst option E of field 98a:: Date/Time should be used in 15022 messages:

Field :98a: Date/Time Option E :4!c//8!n6!n[,3n][/[N]2!n[2!n]] (Qualifier)(Date)(Time)(Decimals)(UTC Indicator)

We recommend that UTC is indicated with a zero offset (also known as Zulu time meaning the offset from Greenwich Mean Time (GMT) is zero), as follows:

- in 15022 – : **98E::YYYYMMDDHHMMSS/00**
- in 20022 – **YYYY-MM-DDThh:mm:ss.sssZ**

3.19.5 Support for National Languages

See section 3.16 above.

ISO 15022	ISO 20022
MT 564 / D / 17B / SRDC	seev.031 – **D** / ShareholderRightsDirectiveIndicator

Decision Date	Implement. Date	Update Date	Open Item Ref.
May 2020	Nov. 2020		CA468, CA472

3.20 Usage of End of Securities Blocking Period in Options Sequence

The "End of Securities Blocking Period" in the Corporate Action Notification message **[MT564 / E / 98a / BLOK <> seev.031 – E / EndOfSecuritiesBlockingPeriod]** should be set by the account servicer as follows:

- it should never be used in mandatory events, unless required in processing of drawings (event code DRAW);
- in choice and voluntary events, it should only be reported in those options that would trigger blocking and never be used in NOAC options;
- the date/time the blocking period ends should be reported using one of the codes available (with format option B; e.g. RDDT, MEET, PAYD, etc), excepting NARR. If no code applies but an date or date/time can be/has been provided, format options A, C or E should be used with such date/time. Only if none of

the other codes in option B are applicable, and a date/time cannot be/has not been provided, should NARR be used.

Upon receipt of an instruction for an option that was announced with an “End of Securities Blocking Period”, the account servicer should block the instructed quantity at the time such instruction has been processed.

- For a reorganisation event, the instructed and blocked position will be debited on payment date.
- For a reorganisation event subject to scale-back, when the instructed and blocked position is scaled back, the instructed position will be reduced. The scaled-back securities will be unblocked and advised accordingly. The remaining instructed and blocked position will be debited on payment date.
- For other types of events/options, the instructed position will be unblocked on or after the date/time reported in “End of Securities Blocking Period” and this will be advised.

ISO 15022	ISO 20022		
MT 564 / E / 98a / BLOK	seev.031 – **E** / EndOfSecuritiesBlockingPeriod		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Nov. 21	Nov. 2021	February 2022	CA492

3.21 Withdrawal Allowed, Change Allowed Flags and Revocability Period

If the revocability period is populated (in sequence E), the change or withdrawal allowed flag (or both) should be set to Yes.

If only one of the flags is set up to Yes, then the revocability period is applicable to the flag set to Yes (i.e. if the change flat is Yes, then the revocability period is intended as the period the instruction can be changed).

If both flags are set to Yes, then the revocability period is applicable to both.

If the change and withdrawal have different action periods, the revocability period should be applicable to the withdrawal allowed flag.

If the change allowed flag has a separate action period, then it should be reported in the narratives.

ISO 15022	ISO 20022		
MT 564 / **E** / 17B / CHAN & WTHD MT 564 / **E** / 69a / REVO	seev.031 & seev.035 – **E** / ChangeAllowedIndicator & WithdrawalAllowedIndicator seev.031 and seev.035 – **E** / PeriodDetails / RevocabilityPeriod		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
October 2022	November 2023		CA515

4 Movement Preliminary Advice Message (MT564 - ADDB//CAPA / seev.035 & seev.044)

4.1 Introduction

This section provides more detailed usage rules and business flows for the movement preliminary advice and preliminary advice cancellation processes (i.e. for the MT 564 having 22F:ADDB//CAPA in sequence D in ISO15022 and for respectively the seev.035 and seev.044).

4.2 Business Need

Corporate Action Movement Preliminary Advice messaging addresses three key business needs:

1. Facilitate automated payment processing and payment management: The CA Movement Preliminary Advice is the building block for payment automation, it will allow for the message to interface automatically into payment processing systems and identify pre-matching of payments which will result in increased payment STP.
2. Increase efficiency: Custodians and clients could benefit from a CA Movement Preliminary Advice message that confirms payment details. The CA Movement Preliminary Advice message will report all critical details of corporate action payments at the account level within structured tags incorporating tax treatment information, rates, commissions, and fees. The CA Movement Preliminary Advice message can be linked to the CA Movement Confirmation message and achieve reconciliation at the account, tax profile, and specific transaction level.
3. Reduce Operational Risk: In ISO 15022, the practice of using MT564 for announcement of updated event details commingled with Movement Preliminary Advice of payment details is problematic. From an Event Management perspective, critical updates of event details could be missed if the MT564 is perceived to be sent for final entitlement and/or cash reconciliation purposes. Similarly, the client could potentially miss Movement Preliminary Advice details needed to facilitate cash projections if the MT564 is perceived to be for event or entitlement update details.

4.3 Usage Rules

The CA Movement Preliminary Advice message is an optional message within the Corporate Action message flow and can be used for actions in all event categories; Mandatory, Mandatory with Election, and Voluntary events.

4.3.1 Mandatory Events

The CA Movement Preliminary Advice can be sent for credit/debit of cash and/or securities. It would be triggered prior to the payment date of the event and may or may not follow an ISO 20022 CA Notification message.

Some common examples of cases where the CA Movement Preliminary Advice would be used include Mandatory Income as well as Mandatory Capital events such as: Cash Dividends, Interest Payments, Maturity Payments / Final Redemptions, Partial Redemptions, CMO Payments, Stock Dividends, Stock Splits/Reverse Splits, Return of Capital, Merger (the list is not exhaustive).

CA Movement Preliminary advice can be sent as a stand-alone message (i.e. not linked to a CA Notification) only in the case of predictable events (Interest payment, maturity payment).

4.3.2 Mandatory with Election and Voluntary Events

ISO 20022 CA Movement Preliminary Advice can be sent as the communication method for Final Entitlement replacing the CA Notification message for this purpose. The CA Movement Preliminary Advice for Mandatory with Election and Voluntary events can be sent for credit/debit of cash and/or securities upon confirmation of the instruction. This is consistent with the current market practice of final entitlement.

The Movement Preliminary Advice is formatted with all the movements associated with the option, even though more than one final confirmation of payment message may have to be sent depending on posting dates.

For instance, in the case of a Rights Issue where the Exercise option is elected, the Movement Preliminary Advice will identify the following movements; Cash Debit Movement, Share Credit Movement, and Share Debit Movement.

However, several final payment confirmations (in an ISO 20022 CA Confirmation messages) may have to be sent as the payment dates may be different for each movement.

In elective events, the CAPA should contain the entitlements from all applicable instructions at the time of generation of the message, i.e. replacement CAPA messages will be sent if additional applicable instructions are received.

A single CAPA message will contain entitlements for all elected options. This is valid for both ISO 15022 and ISO 20022.

4.3.3 Replacement Preliminary Movement Advice

In the case where resulting entitlement is updated, and a Movement Preliminary Advice has been sent to the account owner, it is recommended that a replacement Movement Preliminary Advice be triggered upon recalculation of the entitlement as long as cash and/or securities have not been posted to the clients account.

Examples:

- Critical data element has changed at the event level which affects the resulting cash and/or securities entitlement.
- Regarding Final Entitlement, when an offer is pro-rated – At this point the resulting entitlement has been recalculated as a critical data element has changed at the offer level. The account owner is pre-advised of the new cash and/or securities movements.
- The eligible holdings of the account owner dropped to zero.

4.3.4 Cancellation of a Preliminary Movement Advice

- When an election instruction is cancelled - At this point the resulting entitlement has been recalculated to zero and the service provider may send a cancellation of the Movement Preliminary Advice to convey that the movements have been taken down.
- A Movement Preliminary Advice can be sent to pre-advise of a reversal of corporate action cash or securities postings. If the CA Confirmation Reversal does not finally take place, this pre-advice of movement reversal may be cancelled by the account servicer.

4.3.5 Movement Preliminary Advice Function/Type (NEWM, REPL, REPE)

For ISO 20022, the first movement preliminary advice message (seev.035 - CAPA) or the first movement preliminary advice pre-advising of a reversal or immediately following a cancellation of a movement preliminary advice should have the “NotificationType” of the message with value NEWM.

For ISO 15022, all movement preliminary advice messages (MT564 + :22F::ADDB//CAPA) will have the Function of the Message (:23G::) with value REPE except when :25D::PROC//ENTL is present, value will be NEWM (for late announcements cases only – see section 3.2.6)

ISO 15022						ISO 20022			
		MT	**:23G:**	**:22F::ADDB//**	**:25D::PROC//**		**MX**	**Notification Type/Function**	**Other**
1	Announcement	564	NEWM			→	seev.031	NEWM	

2	Replacement	564	REPL			→	seev.031	REPL	
3	Eligibility	564	REPE			→	seev.035	NEWM/REPL Function= ENTL	
4	Final entitlement (pre-advice)	564	**REPE**	CAPA		→	seev.035	**NEWM** **Function= CAPA**	
5	Final entitlement Replacement (if any)	564	REPE	CAPA		→	seev.035	REPL Function= CAPA	

ISO 15022	**ISO 20022**		
MT 564 / A / 23G	seev..035 – Movement PreliminaryAdviceGeneralInformation/Type		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Oct. 2022	Nov. 2023		CA328, SR2023 CR1900

4.4 Business Scenarios

Scope

The following 13 scenarios are to be considered as examples illustrating how a Corporate Action Movement Preliminary Advice fits in to the Corporate Action message flow for actions within each event category.

Since a lot of aspects of the message flows may be governed by specific service level agreements defined between counterparties, these diagrams cannot and do not intend to reflect all the possible cases of message flows. They usually illustrate the plain vanilla scenario within each category and therefore are to be used only as guidance for implementers.

Conventions used in flow diagrams

The message flow diagrams are color coded for ease of reference with the following conventions:

Black = Mandatory message flow

Blue = Optional message flow

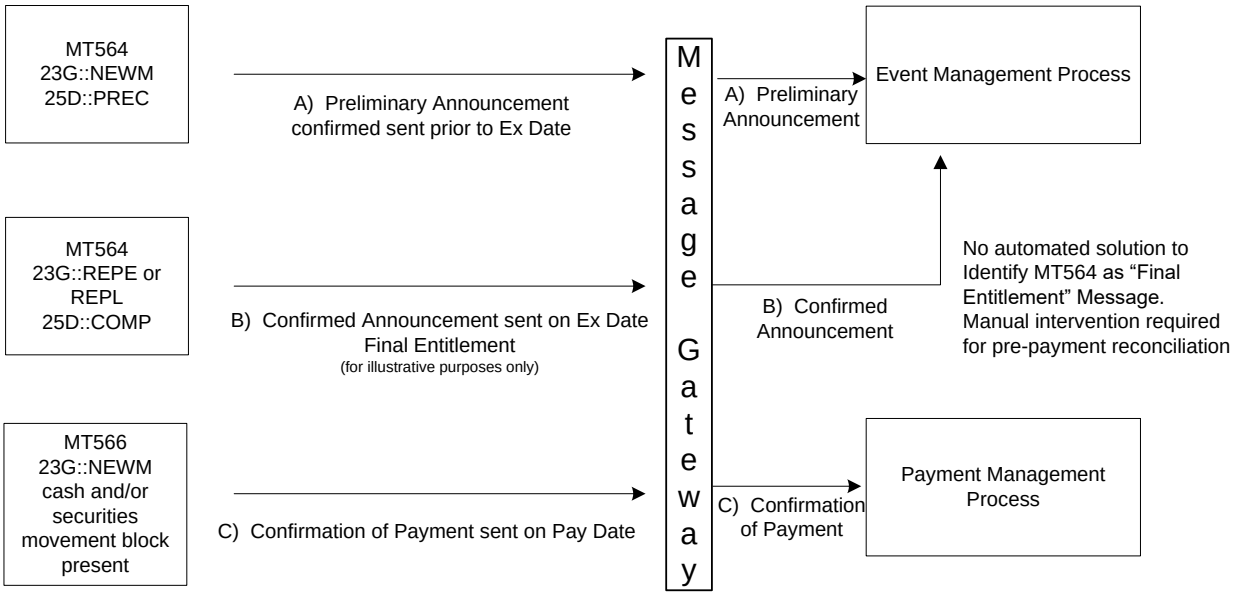
Orange = Movement Preliminary Advice and Cancellation Advice message flow

Message or fields Abbreviated Name	**Message name**
MT 564	ISO 15022 Corporate Action Notification message
MT 565	ISO 15022 Corporate Action Instruction message
MT 566	ISO 15022 Corporate Action Confirmation message
MT 567	ISO 15022 Corporate Action Status and Processing Advice message
23G::NEWM	ISO 15022 Function of the Message field with value “New” message
23G::REPE	ISO 15022 Function of the Message field with value “Eligible Balance Notification” message
23G::REPL	ISO 15022 Function of the Message field with value “Replacement” message

Message or fields Abbreviated Name	Message name
25D::PROC//PREC	ISO 15022 Processing Status field with value “Preliminary Announcement Confirmed”
25D::PROC//COMP	ISO 15022 Processing Status field with value “Complete”
25D::IPRC//PACK	ISO 15022 Status Code field with status value “Instruction Processing Status Acknowledge/Accepted”
CANO	ISO 20022 Corporate Action Notification message (seev.031)
CAPS	ISO 20022 Corporate Action Event Processing Status Advice message (seev.032)
CAIN	ISO 20022 Corporate Action Instruction message (seev.033)
CAIS	ISO 20022 Corporate Action Instruction Status Advice message (seev.034)
CAPA	ISO 20022 Corporate Action Movement Preliminary Advice message (seev.035)
CACO	ISO 20022 Corporate Action Movement Confirmation message (seev.036)
CARE	ISO 20022 Corporate Action Movement Reversal Advice message (seev.037)
CANA	ISO 20022 Corporate Action Narrative message (seev.038)
CACN	ISO 20022 Corporate Action Cancellation Advice message (seev.039)
CAIC	ISO 20022 Corporate Action Instruction Cancellation Request message (seev.040)
CACS	ISO 20022 Corporate Action Instruction Cancellation Request Status Advice message (seev.041)
CAST	ISO 20022 Corporate Action Instruction Statement Report message (seev.042)
CAPC	ISO 20022 Corporate Action Movement Preliminary Advice Cancellation Advice message (seev.044)

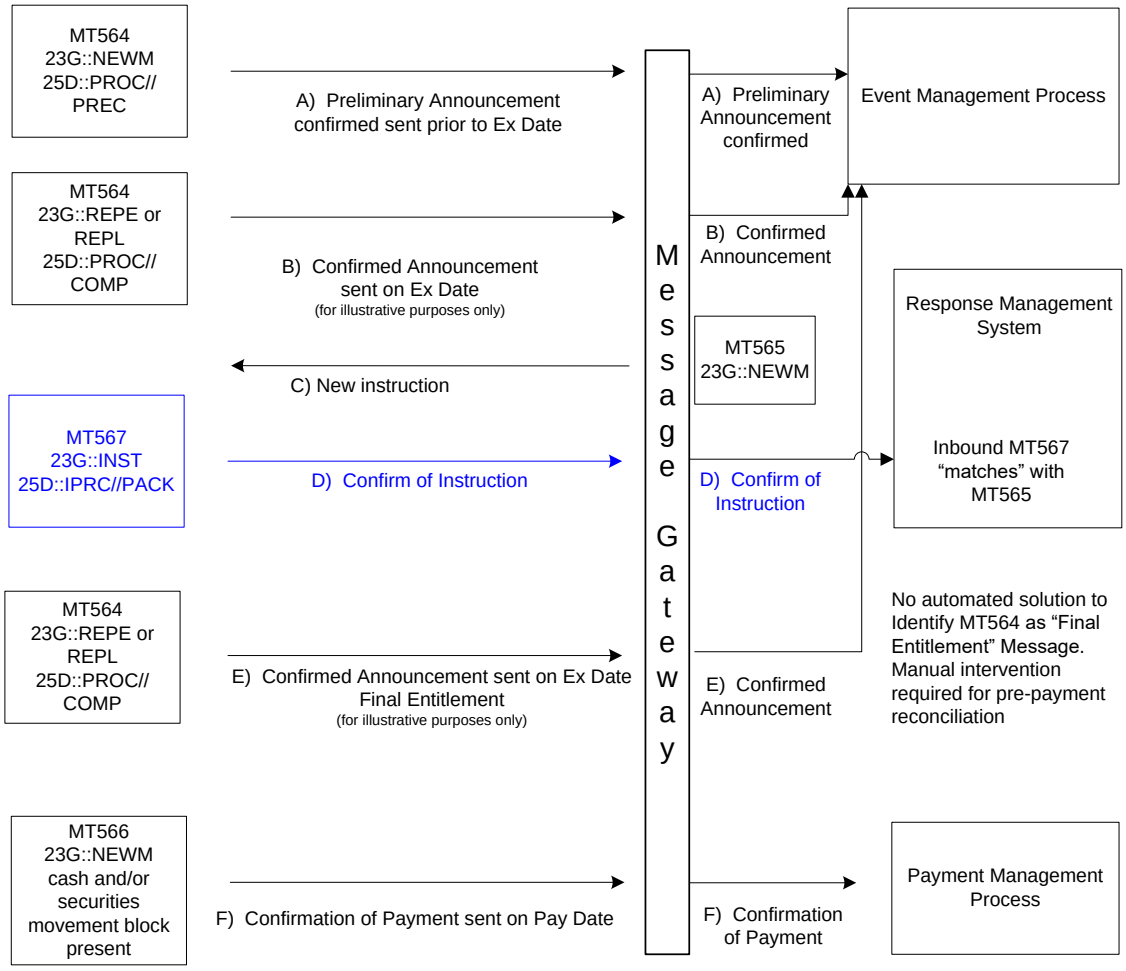
4.4.1 Scenario 1: Mandatory Event – No preliminary Advice

This scenario illustrates, using a ISO 150022 notation, a classic business flow for mandatory corporate action events when a preliminary advice flow is not explicitly supported.



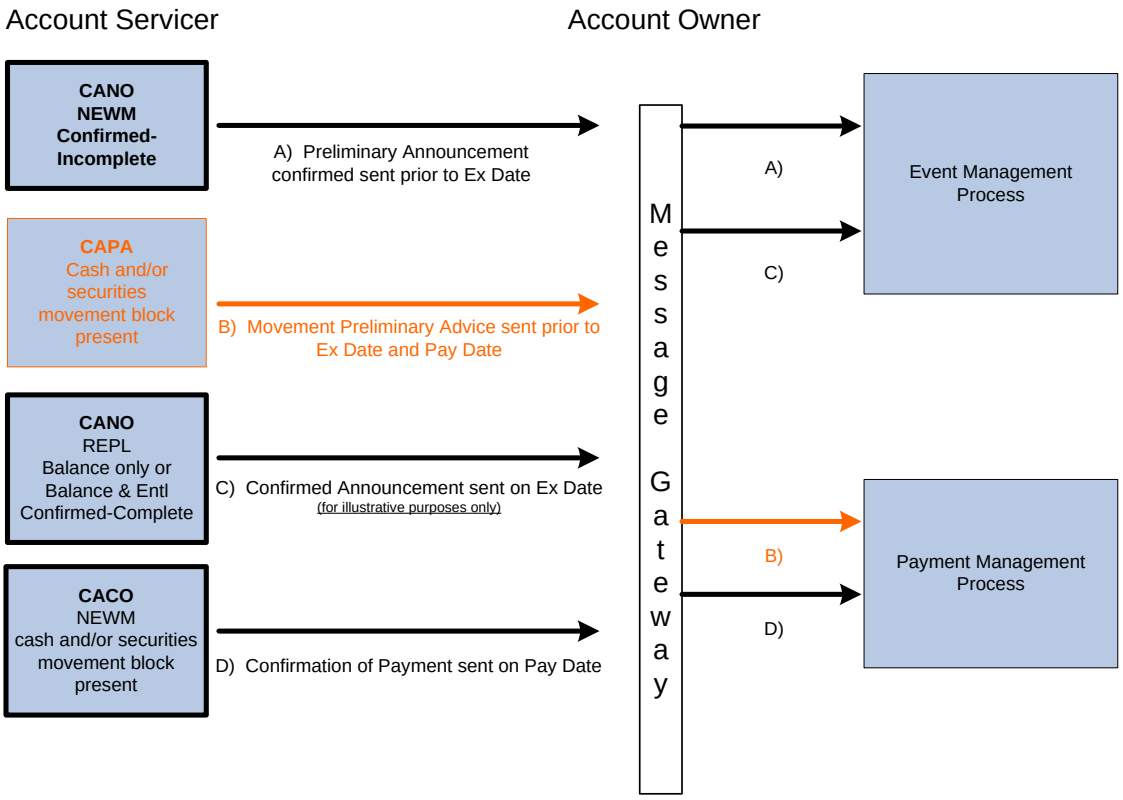
4.4.2 Scenario 2: Mandatory with Election and Voluntary Event - No Preliminary Advice

This scenario illustrates, using a ISO 150022 notation, a classic business flow for mandatory corporate action events with election or voluntary corporate action events when a preliminary advice flow is not explicitly supported.



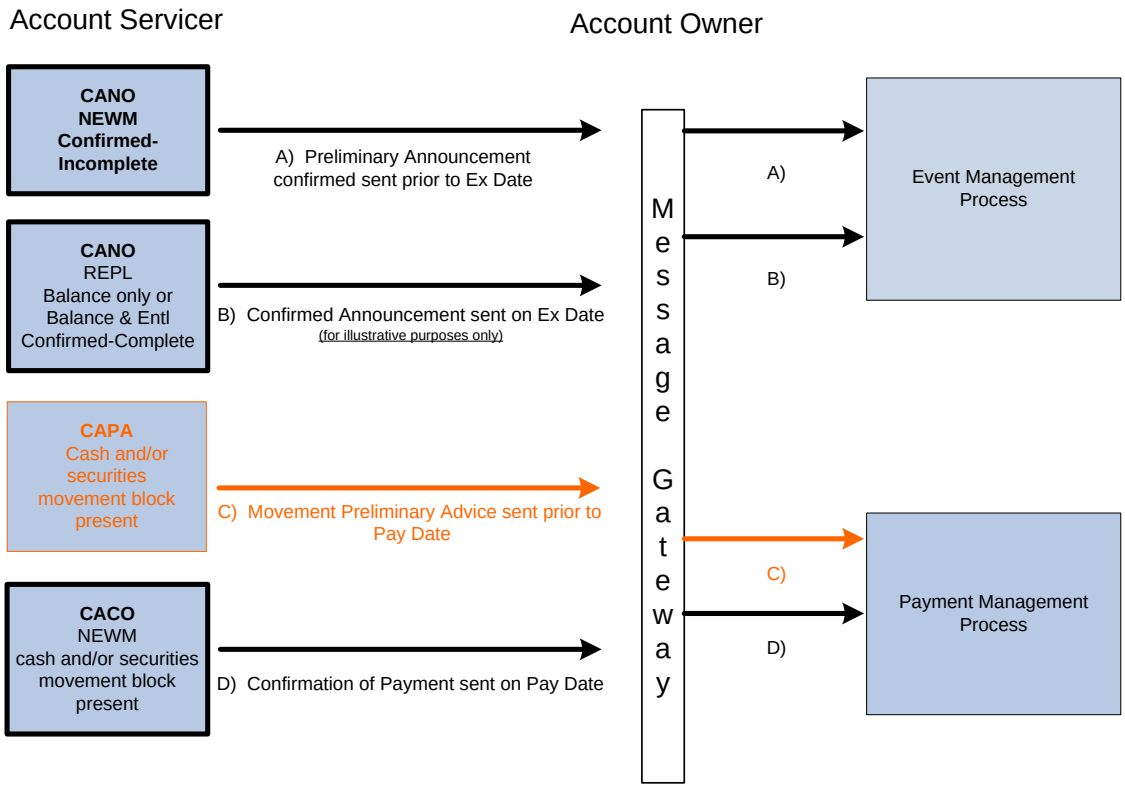
4.4.3 Scenario 3: Mandatory Event Ex Date = Pay Date

The account servicer announces a mandatory event with a payment date on the same day as the ex-date. A CA Movement Preliminary Advice is sent prior to ex-date and payment date.



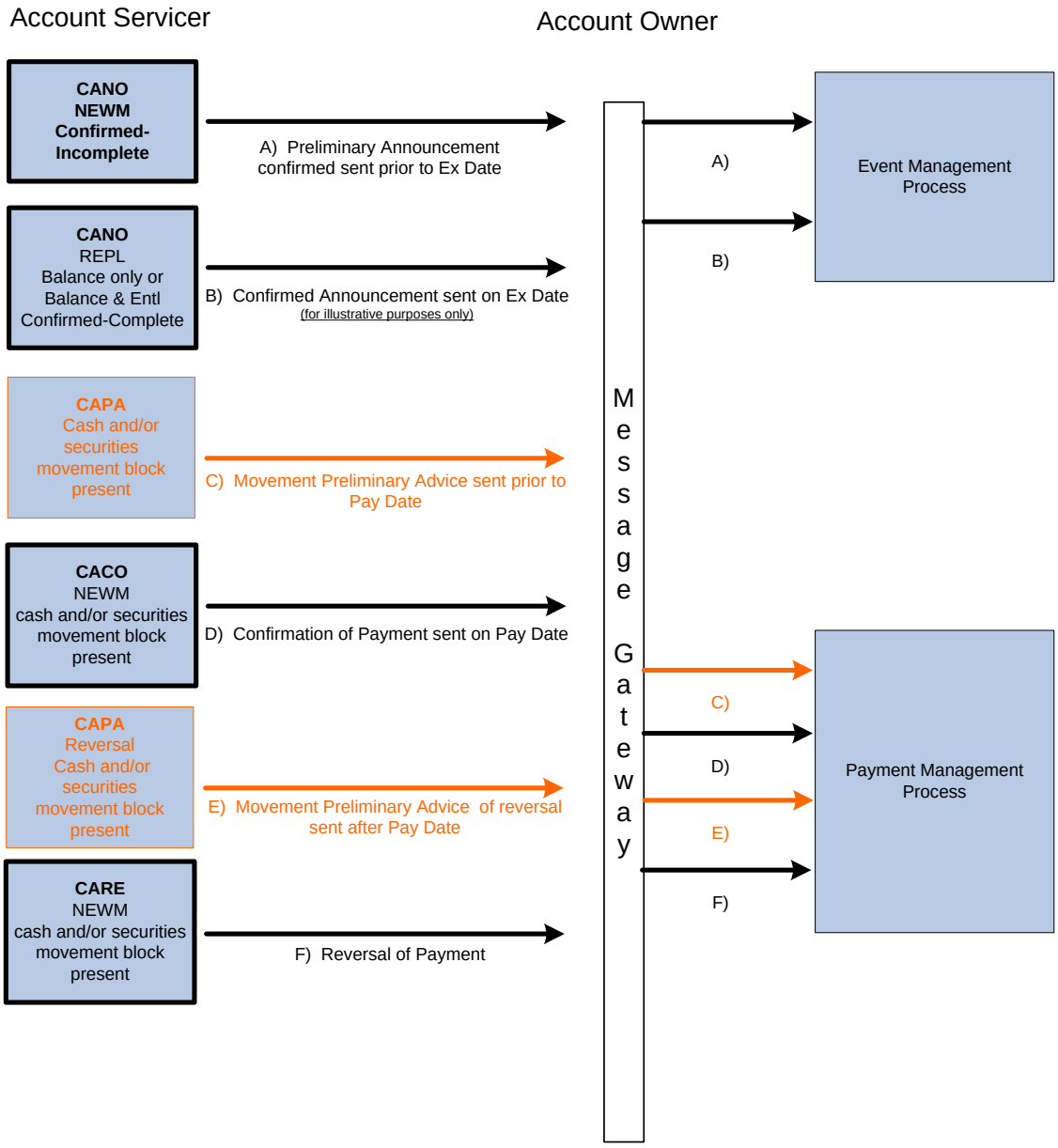
4.4.4 Scenario 4: Mandatory Event

The account servicer announces a mandatory event. A CA Movement Preliminary Advice is sent prior to payment date.



4.4.5 Scenario 5: Mandatory Event with Reversal of Payment

The account servicer announces a mandatory event. A CA Movement Preliminary Advice is sent prior to payment date. Following confirmation of the payment, a reversal needs to be made for which a CA Movement Preliminary Advice of reversal is made prior to the effective reversal of payment.



CAPA and CACO Movements usage guidelines

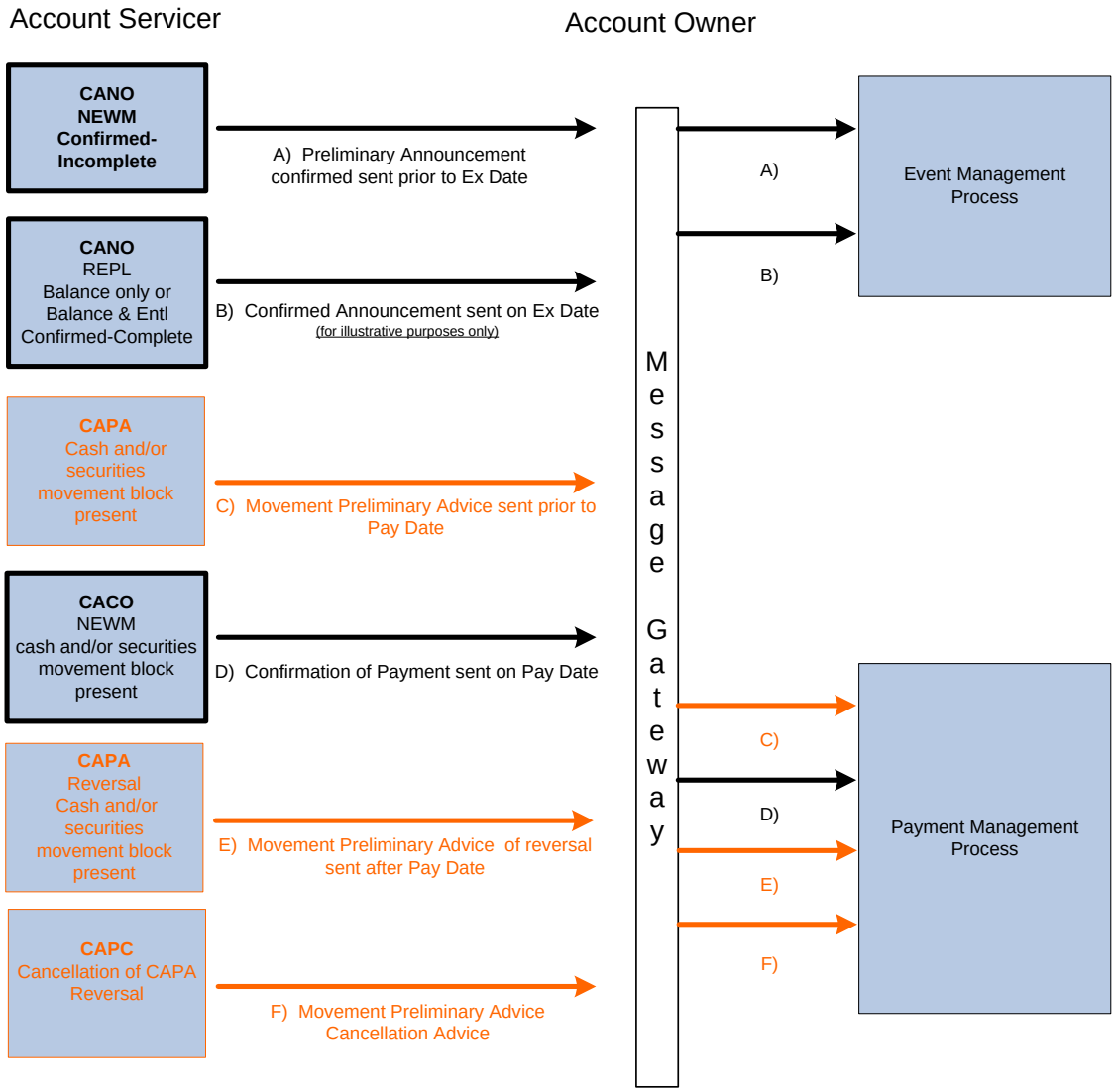
Movements reported within the CA movement preliminary advice reversal (CAPA reversal) message will be opposite to those reported into the referred CA confirmation message (CACO) i.e. credit of cash and/or securities will become debits and inversely.

Movements reported within the CA Reversal (CARE) message will be identical to the movements reported into the referred CA confirmation message (CACO).

4.4.6 Scenario 6: Mandatory Event with Cancelled Reversal of Payment

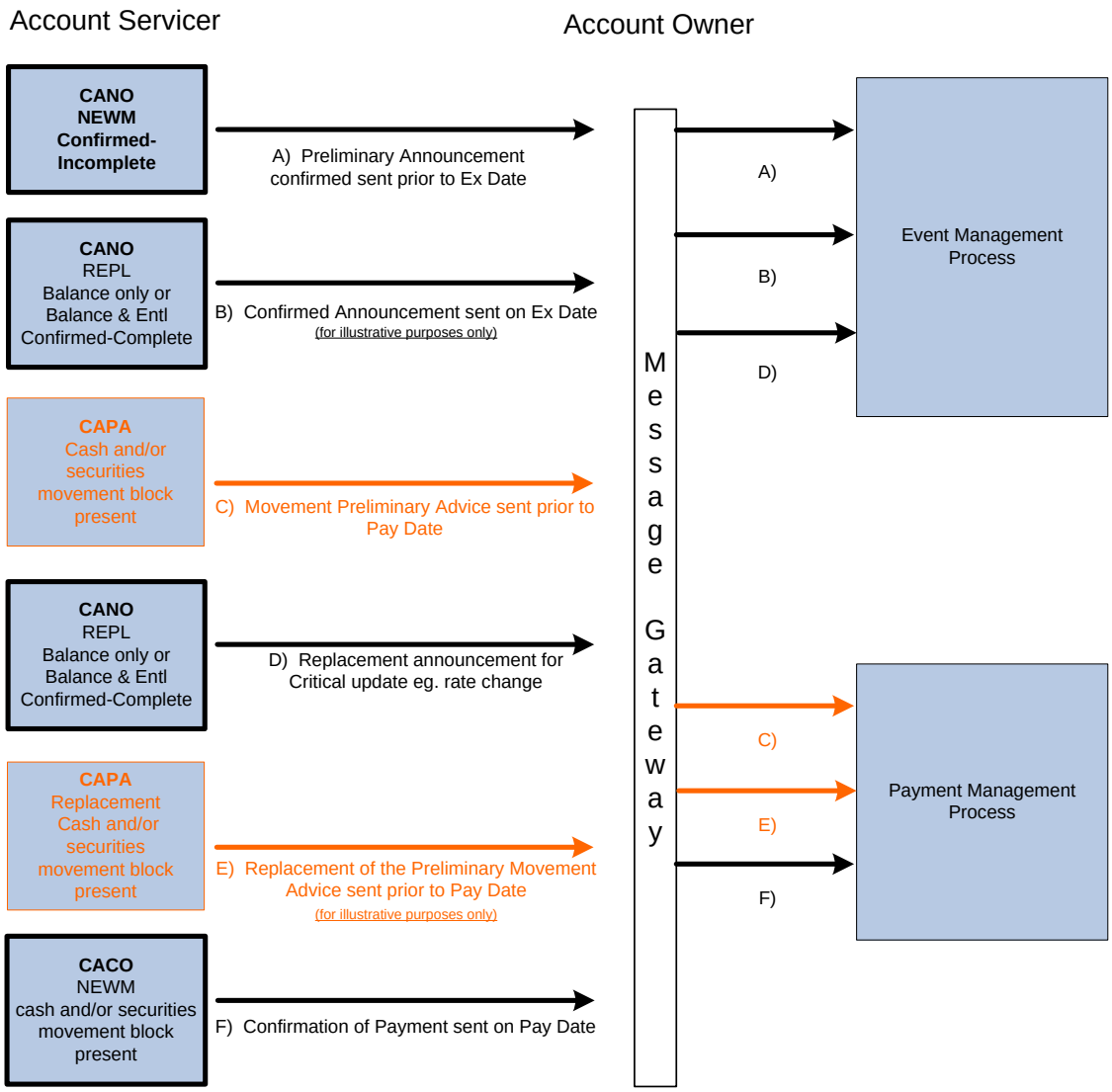
The account servicer announces a mandatory event. A CA Movement Preliminary Advice is sent prior to payment date. Following confirmation of the payment, a reversal needs to be made for which a CA Movement Preliminary

Advice of reversal is sent. However, since the original payment was later found fully correct, this CA Movement Preliminary Advice of reversal is cancelled.



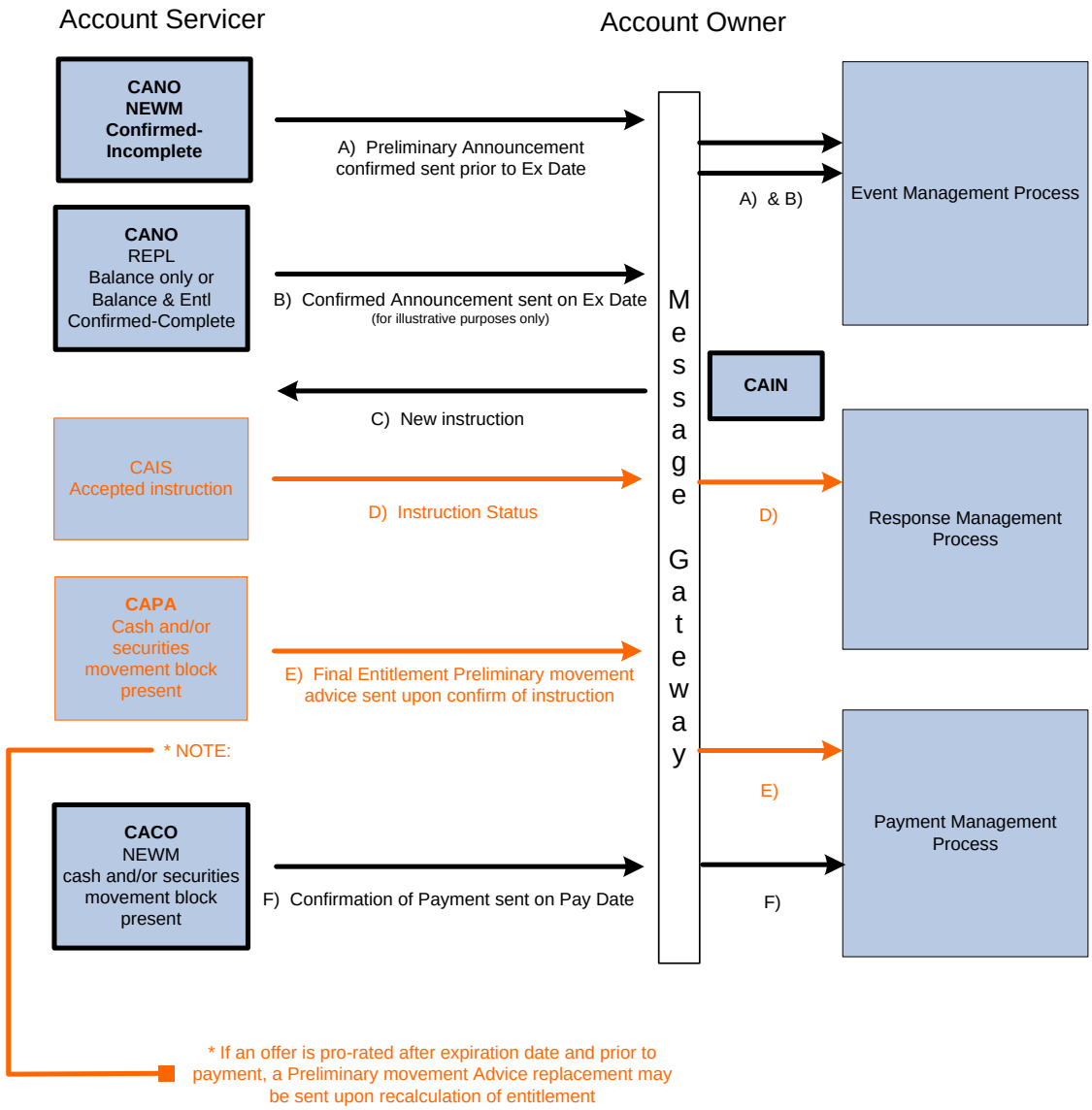
4.4.7 Scenario 7: Mandatory Event with Critical Update

The account servicer announces a mandatory event. A CA Movement Preliminary Advice is sent prior to payment date. Following this advice, a critical update is sent by the account servicer, followed by an updated CA Movement Preliminary Advice.



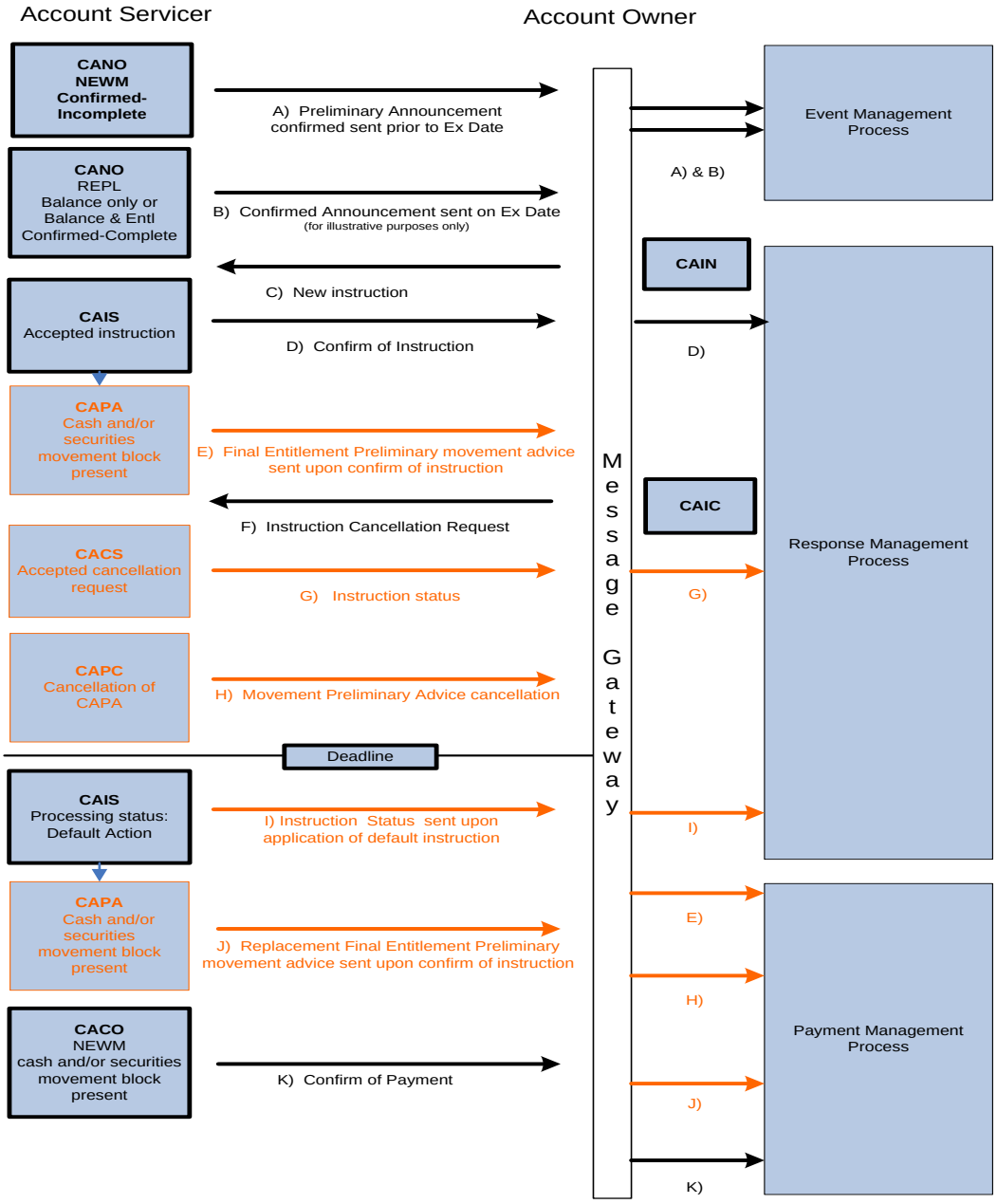
4.4.8 Scenario 8: Mandatory with Election and Voluntary Event - New Instruction

The account servicer announces a mandatory with election or a voluntary event. A CA Movement Preliminary Advice is sent to the account owner after receipt of his corporate action instruction.



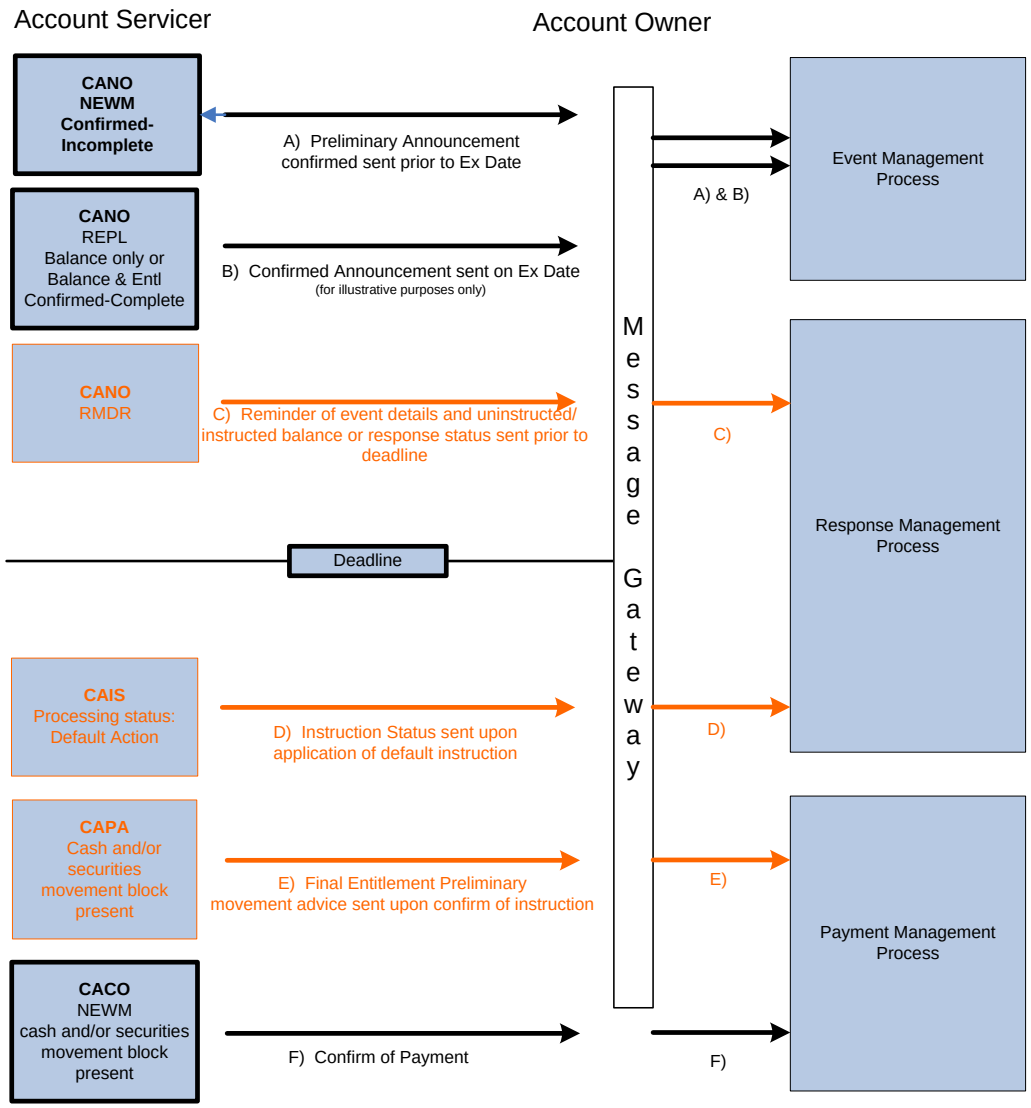
4.4.9 Scenario 9: Mandatory with Election Event - Cancel Instruction

The account servicer announces a mandatory with election or a voluntary event. A CA Movement Preliminary Advice is sent to the account owner after receipt of his corporate action instruction. The account owner subsequently cancels his corporate action instruction. The acceptance of the corporate action instruction cancellation by the account servicer is followed by the sending of a CA Movement Preliminary Advice Cancellation Advice. After the instruction deadline, a CA Movement Preliminary Advice is sent to the account owner followed by a CA Movement Confirmation.



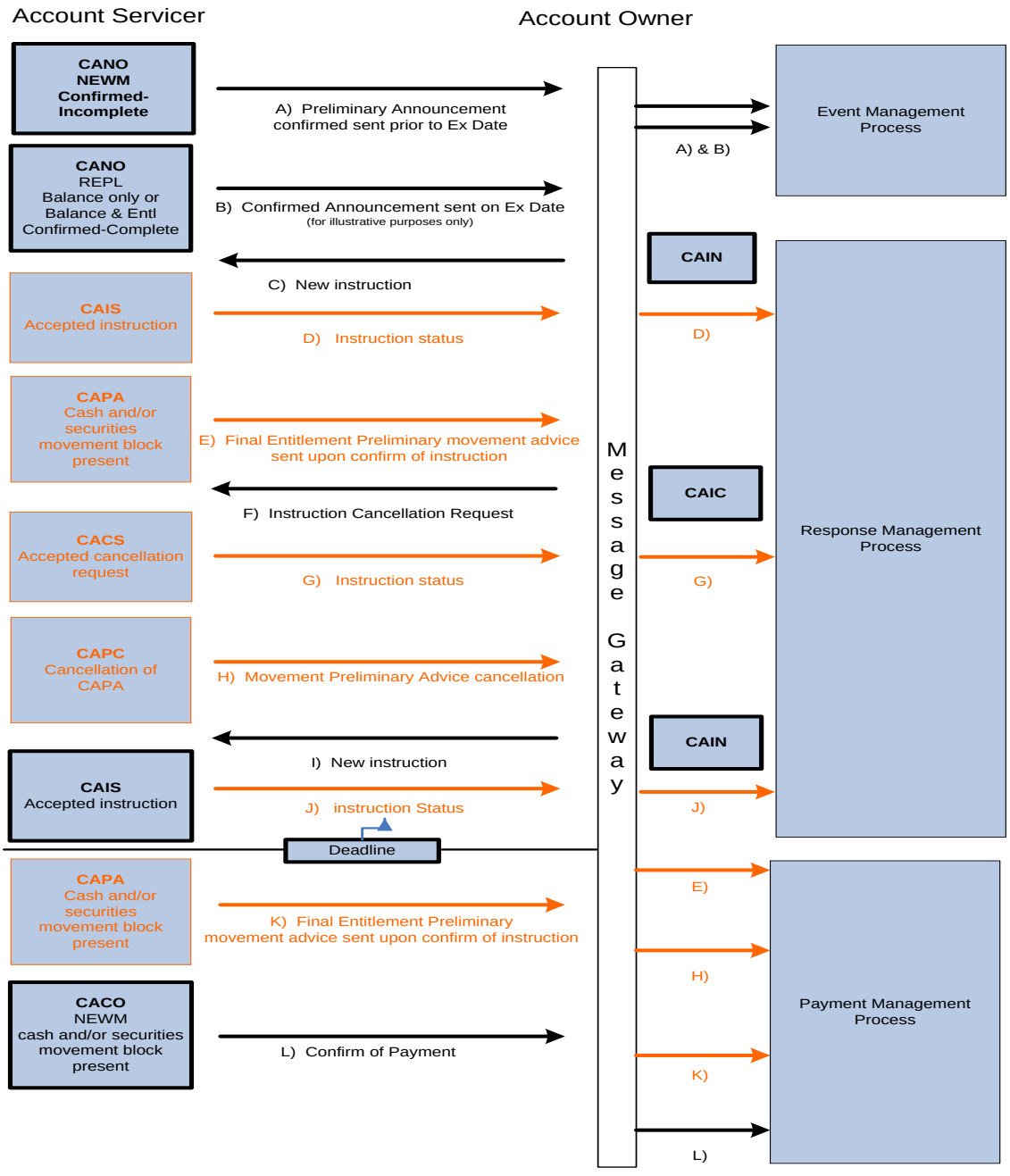
4.4.10 Scenario 10: Mandatory with Election – No Instruction Received

The account servicer announces a mandatory with election event . The account owner does provide corporate action instructions therefore (depending on the type of service provided) the account owner sends either a CA Notification with function Reminder. After the deadline the account servicer sends a CA Instruction Status Advice to advice the account owner that the default instruction has been applied to his holdings. A CA Movement Preliminary Advice is finally sent to the account owner followed by a CA Movement Confirmation.



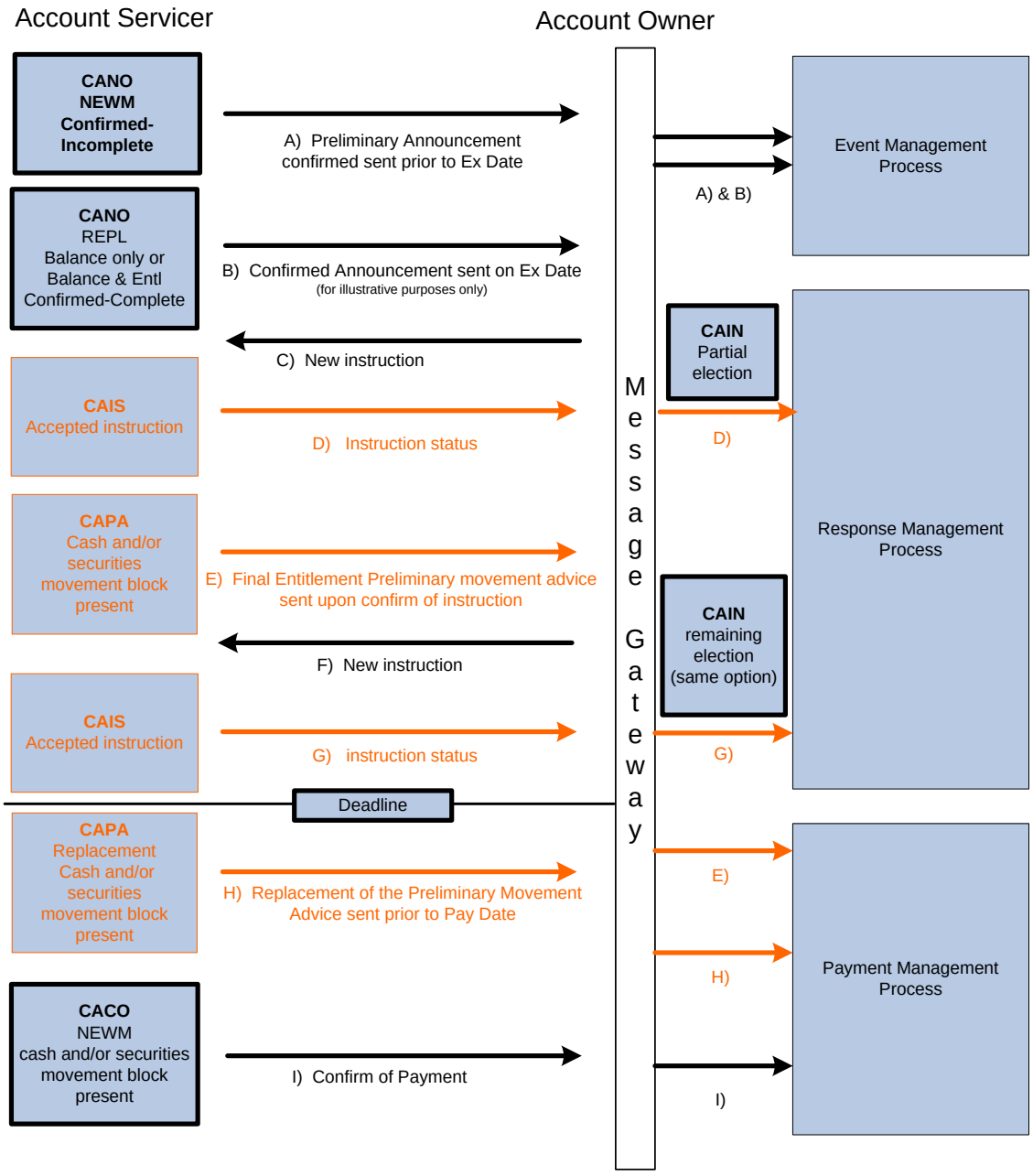
4.4.11 Scenario 11: Voluntary Event – Cancel and Rebook Instruction

The account servicer announces a voluntary event. The account servicer sends a CA Movement Preliminary Advice message to the account owner following the receipt of his corporate action instruction. The account owner cancels his corporate action instruction. The account servicer then cancels the sent CA Movement Preliminary Advice message and sends a new CA Movement Preliminary Advice message following the receipt of the new corporate action instruction from the account owner.



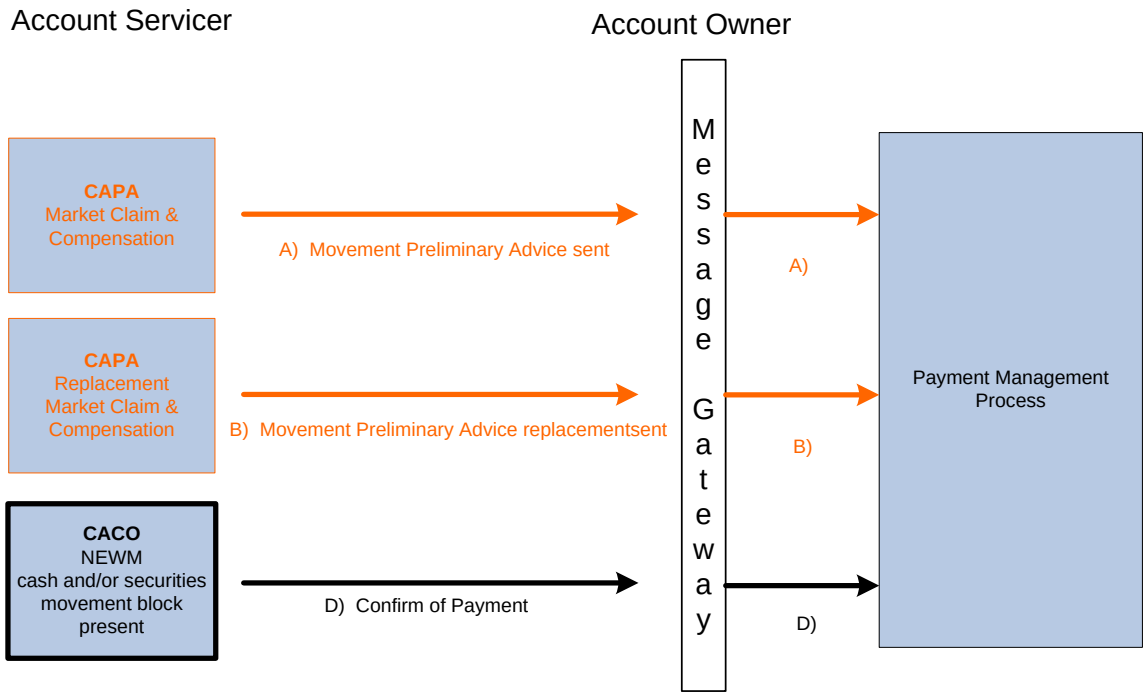
4.4.12 Scenario 12: Voluntary Event – Partial Election

The account servicer announces a voluntary event for which two consecutive partial corporate action instructions are received from the account owner. The account servicer send a CA Movement Preliminary Advice following each corporate action instruction received.

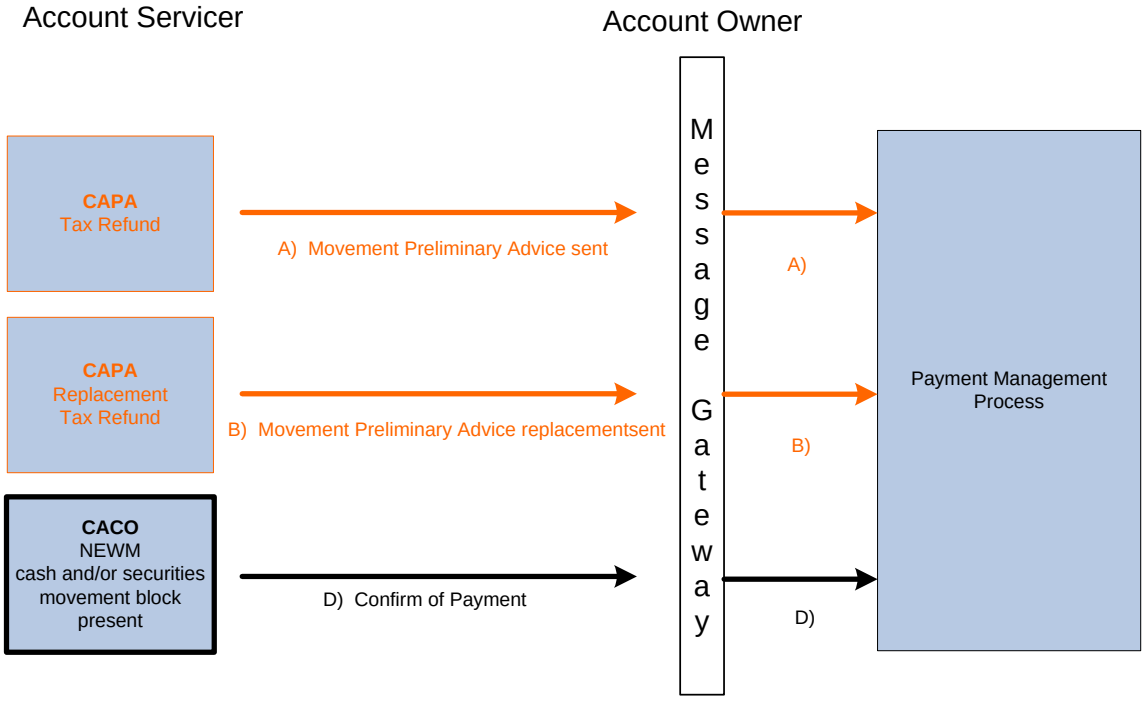


4.4.13 Scenario 13: Movement Preliminary Advice for Market Claim & Compensation and Tax Refund

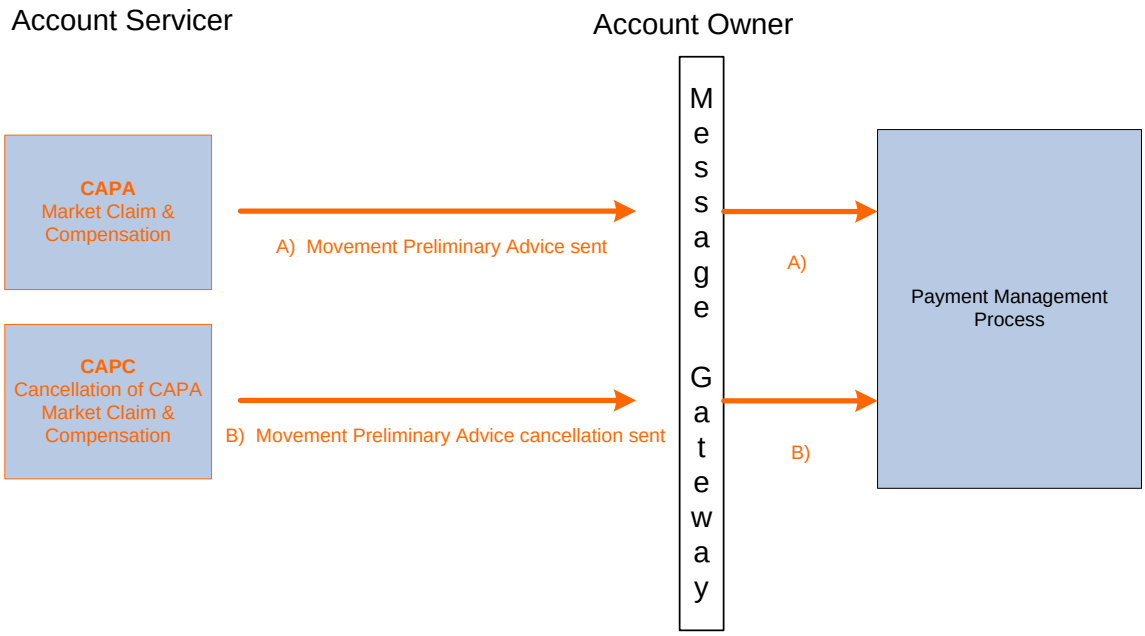
A. Market Claim & Compensation



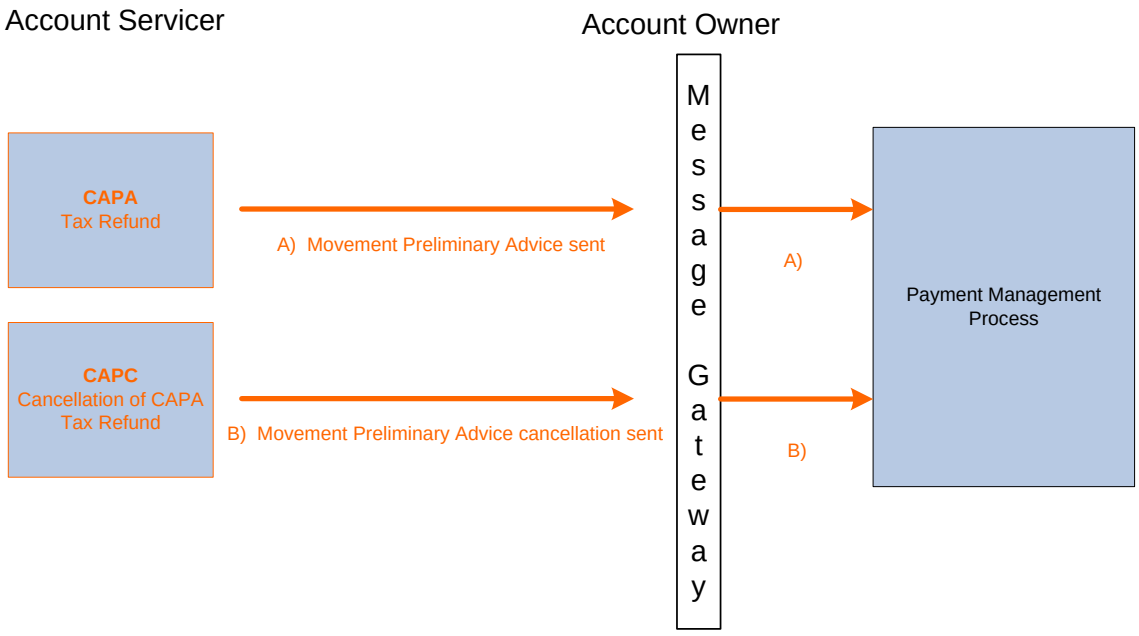
B. Tax Refund



C. Movement Preliminary Advice Cancellation for Market Claim & Compensation



D. Movement Preliminary Advice Cancellation for Tax Refund



5 Instruction Message (MT 565 / seev.033 & seev.040)

It is to be noted that it is against market practice and ISO 15022 standards to use an MT 568 stand-alone to instruct a corporate action.

5.1 Generic Elements of an Instruction

In an Instruction message following an event notification, the minimum details to be provided are the following elements:

a) Corporate Action Event Identification / [:20C::CORP]. As with all messages in the corporate action, it is important for reconciliation purposed to include the correct corporate action event reference;

b) Official Corporate Action Event Identification / [:20C::COAF];

c) Business Message Identifier [Head.001] / Sender's message reference [:20C::SEME];

d) Function of the message [:23G:] (in ISO 15022 only);

e) Event Type / [:22F::CAEV];

f) Links to the Announcement/Notification or Eligible Balance or Final Entitlement message / [:20C::PREV];

g) Underlying Financial Instrument Identification via an ISIN / [:35B:ISIN];

h) Safekeeping Account / [:97A::SAFE];

i) Total Eligible Balance / [:93a::ELIG]: the amount of client stock that could be elected upon, regardless of whether any elections have already taken place. This is not the number of shares the election is made for;

j) The Option Number relating to the required option / [:13A::CAON];

k) The Option Type / [:22a::CAOP] (e.g. cash and / or stock);

l) Quantity of securities instructed / [:36B::QINS], the number of eligible securities to be elected upon or, if applicable, the number of securities to be received or the instructed cash amount / [:19B::QCAS].

Use of other details is dependent on SLA.

5.2 Linkages

Usually, linking Instruction messages together should not been done, unless it makes sense for special event/options like for instance linking an instruction message with a Buy Up (BUYA) option type (that includes the extra securities bought for the exercise) with an Instruction message with a Securities option (SECU).

However, an Instruction message may link back to a previous Instruction Cancellation Request message [MT565 - :23G:CANC <> seev.040] or to a previous cancelled Instruction message and an Instruction Cancellation Request message [MT565 - :23G:CANC <> seev.040] should link back to the Instruction message to be cancelled .

5.3 Identification of Option Selected on an Election[1]

In the Instruction message, the option number and option type should be one of those announced in the related Notification or Eligible Balance/Entitlement message. If a mismatch occurs between, the Instruction message should be rejected.

When the Instruction message is unsolicited, i.e., the instruction has not been preceded by a Notification, then the corporate action option number must have the value "Unsolicited" **[:13A::CAON//UNS <> seev.033 – D / OptionNumber / Code / UNSO].**

[1] Geneva meeting September 2002 and Brussels meeting June 2003.

5.4 Usage of Option Type Buy Up

The option type Buy Up (code BUYA) should be used when additional securities have to be bought. This option only pertains to this action, not to the exercise of the additional securities bought.

ISO 15022	ISO 20022
MT 565 / **D** / 22F / CAOP / BUYA	seev.033 – **D** / OptionType / Code / BUYA

Decision Date	Implement. Date	Update Date	Open Item Ref.
Jun. 2001	Nov. 2002		

5.5 Quantity of Securities Instructed

When an elective corporate action includes an option which results in a quantity of shares which is not related to the quantity of underlying securities (for examples a priority offer without interim securities or oversubscription option in a rights issue), then in the instruction message, the quantity of shares requested should be mentioned in the field "Quantity of Securities Instructed" in ISO 15022 or "InstructedQuantity" (in ISO 20022) **[:36B::QINS <> seev.033 – D / SecuritiesQuantityOrInstructedAmount / SecuritiesQuantity / InstructedQuantity / Quantity].**

The usage of the "All Securities" (QALL) code for the "Quantity of Securities Instructed" (in ISO 15022) or "InstructedQuantity" (in ISO 20022) is not recommended as it is ambiguous since the holdings balance can change after the applicable date and that if used, QALL should then be subject to a bilateral agreement specifying not only usage but also meaning (for instance settled/settled plus pending balance at record date, settled/settled plus pending balance at response deadline and settled/settled plus pending balance at market deadline).

Examples of the usage of "Quantity of Securities Instructed" or "InstructedQuantity" to subscribe and oversubscribe in an Instruction message in ISO 15022 is provided in section 13.4.

ISO 15022	ISO 20022
MT 565 / **D** / 36a / QINS	seev.033 – **D** /SecuritiesQuantityOrInstructedAmount / SecuritiesQuantity / InstructedQuantity / Quantity

Decision Date	Implement. Date	Update Date	Open Item Ref.
Jan. 2002	Nov. 2002	Dec. 2015 / Nov. 2017	CA319 / CA354

5.6 Instruction Cancellation

5.6.1 Change and Withdrawal of Instructions

It is not always possible to cancel a corporate action instruction. There are two flags in the Notification message which may be used to indicate whether an instruction can be withdrawn or changed: Withdrawal Allowed Indicator and Change Allowed Indicator.

The following usage rules for those indicators are recommended:

- If Withdrawal Allowed has value "Y" or "true": client can withdraw his previously sent instruction by cancelling it.
- If Withdrawal Allowed has value "N" or "false": client cannot withdraw his previously sent instruction.
- If Change Allowed has value "Y" or "true": the client cannot withdraw his acceptance of the offer but may change requested outturn by sending a cancellation and replacement instruction.
- If Change Allowed has value "N" or "false": the client can neither withdraw his instruction nor change it.

The usage of "Withdrawal Allowed" is however not recommended by the SMPG except when supported in local market practices.

Although the Standards allows for those fields to be combined, it is recommended to avoid it.

Note also that in case of an election deadline extension, the account servicer may indicate in a Replacement Notification that all previously sent instructions are considered invalid by using the "Previous Instructions Invalidity" code PINS in the Option Features indicator in the Corporate Action Options sequence.

In the same case, the account servicer may also indicate in the Instruction Status Advice message **[MT 567 <> seev.034]** by using the code "Cancelled By Subcustodian" (CSUB) in the Instruction Processing Status Cancelled status codes **[MT567 – A2a / :24B::CAND//CSUB <> seev.034 / C / Cancelled / Reason / ReasonCode / Code / CancelledByAgent]** that an Instruction has been cancelled by the agent due to an event deadline extension.

ISO 15022	ISO 20022
MT 564 / **E** / 17B / WTHD & CHAN MT 564 / **E** / 22F / OPTF//PINS MT 567 A2a / 24B / CAND//CSUB	seev.031 – **E** / ChangeAllowedIndicator & WithdrawalAllowedIndicator seev.031 – **E** / OptionFeatures / code / PreviousInstructionInvalidity (PINS) seev.034 – C / Cancelled / Reason / ReasonCode / Code / CancelledByAgent (CSUB)

Decision Date	Implement. Date	Update Date	Open Item Ref.
	Nov. 2011	Apr. 2016	CA330

5.6.2 Instruction Cancellation after Event Withdrawn

When an event is withdrawn after one or more instructions have already been sent, it is required to send an Notification message with the "Function of the Message" with the code:"WITH" (Withdrawal).

However the sending of an Instruction Status Advice message in addition is optional and up to service level agreement.

ISO 15022	ISO 20022
MT 564 / **A** / 23G / WITH	seev.039 – **A0** / CancellationReasonCode / Withdrawal (WITH)

Decision Date	Implement. Date	Update Date	Open Item Ref.
	Nov. 2011	Apr. 2016	CA330

5.7 Linking MT 565 and MT 568

In ISO 15022, he SMPG recommends not to link an MT565 to an MT568[1], except in some cases like disclosure of beneficial owner details or to provide additional complex information to what has been instructed in the MT 565.[2]

In ISO 20022, any additional information can be provided in the Instruction message itself.

5.8 Instructing in Cash Amount

In the UK & IE (and Australia and New Zealand), there are subscription offers (also called "share purchase plan" in Australia) where the account owner needs to indicate to the account servicer the amount of cash they intend to subscribe for. To cover these scenarios, the following elements have been created in the Standards:

Toronto Meeting June 2002

[2] Brussels meeting June 2003.

- A new “Instruct Cash Amount” [:22F::QCAS] Option Feature code and 3 new price elements (MaximumCashToInstruct [MACI],MinimumCashToInstruct [MICI], MinimumMultipleCashToInstruct [MMCI]) in the Notification and Movement Preliminary Advice message;
- A new optional “Instructed Amount” [:19B::QCAS] element in the Instruction message;
- A new StatusCashAmount element [:19B::QCAS]and three new Status Reason Codes DQCS, DQCC and DQAM to allow for rejection of cash instructions in the Instruction Status Advice and Instruction Cancellation Request Status Advice messages.

For a detailed description of the market practice on how to use those new elements, please refer to the UK & IE “Cash Instructions” Market Practice document on the www.smpg.info web site.

ISO 15022	ISO 20022
MT564 / E / 22F / **OPTF / QCAS**	seev.031 – E / OptionFeatures / Code / InstructCashAmount (QCAS)
MT564 / E / 90a / **MACI, MICI, MMCI**	seev.031 – E / PriceDetails / MaximumCashToInstruct, MinimumCashToInstruct, MinimumMultipleCashToInstruct
MT565 / D / 19B / **QCAS**	seev.033 – D / SecuritiesQuantityOrInstructedAmount / InstructedAmount
MT567 / B / 19B / **STAC**	seev.034 – D / StatusCashAmount seev.034 – C / Rejected / DQCS, DQCC, DQAM & Pending / DQCS
MT567 / A2a / 24B / **PEND**, **REJT, CANP**	seev.041 – C / Pending Cancellation / DQCS

Decision Date	Implement. Date	Update Date	Open Item Ref.
Dec. 2016	Nov. 2018	Dec. 2017	CA345, CA386

5.9 Use of Place of Safekeeping

Global custodians may safekeep an instrument with more than one local custodian or (I)CSD for the same client account.

In such cases, where the COAF **[:20C::COAF <> seev.033 – A / OfficialCorporateActionEventIdentification]** cannot uniquely be used to identify the local custodian/(I)CSD to be instructed by the global custodian, it is recommended that the Instruction sent to the global custodian includes the Place of Safekeeping **[:94a::SAFE <> seev.033 / B2 / SafekeepingPlace]** in addition to the COAF.

ISO 15022	ISO 20022
MT565 / B2 / 94a / SAFE	seev.033 – B2 / SafekeepingPlace

Decision Date	Implement. Date	Update Date	Open Item Ref.
Sep. 2020	Nov. 2020		CA403

6 Movement Confirmation Message (MT 566 / seev.036 & seev.037)

6.1 Usage of the message

A Movement Confirmation message is mandatory for confirming events in which securities/cash movements occur. However, it is not required when there are no outturn benefits (for example a name change with no change of security identifier).

A Movement Confirmation message must be sent for each individual account (this is a mandatory message rule).

Confirmations must only be sent to confirm movements that have actually settled and have not been confirmed previously.

ISO 15022		ISO 20022	
MT566		seev.036	
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Sept. 2020	Nov. 2020		CA452

6.2 Generic Elements of a Movement Confirmation

A Confirmation message should include the following elements:

a) Function of the Message [:23G] (ISO 15022 only - New or Reversal);

b) Event Type / [:22F::CAEV];

c) BusinessMessageIdentifier [Head.001] / Sender's Message Reference [:20C::SEME];

d) Corporate Action Event Identification / [:20C::CORP];

e) Underlying Financial Instrument Identification via an ISIN / [:35B:ISIN];

f) Safekeeping Account / [:97A::SAFE];

g) Confirmed Balance / [:93a:CONB];

h) Main event details;

i) The Option Number relating to the required option / [:13A::CAON];

j) The Option Type / [:22a::CAOP];

k) Securities movement with identification of the security and/or cash movements;

l) Posting Quantity and/or Posting Amount / [:36B::PSTA and/or :19B::PSTA];

m) Posting Date / [:98a::POST].

6.3 Linkage to Previous and Related Messages

Linkages to any preceding Notification, Eligible Balance, Movement Preliminary Advice or Instruction messages are **optional** in the Movement Confirmation message.

ISO 15022		ISO 20022	
MT566 / A1 / 20C / PREV & RELA		seev.036 – NotificationIdentififcation & MovementPreliminaryAdviceIdentification & InstructionIdentification	
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Apr. 2006	Nov. 2007		CA53

6.4 Linkage to Market Infrastructure Transaction Identification (MITI)

In T2S, Central Banks and CSDs should report the T2S Market Infrastructure Transaction Identification (MITI) in the cash or securities transaction statements.

Securities services providers that inform their clients about payments that have been executed in T2S should therefore populate the MITI reference, provided they have received it from their provider, in the movement confirmation message (MT566, seev.036 or seev.037, respectively).

ISO 15022		ISO 20022	
MT566 / A1 / 20C / MITI		seev.036/037 – TransactionIdentification / MarketInfrastructureTransactionIdentification	
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Sept. 2020	Nov. 2020		CA451

6.5 Value Date

Value Date is recommended in the Movement Confirmation message for cash movements even if it is the same as the Payment Date, If the payment is made by a CSD in Central Bank money, the presence of Value Date is optional.

6.6 Gross Cash Amount

When the gross amount is equal to the posting amount, then the presence of the gross amount is optional.

ISO 15022		ISO 20022	
MT566 / D2 / 19B / GRSS & PSTA		seev.036 – E2 / AmountDetails / GrossCashAmount & PostingAmount	
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Apr. 2006	Nov. 2006		CA38

6.7 Total Eligible and Confirmed Balance

Separate Movement Confirmation messages must be sent when:

- the benefit is distributed for different components of the total eligible balance at different times within the same day;
- the distribution is made within different days.

Each message should identify the type of balance for which the benefit is distributed for example the “On Loan” balance).

The Total eligible Balance is optional in the Movement Confirmation message.

The Confirmed Balance is mandatory in the Movement Confirmation message.

The Confirmed Balance refers to the balance for which the payment has been made.

For elective events, a Movement Confirmation message is sent per instructed option and the Confirmed Balance is normally equal to the elected quantity per option.

Example: Total Eligible Balance on “ex-date”is 500 with an instruction on cash on 300 and an instruction on Stock on 200.

This leads to one Confirmation message confirming the credit based on the election of 300 (=confirmed balance) and one Confirmation message confirming the securities posting based on the election of 200 shares. (=confirmed balance).

ISO 15022	ISO 20022		
MT 566 / B / 93a / ELIG & CONB	seev.036 – B2 / Balance / TotalEligibleBalance & ConfirmedBalance		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Jun. 2001	Nov. 2002	Jun. 2017	CA371

6.8 Usage of Payment Reversal

In ISO 15022, a payment reversal can be done by using the MT 566 message with the value “Reverse (REVR) in the Function of the Message field.

In ISO 20022, a payment reversal can be done by using the Movement Reversal Advice (seev.037) message.

In principle, the Movement Reversal message should be exactly the same as the message it reverses.

The only difference vis-à-vis the original Confirmation message could be the Posting Date and the Value Date as well as the Preparation date in ISO15022 or the Creation Date and the presence of the Reversal Reason in ISO 20022. All other details should remain the same.

The same logic still applies if the confirmation contains multiple security and cash movements and even if only one is the cause of the reversal.

The Movement Confirmation message following the reversal will include the adjusted movements and related information (example the correct FX information).

For example, an original Movement Confirmation reported a credit of USD 100.00. If this needs to be reversed, the Movement Reversal Advice would also report a credit of USD 100.00.

By virtue of the message function being a reversal, it is implied that the opposite cash and/or securities movements are occurring.

ISO 15022	ISO 20022		
MT 566 / A / 23G / REVR	seev.037		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Jun. 2001	Nov. 2002	Jun. 2003 / May 2005	CA371

6.9 Confirmation of an Instruction with an “Unsolicited” Option Number

If an Instruction message is sent with the option number ”Unsolicited”, the following options are allowed under market practice:

- The Movement Confirmation message option number may contain the “Unsolicited” code, or
- The Movement Confirmation option number may contain a number generated by account servicer upon receipt of the Instruction message.

ISO 15022	ISO 20022		
MT 566 / D / 13A / CAON / UNS	seev.036 – E / OptionNumber / Code / Unsolicited (UNSO)		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Apr. 2005	Nov. 2006		

6.10 Option Number for Credit of Rights in a Rights Issue Event

Whilst the SMPG recommends using a rights issue in two events (RHDI followed by EXRI), when using the RHTS event, the option number to be used for the credit of the rights in the Movement Confirmation message (with SECU option code) is 999.

ISO 15022		ISO 20022	
MT 566 / D / 13A / CAON		seev.036 – E / OptionNumber	
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Dec. 2005	Nov. 2006		

6.11 Movement Sequence Usage in the Confirmation

The movement sequences in the Movement Confirmation message should reflect the movements posted on the cash and/or securities account. The number of postings and the quantity/amount of each on the accounts are to correspond exactly with the Movement Confirmation message(s).

The Movement Confirmation message should also correspond with the movements and information provided in the Eligible Balance or Final Entitlement message; see section 3.14.

An example of the usage of the movement sequences in a Movement Confirmation message in ISO 15022 is provided in section 13.5.

ISO 15022		ISO 20022	
MT 566 / D1 & D2		seev.036 – E1 & E2	
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Dec. 2011	Nov. 2012		

6.12 Usage Guidelines for Narratives in the Confirmation

The Additional Information elements / narrative information fields in the Movement Confirmation message is considered as a barrier to automation and is strongly discouraged in the context of a Confirmation which has a high STP rate.

The usage of the various Additional Information elements / types of narratives fields should follow the following guidelines:

ISO 15022		ISO 20022	
MT 566 / **E** / 70E		seev.036 – **F**	
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
2014	Nov. 2015		CA268

6.12.1 Additional Text / ADTX

The information is to be read by the receiver as it is information not included somewhere else in the message.

If there is a way to provide this information in a structured field, it MUST be provided in a structured field and NOT be given in the additional text narrative.

6.12.2 Narrative Version / TXNR

The usage of TXNR is not recommended. If used, it should only reiterate some information that has already been included within structured fields of this message and / or provide information that can be ignored for automated processing. A receiver must be confident that they can completely ignore this type of narrative without impacting on the legality or completeness of the Corporate Action confirmation message.

6.12.3 Party Contact Narrative / PACO

This field must contain the contact details of some party. A typical example is the contact details of the person who wrote/generated the message and from whom more info is available. This information is typically unstructured.

The receiver may or may not read systematically this information if received based on its own process and requirements.

6.12.4 Taxation Conditions / TAXE

Details on taxation conditions that cannot be included within the structured fields of this message.

7 Status Message (MT 567 / seev.032 & seev.34 & seev.041)[1]

In the ISO 20022 solution, the MT 567 Status message may map to the following three different messages:

- seev.032: the Event Processing Status Advice message
- seev.034: the Instruction Status Advice message
- seev.041: the Instruction Cancellation Request Status Advice message

Those 3 messages match the three message Functions present in the MT 567 message i.e. respectively :23G::EVST or :23G:INST or :23G::CAST.

For ISO 15022, the detailed recommendation on how to use the combination of status and reason codes can be found within the final documents on www.smpg.info (SMPG CA Global Market Practice – Part 3 in MT 567 Summary Grid). A flow has also been drawn to highlight the MT567 lifecycle. It can be found on the SMPG web site www.smpg.info (3_SMPG_CA_Global_Market_Practice_Part_3 in "Instruction Process Decision" and "Instruction Cancellation Process Decision").

For ISO 20022, only the limited set of reason codes relevant to each status have been implemented in the Standards. There are therefore no specific market practice recommendations as to which reason codes can be combined with which status.

7.1 Generic Elements of a Status Message

A Status message should include the following elements:

a) Function of the Message [:23G:] (ISO 15022 only – Cancellation Request Status / Event Status / Instruction Status);

b) Event Type / [:22F::CAEV];

c) BusinessMessageIdentifier [Head.001] / Sender's Message Reference [:20C::SEME];

d) Corporate Action Event Identification / [:20C::CORP];

e) The Processing Status code [:25D:] (ISO 15022 only – Cancellation Processing Status / Event Processing Status / Instruction Processing Status);

f) If applicable, the Status Reason Code(s) / [:24B:]

g) The Option Number relating to the required option / [:13A::CAON] (not applicable for the seev.032);

h) The Option Type / [:22a::CAOP] (not applicable for the seev.032);

i) Underlying Financial Instrument Identification via an ISIN / [:35B:ISIN]; (not applicable for the seev.032)

j) The Status Quantity or Status Cash Amount / [:36B::STAQ or :19B::STAC] (not applicable for the seev.032).

7.2 Status Sequence

A single "Status" sequence only may be included in the Status messages though more than one reason may be included if needed and applicable.

ISO 15022	ISO 20022
MT 567 / A2	seev.032 - EventProcessingStatus seev.034 – InstructionProcessingStatus seev.041 – InstructionCancellationRequestStatus

Decision Date	Implement. Date	Update Date	Open Item Ref.

[1] Geneva meeting September 2002, Luxembourg/Singapore meeting September/October 2003,Boston meeting March 2004

Jul. 2015	Nov. 2016		CA305

7.3 Event Status

In ISO 15022, no reason code is required for the two event Processing Statuses “Complete” [:25D::EPRC//COMP] and “Reconciled” [:25D::EPRC//RECD].

However, the following reason codes can be used with the “Pending” event status [:25D::EPRC//PEND]:

- :24B::PEND//NPAY: Payment Not Made - Payment has not been made by issuer.
- :24B::PEND//NSEC: Securities Not Delivered - Securities have not been delivered by issuer
- :24B::PEND//NARR: Narrative Reason.
- :24B::PEND//AUTH: Sent to tax authorities - to be used only with a tax reclaim event.
- :24B::PEND//VLDA: Valid for tax authorities – to be used only with a tax reclaim event.
- :24B::PEND//MCER: Missing or Invalid Certification Awaiting receipt of adequate certification.

In the ISO 20022 seev.032 message, by default, no reason codes can be associated with that processing status.

7.4 Instruction and Instruction Cancellation Request Status

The Instruction Status message [MT567 – Seq. A - :23G:INST <> seev.034] may apply to both actual and default instructions.

In ISO 15022, no reason code is required for the two Instruction Processing Statuses “Standing Instruction” [:25D::IPRC//STIN] and “Default Action” [:25D::IPRC//DFLA].

In the ISO 20022 seev.034 Instruction Processing Status message, by default, no reason codes can be associated with those two processing statuses quoted above.

The “Accepted for Further Processing” status code in the Instruction Status and in the Instruction Cancellation Request Status message may only be used when an actual Instruction message has been received.

7.4.1 Linkages in Instruction and Instruction Cancellation Request Status Message

An Instruction Status message must link back to the related Instruction message.

An Instruction Cancellation Request Status message must link back to related Instruction Cancellation request message.

ISO 15022	ISO 20022		
MT 567 / A1 / 20C / RELA	seev.034 – InstructionIIdentification seev.041 – InstructionCancellationRequestIdentification		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Sep. 2011	Nov. 2012		

7.5 Process Flow for Instruction Processing Status

This is the agreed process flow to assign the instruction processing status:

- At **message level**, either accept the instruction for further processing [IPRC//PACK- no reason required] or the instruction is rejected by the network i.e. there is no reject sent by the user at message level;

- At **process level**, either reject the instruction [IPRC//REJT with a reason code] as the instruction of the client is invalid;
  or, depending on the service level agreement, indicate the instruction is pending [IPRC//PEND - with a reason code] . For example, the instruction of the client is valid, however, the positions have not yet been checked;
- At **process level and pending**, eventually either reject the instruction [IPRC//REJT with a reason code] - as the instruction of the client is invalid.

7.6 Additional Recommendations on Specific Usages

7.6.1 Reporting on Standing Instructions and Default Actions

The account servicer may or may not send an unsolicited Instruction Status message [MT567 – Seq. A - :23G:INST <> seev.034] to provide a status on the action taken for any uninstructed balance based on the default action or a standing instruction. This is to be agreed in the SLA (section 3.11.9.2).

Where provided after the account servicer's deadline to receive instructions as notification that a standing instruction or default action has been applied, the Instructed Balance should include any Standing Instruction or Default Action applied and this balance should not remain as an Uninstructed Balance. For example, if the Eligible Balance of the event is 100 shares, an instruction for 10 shares was accepted before deadline and a Standing Instruction or Default Action is applied to the remaining Eligible Balance of 90 shares, the Instructed Balance should be 100 shares and the Uninstructed Balance zero shares.

ISO 15022	ISO 20022		
MT 567 / A / 23G / INST	seev.034		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Jun. 2003	May. 2005	Feb. 2022	CA483

7.6.2 Reporting of a Delayed Payment in Status Message(seev.032 – CAPS)

If the processing of the CA event has not been fully completed by the announced payment date (i.e. an announced payment does not happen on the specified date), the account servicer may send an Event Processing Status message **[MT 567 - seq. A – 23G – EVST & 25D – EPRC//PEND <> seev.032 / CAPS]** (and not a Movement Confirmation message) to the account owner, to provide additional information on the reason why the CA event has not been completed by the announced payment date (example: "Pending" status Reason code such as "NPAY" (Payment Not Made - Payment has not been made by issuer), or "NSEC" (Securities Not Delivered - Financial instruments have not been delivered by the issuer.)).

Upon receipt of the payment of the CA proceeds, the account servicer should send a Movement Confirmation message (CACO or MT566) to the account owner to confirm credit of such proceeds.

The Movement Confirmation message will replace the need to issue a Corporate Action Event Processing Status Advice message (CAPS or MT567 with 25D:: EPRC//COMP).

ISO 15022	ISO 20022		
MT 567 / A2a / 24B / PEND / NPAY or NSEC	seev.032 - EventProcessingStatus / Pending / Reason / ReasonCode / Code / NoPayment (NPAY) or SecuritiesNotDelivered (NSEC)		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Jun. 2003	Nov. 2023	Feb. 2023	CA 520

7.6.3 Protect Balance Usage

The new Protect Balance **[MT 567 – seq. B - :93a::PTBA <> seev.034 & 041 / D / ProtectBalance]** added to the Instruction Status message should only be used when confirming instructions on US securities, to display the total "Protect Instruction Units", whenever a CA instruction has been received to protect, cover protect or cover on behalf of another instruction as part of the instruction workflow.

ISO 15022	ISO 20022		
MT 567 - **B** / 93a / PTBA	seev.034 & 041 - **D** / ProtectBalance		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
October 2022	November 2022		CA507

7.7 Statuses for Instructions Processed on a Partial Execution Basis

Account servicers for elective events where the issuer/offeror or its agent will only accept instructions on settled positions may choose to handle instructions from the clients on pending/traded positions in three different ways. These are outlined below:

1. An account servicer may reject the instruction if the account does not have the full instructed quantity available.
2. An account servicer may keep the instruction pending, until the account receives sufficient securities to cover the full instructed quantity, or the period of action ends, and the instruction is rejected.
3. An account servicer may bilaterally agree with an account holder to process CA instructions partially. This means that the account servicer will accept part of the instruction, for the quantity available on the account, and keep the remaining part of the instruction pending. The CA instruction will remain pending until additional securities are received, and the account servicer can partially accept the instruction for these additional securities. This is an ongoing process which continues until the full instructed quantity has been accepted or the remaining part of the CA instruction is rejected at the end of the period of action.

Practices 2 and 3 above rely on a bilateral agreement between the account servicer and account owner. Including them in global market practice does not mean that practice 1 above is not equally valid and/or recommended.

In case the parties have agreed to process CA instructions on a partial execution basis as per practice 3, the status of the instructions should be confirmed via an Instruction Status Advice message **[MT 567 - seq. A – 23G:INST <> seev.034]** as follows:

- as long as the instruction is in good order, the part of the instruction that the account servicer can execute/block should be advised as "***Accepted For Further Processing***" **[MT 567 – Seq. A – 23G:INST - :25D::IPRC//PACK];**
- part of the instruction that the account servicer cannot execute/block should be advised as pending with the relevant reason like "***Pending Receipt***" or "***Lack of Securities***" **[MT 567 – Seq. A – 23G:INST - :25D::IPRC//PEND and :24B::PEND//PENR or :24B::PEND//LACK];**
- as soon as a pending receipt settlement instruction is settled, either fully or partially (e.g. in case of partial settlement), thus increasing the settled position, that part of the original corporate action instruction should be confirmed by issuing an Instruction Status Advice message with status "***Accepted For Further Processing***" **[MT 567 – Seq. A – 23G:INST - :25D::IPRC//PACK];**
- at the end of the election period, if any part of the instruction is still pending, that part of the original corporate action instruction should be rejected with reason code "***Lack of Securities***" **[MT 567 – Seq. A – 23G:INST - :25D::IPRC//REJT and :24B::REJT//LACK].**

As a way of an example:

1. The account owner:

- has a settled position of 10 securities
- has an outstanding receipt to acquire 5 securities
- sends an instruction (non-default option) for 15 securities
- the pending receipt settles partially for 2 securities
- at the end of the election period, the pending receipt is still outstanding for 3 securities

a) The account owner will send an instruction with a quantity of securities instructed of 15 securities **[:36a::QINS = 15];**
b) Upon receipt of the instruction, the account servicer will issue:
   - an Instruction Processing Status message with status "*Accepted for Further Processing*" **[:25D::IPRC//PACK]** for a status quantity of 10 securities **[:36a::STAQ = 10];**
   - an Instruction Processing Status message with status "Pending" and Reason Codes "*Pending Receipt*" or "*Lack of Securities*" **[:25D::IPRC//PEND and :24B::PEND//PENR or LACK]** for a status quantity of 5 securities **[:36a::STAQ = 5];**
c) As soon as the pending receipt settlement instruction is partially settled for 2 securities, the account servicer will issue an Instruction Processing Status message with status "*Accepted for Further Processing*" **[:25D::IPRC//PACK]** for 2 securities **[:36a::STAQ = 2]**;
d) At the end of the election period, the account servicer will issue an Instruction Processing Status message with status "Rejected" **[:25D::IPRC//REJT]** and reason code "Lack of Securities" **[:24B::REJT//LACK]** for 3 securities **[:36a::STAQ = 3]**.

2. The account owner:
   - has a settled position of 10 securities
   - has an outstanding receipt to acquire 3 securities and an outstanding delivery to sell 4
   - instructs (non-default option) on the eligible holding of 9 securities
   - the pending receipt settles partially for 2 securities
   - the pending delivery settles fully
   - at the end of the election period, the pending receipt is still outstanding for 1 security

a) The account owner will send a Corporate Action Instruction message with a quantity of securities instructed **[:36a::QINS]** = 9
b) Upon receipt of the instruction, the account servicer will issue:
   - an Instruction Processing Status message with status "Accepted for Further Processsing" **[:25D::IPRC//PACK]** for a status quantity of 6 securities **[36a::STAQ = 6];**
   - an Instruction Processing Status message with status "Pending" [:25D::IPRC//PEND] and Reason Codes "*Pending Receipt*" or "*Lack of Securities*" **[:24B::PEND//PENR or LACK]** for a status quantity of 3 securities **[:36a::STAQ = 3];**
c) As soon as the pending receipt settlement transaction is partially settled for 2 securities, the account servicer will issue an Instruction Processing Status message with with status "*Accepted for Further Processing*" **[:25D::IPRC//PACK]** for a status quantity of 2 securities **[36a::STAQ =2];**
d) At the end of the election period, the account servicer will issue an Instruction Processing Status message with status "Rejected" **[:25D:: IPRC//REJT]** and reason code "*Lack of Securities*" **[24B::REJT//LACK]** for 1 security **[:36a::STAQ = 1]**.

ISO 15022	ISO 20022		
MT 567 - A / 23G / INST	seev.034		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
May 2023	Nov. 2023		CA 469

8 Message Independent Market Practices

8.1 Official Corporate Action Event Identification (COAF)

8.1.1 Background

The Official Corporate Action Event Identification[1], [:20C::COAF], was requested by the SMPG and implemented in SR2008. The definition of COAF is 'Official and unique reference assigned by the official central body/entity within each market at the beginning of a corporate action event.'

The primary purpose of the COAF is to allow improved STP in the corporate actions instructions flow from investors to their account servicers and further in the chain of intermediaries, by removing the current requirement that each party in the chain instructs the next party with that party's CORP. Instead, all parties can use the COAF in their instructions rather than the (changing) CORP.

A secondary purpose is to facilitate the reconciliation of announcements received from different sources for the same event.

However, until the COAF has gained general acceptance and is widely implemented in corporate action processing, there will be an interim period during which both CORP and COAF references will have to coexist in the ISO 15022 and ISO 20022 CA messages. The following COAF principles are based and have to be understood in the context of this coexistence premise.

8.1.2 Principles

8.1.2.1 COAF Algorithm

The COAF should be composed of two parts; a COAF organisation identifier and the actual reference. The organisation identifier specifies the official central body that assigned the COAF as per the issuer's request. It is a 2 character alphanumeric code and the SMPG verifies that it is unique per organisation. The reference is an alphanumeric code of up to 14 characters, and is unique per official central body.

8.1.2.2 Responsibilities of COAF registration organisations

A centralised list of COAF registration organisations and their identifiers is published by the SMPG and can be found on the SMPG website.

In order to become a COAF registration organisation the entity must be supported by local market participants and accept the SMPG's COAF principles.

A COAF registration organisation is to assign a COAF for all events notified to it and where the security is issued in the market for which the body is responsible; it is not allowed to limit COAF assignment to securities e.g. issued or listed with the particular entity.

COAFs need to be made public in some form, and not restricted to e.g. stock exchange or CSD members, but the COAF registration organisation may charge for COAF access on a cost recovery basis. The information provided in this form needs to include at least the key details (ISIN, issuer, COAF, event type) allowing market users to identify which event the COAF refers to.

8.1.2.3 Use of COAF

As per the definition, the COAF reference should be unique and two events are not to be assigned the same COAF.

If an issuer announces the same event for two or more of its issued securities, for example a cash dividend with the exact same terms for both the ordinary share and the preferential share, each event must be given its own

[1] In ISO15022 the COAF is provided into the :20C::COAF// field located into sequence A of all CA messages. In ISO 20022, the COAF is called "Official Corporate Action Event Identification".

COAF reference. The COAF reference must be unique per combination of event type (CAEV), *event category (Mandatory/Voluntary (CAMV) indicator)* and underlying financial instrument identification (e.g. ISIN).

8.1.2.4 Relationship between CORP and COAF

The Market Practice is to have a one-to-one relationship between CORP and COAF in the context of a bilateral relationship account servicer/account owner, provided all principles are adhered to. Account servicers should give a unique CORP to each event that has been given a unique COAF by the official body.

In the case of intermediaries which have more than one place of safekeeping for affected client holdings (e.g. a global custodian with two or more sub-custodians in a market), more than one event/CORP may be used for one COAF, in order to reflect different options, deadlines or the like provided by/resulting from the different account servicers/places of safekeeping.

8.1.2.5 Assignment

a. The COAF should be assigned by the official source as soon as the event has been publicly announced by the issuer (or its agent). The public announcement and assignment of COAF should take place according to the applicable market rules, but by latest before the event has reached the entitlement and/or instructions stage. When the COAF has been assigned, it must be relayed through the processing chain to all market participants who should include it in their communications regarding the event.

b. Not all events will receive COAFs, since not all events are officially announced eg. events well known in advance such as fixed interest payment.

c. Notifications may and can be sent before a COAF is assigned.

d. The assignment of a COAF to a previously notified event should trigger an updated notification.

e. The COAF must be carried throughout the entire lifecycle of the CA event and in all CA messages.

8.1.2.6 Withdrawal and cancellation

If the issuer withdraws an event, the COAF is also withdrawn. If the issuer replaces the withdrawn event with a new event, a new COAF must be assigned to the new event.

If an account servicer, including the (I)CSD, cancels an event, the COAF is not cancelled. The account servicer's new event, replacing the old event, should include the original COAF.

8.1.2.7 Corporate actions instructions

When a client of an account servicer creates and send a corporate action instruction to that account servicer, the instruction must always contain the COAF if it has been assigned. The account servicer's CORP value is not mandatory when COAF is present. In that case, it is acceptable to use "NONREF" as the CORP value.

In the case of securities held in several place of safekeeping, for which an event is announced with a single COAF, the client of an account servicer should, based on the SLA between the two parties, mention either the account servicer CORP or the place of safekeeping of the securities in the corporate action instruction message.

8.1.2.8 Multi-stage events

The Market Practice is to have one COAF per event, and not to have the same COAF for all events that are linked together (or that the issuer considers as one event). Thus, for each separate processing stage/event, there should be one unique COAF.

Example:

An issuer announces a rights issue, according to applicable law. For processing purposes, the CSD (or exchange, as applicable) announces the event to its participants/members as two separate events; a distribution of interim securities (event type RHDI) followed by a rights exercise (event type EXRI). Each of the two events should be given its own unique COAF.

8.1.2.9 Multi-deposited securities

The Market Practice is to treat events for multi-deposited securities as separate events, one per place of depository. This does not apply to Place of Trading.

For T2S markets, please note that securities are not to be considered as multi-deposited even though they may be held in several CSDs on T2S. An event in an investor CSD is not an event separate from that of the issuer CSD; only the issuer CSD, or the official entity in its market, should assign a COAF to the event.

Example:

An issuer announces a split in a security that is deposited on two different central securities depositories. The split will be treated as two separate events, one per Place of depository, and each of the two events should be given a unique COAF.

ISO 15022		ISO 20022	
MT 56x / A / 20C / COAF		seev.0xx – A / OfficialCorporateActionEventIdentification	
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Apr. 2011	Nov. 2011	May 2016	CA308

8.2 Placement Of Date, Period, Rates & Prices (DPRP) data elements

(Formerly named "Sequence D versus E Guidelines")

The general placement guidelines for the date, period, rates and price (DPRP) data elements available in the Notification and Movement Confirmation messages (in D, E, E1, E1a and E2 sequences of the MT 564 and in the C, D, D1, D1a and D2 sequences of the MT 566) have all been implemented into the SR 2010 version of the ISO 15022 standards and in the ISO 20022 standards.

Please refer to the Global Market Practice – Part 2 document published on the SMPG website, www.smpg.info into the "Data Element Placement" section for a summary of the DPRP data elements placement as implemented into the ISO 15022 Standards or to the ISO 15022 SWIFT SR2010 UHB itself.

All rates and prices should be included in the relevant securities movement or cash movement sequences and not at option level. The only exception to this rule is when there will be no corresponding movement for the rate/price, at any time in the event. In this case, the rate/price can be included at the option details level. If the rate/price cannot be included in the option details level due to standards reasons, it must be included in narrative.

ISO 15022		ISO 20022	
MT 56x / **E or E1 or E2**		seev.0xx – **E or E1 or E2**	
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Apr. 2011	Nov. 2011		

8.2.1 Presence of DPRP Elements per Event Type & Category Combination

The guidelines on the presence of specific date, period, rates and price (DPRP) data elements per Corporate Action Event Types [22F::CAEV] and Mandatory/Voluntary indicator [22F::CAMV] combinations are provided into the Global Market Practice - Part 2 document published on the SMPG website, www.smpg.info into the EIG+ (Event Interpretation Grid) section within the dedicated DPRP columns of that table.

ISO 15022		ISO 20022	
MT 56x / **D, E or E1 or E2 /** 98a or 69a or 92a or 90a		seev.0xx – **D, E or E1 or E2 /** Dates or Periods or Rates or Prices	
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**

Jun. 2010	Nov. 2010		CA06.7, CA158

8.3 Placement of non-DPRP data elements

Please refer to the Global Market Practice – Part 2 document published on the SMPG website, www.smpg.info into the "Data Element Placement" section for a summary of the non-DPRP data elements placement recommendations.

ISO 15022		**ISO 20022**	
MT 56x / **D, E or E1 or E2**		seev.0xx – **D, E or E1 or E2**	
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Apr. 2011	Nov. 2011		CA206

8.3.1 Usage of "Unknown" for DPRP Elements

Whenever DPRP elements are indicated as mandatory for a specific event in the EIG+ table, those elements must be present in the Notification message either with an actual value or with an "Unknown" (UKWN) code if a value is not yet in possession of the service provider.

When DPRP elements are indicated as optional for a specific event in the EIG+ table, then the service provider is free to include those elements in the message with a "Unknown" (UKWN) code if still not in possession of the information or alternatively not to include them.

Note: If an optional DPRP element is applicable to a particular event, it is recognized however that the above principles will not always be easily applicable for the market data providers.

ISO 15022		**ISO 20022**	
MT 56x / **D, E or E1 or E2 /** 98a or 69a or 92a or 90a		seev.0xx – **D, E or E1 or E2 /** Dates or Periods or Rates or Prices	
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Aug. 2010	Nov. 2010		CA127, CA127.1

8.4 Events with multiple proceeds

Remark: there is no order imposed by the table below for credit and debit elements. They can appear in any order.

In this case, the cash and securities movement sequences in the Notification message should be repeated to indicate the Financial Instrument Identification [:35B:ISIN] for the securities movements) and the resulting entitlement.

Scenario	**Option Details (E) or Cash Movement Details (E1) or Securities Movement Details (E2) sequences.**
Receive 1 new Security	- E to report the option only. - E1 to report the ISIN (credit), terms and resulting entitlement. **Here E1 is used to report the terms as well as the resulting entitlement.**
Receive 2 new Securities	- E to report option only. - E1 to report the 1st ISIN (credit), terms and resulting entitlement (if provided) - E1 to report 2nd ISIN (credit), terms and resulting entitlement (if provided) **Here E1 is used to report the terms as well as the resulting entitlement.**

Receive 1 new Security and debit of old shares or rights.	- E to report option only. - E1 to report ISIN (credit), terms and resulting entitlement (if provided) - E1 to report debit of old or rights (if provided) **Here E1 is used to report the terms as well as the resulting entitlement.**
Receive 2 new securities and debit of old shares or rights.	- E to report option only. - E1 to report the 1st ISIN (credit), terms and resulting entitlement (if provided) - E1 to report 2nd ISIN (credit), terms and resulting entitlement (if provided) - E1 to report debit of old or rights (if provided) **Here E1 is used to report the terms as well as the resulting entitlement.**
Receive Cash Only	- E to report the option and rate/price. - E2 to report the cash movement (credit) and resulting entitlement (if provided) **E2 used to report part of the terms as well as the resulting entitlement.**
Receive Cash and debit existing security.	- E to report the option and price. - E1 to report the debit of the old shares and resulting entitlement (if provided) - E2 to report the cash movement (credit) and resulting entitlement (if provided) **E2 used to report part of the terms as well as the resulting entitlement.**

ISO 15022		**ISO 20022**	
MT 56x / **D, E or E1 or E2**		seev.0xx – **D, E or E1 or E2**	
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Jun. 2001	Nov. 2002	Nov. 2010	CA127, CA127.1

8.5 Expression of a Rate

Example: “15 Percent” should be expressed in ISO 15002 as “:*92A::TAXR//15”,* and not as “:*92A::TAXR//0,15”.* The same applies for rates expressed as “PercentageRate” in ISO 20022, for example:

<WithholdingTaxRate>

<Rate>15</Rate>

</WithholdingTaxRate>

ISO 15022		**ISO 20022**	
MT 56x /… **/ 92A**		seev.0xx – /…**/ PercentageRate**	
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
2002	Nov. 2002		

8.6 Income Payment / Proceeds with Multiple Currencies

Based on a SLA arrangement, the account servicer may pay income / corporate actions proceeds to the account holder in a currency different to the one the proceeds were declared in, by performing a foreign exchange (FX) transaction.

In this case, we recommend that the income/corporate actions details (i.e. gross, net and tax amount) are reported in the original currency (for instance South Korean won – KRW) whilst the posting and resulting amounts are to be reported in the currency the proceeds have been exchanged to (for instance GBP).

This is illustrated in a MT 566 message sample in section 13.10 case 1).

Where the income/corporate actions event is declared in a restricted currency (for instance Argentine Peso – ARS), one of the parties in the custody chain (for instance sub-custodian) may arrange for an FX transaction to a major currency (for instance USD) and, where the account servicer pays income/corporate actions proceeds to the account holder in a pre-agreed currency (for instance GBP), we may have two FX transactions that take place on the same income/CA proceeds.

In that case, the FX rate will be repeated and it is recommended that:

- the income/CA details (e.g. gross, net and tax amount) are reported in the original currency the dividend was announced in (in our example, ARS)
- the posting and resulting amounts are to be reported in the currency the proceeds have been exchanged to by the account services (in our example GBP)
- the FX rate will be repeated to accommodate:
    1) the details of the FX transaction between the intermediate currency and the one credited to the account holder (in our example between USD and GBP)
    2) the details of the FX rate applied on the original dividend amount.

This is illustrated in a MT 566 message sample in section 13.10 case 2).

ISO 15022	ISO 20022
MT 566 / **D2 / 92a / EXCH** **MT 566 / D2 / 19B / RESU & POST**	seev.036 – **E2 / ForeignExchangeDetails** seev.036 – **E2 / AmountDetails / PostingAmount**

Decision Date	Implement. Date	Update Date	Open Item Ref.
Jun. 2021	Nov. 2021		CA437

8.7 Declared Rate and Issuer Declared Exchange Rate for a Dividend Event

Some dividends are declared in a currency that is not necessarily the one they will be paid in (e.g. Astrazenica, Royal Dutch Shell). In this case, the declared dividend currency and rate should be reported in the Corporate Action Details sequence of the Notification message with the Declared Rate element **[MT564 – Seq. D - :92a::DEVI <> seev.031 / D / RateAndAmountDetails / DeclaredRate].**

Example in ISO 15022: ***":92F::DEVI//USD0,43"***

The declared dividend rate should only be reported if the issuer doesn't allow the dividend to be paid in the currency it is declared in or if the dividend or the interest event makes it possible to elect amongst multiple currency options.

The foreign exchange rate (if available) should be reported in the Option Details sequence of the Notification message with the Issuer Declared Exchange Rate element **[MT 564 – Seq. E - :92B::IDFX <> seev.031 / E / RateAndAmountDetails / IssuerDeclaredExchangeRate]**.

Example in ISO 15022 "***:92B::IDFX//USD/EUR/0,795581"***

If the Issuer Declared Exchange Rate element is present, then the Declared Rate element needs to be present.

ISO 15022	ISO 20022
MT 564 / **D** / 92a / DEVI	seev.031 - **D** / RateAndAmountDetails / DeclaredRate
MT 564 / **E** / 92B / IDFX	seev.031 – **E** / RateAndAmountDetails / IssuerDeclaredExchangeRate

Decision Date	Implement. Date	Update Date	Open Item Ref.
May 2012	Nov. 2018	Dec. 2017	CA364

8.8 Resulting Amount

The Resulting Amount is always in the same currency as Posting Amount.

ISO 15022	ISO 20022
MT 566 / **D2** / 19B / RESU	seev.036 - **E2** / ForeignExchangeDetails / ResultingAmount

Decision Date	Implement. Date	Update Date	Open Item Ref.
Jun. 2001	Nov. 2002		

8.9 How to Indicate Securities are Blocked Whenever Instruction is Received?

Alternatives: Movement Confirmation or Instruction Status with narrative or Intra-position advice message?

The Group agreed that this is an SLA rather than a global market practice issue, however, a process flow should be agreed. The preferred solution is that whichever message is used, it should be linked to the Instruction message.

Blocking of securities may be shown (in the SWIFT world) by use of the Intra-Position Advice message [MT508 <> semt.015]. The MT 566 is to be used only for confirmation of movements.

The Intra-Position Advice message should be linked to the Instruction message using the reference of the Instruction message.

ISO 15022	ISO 20022
MT 508	semt.015

Decision Date	Implement. Date	Update Date	Open Item Ref.
Jun. 2001	Nov. 2002		

8.10 Usage of Negative amount[1]

Numerous discussions led to the below conclusions:

- The negative sign [N] for amounts (in ISO 15022) or negative amounts (in ISO 20022) should not be used at all in corporate action movement sequences.
- For the Posting Amount (PSTA), the credit/debit indicator provides the information of the direction of the movement.
- The credit/debit indicator applies only to the Posting Amount (PSTA)
- The Resulting Amount has the same (implied) credit/debit indicator as the Posting Amount (PSTA).
- As for the other amount types, their meanings automatically tell whether they are debits or credits (ex: withholding = debit).

ISO 15022	ISO 20022
MT 566 / **D2** / 19B / PSTA	seev.036 - **E2** / AmountDetails / PostingAmount

Decision Date	Implement. Date	Update Date	Open Item Ref.
Oct. 2003	May. 2005		

[1] Geneva, Brussels, Luxembourg and Singapore meeting 2002-2003.

8.11 Cash Paid in Lieu of Fractions[1]

The following business data are required when fractions of the security are compensated in cash:

- Price at which cash is given for fractions; [MT566 – Seq. D~~1~~1 - :90a::CINL <> seev.036 – E1~~1~~ / PriceDetails / CashInLieuOfSharePrice]
- If applicable (when the fractional securities entitlements were credited), Quantity of fractions exchanged for cash; [MT566 – Seq. D1 - :36B::PSTA <> seev.036 – E1 / PostingQuantity];
- Cash amount given for fractions; [MT566 – seq. D2 - :19B::CINL <> seev.036 - E2 / AmountDetails / CashInLieuOfShare

ISO 15022	ISO 20022
MT 566 / **D & D1** / 90a / CINL	seev.036 - **E & E1** / PriceDetails / CashInLieuOfSharePrice
MT 566 / **D1** / 36B / PSTA	seev.036 - **E1** / PostingQuantity
MT 566 / **D2** / 19B / CINL	seev.036 - **E2** / AmountDetails / CashInLieuOfShare

Decision Date	Implement. Date	Update Date	Open Item Ref.
Jun. 2002	Nov. 2002		

8.12 Price Paid or Received per Product[2]

The market required clarification of the price per product definitions used for example for events for which the holder must pay an amount of cash to receive an amount of cash (in another currency), for instance exercise of warrants.

That is, underlying security A + cash leads to benefit of outturn security B + cash.

The following definitions have been refined for the price/offer elements used in the corporate action details sequence.

The definitions are:

- Generic Cash Price Paid per Product [PRPP]: Generic cash price paid per product by the underlying security holder either as a percentage or an amount or a number of points above an index, for example, reinvestment price, strike price and exercise price.
- Generic Cash Price Received per Product [OFFR]: Generic cash price received per product by the underlying security holder either as a percentage or an amount, for example, redemption price.

ISO 15022	ISO 20022
MT 564 / **D1 & D2** / 90a / PRPP & OFFR MT 566 / **D1 & D2** / 90a / PRPP & OFFR	seev.031 - **E1 & E2** / PriceDetails / GenericCashPricePaidPerProduct & GenericCashPriceReceivedPerProduct eev.035 - **E1 & E2** / PriceDetails / GenericCashPricePaidPerProduct & GenericCashPriceReceivedPerProduct eev.036 - **E1 & E2** / PriceDetails / GenericCashPricePaidPerProduct & GenericCashPriceReceivedPerProduct

Decision Date	Implement. Date	Update Date	Open Item Ref.
Jun. 2003	May. 2005		

[1] Toronto Meeting June 2002.

[2] Toronto meeting June 2002.

8.13 Negative and Zero Balances

If an eligible balance is negative, it may be reported as such in the Notification message.

A ”zero” balance should not be provided when no entitlement exists.

ISO 15022	ISO 20022
:93a::	**B2** / AccountsListAndBalanceDetails / Balance

Decision Date	Implement. Date	Update Date	Open Item Ref.

8.14 Offer Types and Dissenter’s Rights

It is possible for offer types to change during the course of an event. The event type can however not be changed.

For example, Dissenter Rights **[MT 564 – Seq. D & E - 22F::OFFE//DISS <> seev.031 – D & E / OfferType / Code / DISS]** may be available in the early stages of a merger and removed later in the event.

Dissenter’s Rights Not Applicable (NDIS) Offer Type Code **[MT 564 – Seq. D & E - 22F::OFFE//NDIS <> seev.031 & 035 – D & E / OfferType / Code / NDIS]**defines when a particular event (eg. mergers, reverse splits) has no dissenter rights privilege. This tag should only be populated when conveyed within the offering materials.

ISO 15022	ISO 20022
MT 564 - **D & E** / 22F / DISS & NDIS	seev.031 – **D & E** / OfferType / Code / DISS & NDIS seev.035 – **E** / OfferType / Code / DISS & NDIS

Decision Date	Implement. Date	Update Date	Open Item Ref.
Sept. 2022	November 2022	October 2022	CA504

8.15 Usage of Amount To Quantity Rate Format Option

The Amount To Quantity rate format option **[:92M: <> AmountToQuantity]** provided in the Corporate Action Option sequence and in the Securities Movement Details sequence of the Notification, Movement Preliminary Advice and Confirmation messages has been defined to express a rate as an amount per quantity for the following rates: New To Old, Solicitation Fee Rate and Early Solicitation Fee Rate.

However, this Amount To Quantity format option should not be used as usually this results from an erroneous usage of the Standards when an amount is provided for a quantity of financial instrument.

In those cases, the SMPG recommends instead the usage of the Minimum Multiple Quantity To Instruct element **[MT 564 – Seq. E or E1 :36B:MILT <> seev.031 – E or E1a / SecuritiesQuantity / MinimumMultipleQuantityToInstruct**] to express the quantity in combination with a price.

If we take the example of a takeover / tender offer, where company A wants to provide an offer price of $1000 for 3 shares of company B, then the Generic Cash Price Received Per Product [MT 564 – Seq. E1 or E2 - :90a::OFFR <> seev.031 – E or E2 / PriceDetails / GenericCashPriceReceivedPerProduct] should be used to provide the offer price per share and the Minimum Multiple Quantity To Instruct element to mention the quantity (minimum exercisable quantity).

Example of the usage in ISO 15022:

:90B::OFFR//ACTU/USD1000,00

:36B::MILT//UNIT/3,

The Minimum Multiple Quantity To Instruct element [:36B::MILT] must be used to describe the number of units applicable to the amount of cash.

If for 1 share, then use simply:

:90B::OFFR//ACTU/USD1000,00

ISO 15022	ISO 20022
92M format option MT 564 / E or E1 / 36B / MILT MT 566 / D or D1 / 36B / MILT MT 564 / E or E1 / 90B / OFFR MT 566 / D or D1 / 90B / OFFR	AmountToQuantiy format option Seev.031 & seev.035 & seev.036 – **E or E1** / SecuritiesQuantity / MinimumMultipleQuantityToInstruct Seev.031 & seev.035 & seev.036 – **E or E1** / PriceDetails / GenericCashPriceReceivedPerProduct

Decision Date	Implement. Date	Update Date	Open Item Ref.
Apr. 2010	Nov. 2011		CA168

8.16 Index Points Usage for Bid Interval Rate, Minimum Price, Maximum Price, Generic Cash Price Received per Product

For auction-like events that have a bid interval rate, minimum price, maximum price, and announced accepted price (Generic Cash Price Received per Product) using the concept of the basis points, the new Index Points format option should be used to communicate these applicable details in the basis points format starting with the announcement and throughout the event lifecycle.

For reference, a basis point refers to 1/100th of a percent.

Note that for those qualifiers, the same format as the ones used by the issuer should be used (i.e. basis points or percentage points).

ISO 15022	ISO 20022
MT 564 / D / 90L / MINP or MAXP MT 564 / D / 92P / BIDI MT 564 / E1 or E2 / 90K or 90L / OFFR MT 566 / C / 90L / MINP or MAXP MT 566 / C / 92P / BIDI MT 566 / D1 or D2 / 90K or 90L / OFFR	Seev.031 – **D** / PriceDetails / MaximumPrice & MinimumPrice Seev.031 – **D** / RateAndAmountDetails / BidInterval Seev.031 & seev.035 & seev.036 – **E or E1** / PriceDetails / GenericCashPriceReceivedPerProduct

Decision Date	Implement. Date	Update Date	Open Item Ref.
Apr. 2014	Nov. 2014		CA267

8.17 Usage of UTC Offset Time For Date and Time Elements

For data elements with a date and time component, for instance deadline elements, the u*se of time format is agreed at SLA level, but if UTC* (Zulu/GMT) time *is used* instead of using the local time (of the account servicer)*, the below paragraphs describes the format to be used:*

- In ISO 15022, use field :98a: with Format Option E and a zero offset time as illustrated below:

  ":98E::YYYYMMDDHHMMSS/00"

  If the UTC Indicator is not present in format option E, the time will be assumed to be provided in GMT (UTC / Zulu) time.

  This Date and Time format option :98E: is defined in sequences D, E, E1 and E2 of the MT564 and C, D, D1, D2 of the MT 566 with the following syntax:

Field :98a: Date/Time Option E :4!c//8!n6!n[,3n][/[N]2!n[2!n]]
(Qualifier)(Date)(Time)(Decimals)(UTC Indicator)

- In ISO 20022, the UTC time is already an integral part of the "ISODateTime" data type and is provided with the following syntax:

  YYYY-MM-DDThh:mm:ss.sss**Z**

  where Z means Zulu Time ≡ UTC time ≡ zero UTC offset - meaning the offset from Greenwich Mean **Time** (GMT).

Agreed equivalence of Date & DateTime representations between ISO 15022 / 20022

	Meaning	ISO 15022	ISO 15022	ISO 20022
A	Local Date	**98A**	Date (Local)	ISODate (Local)
B	Local DateTime of message sender BIC country code	**98C**	Date Time (Local)	ISODateTime (Local) - no offset & no UTC/Zulu time indicator
C	Local DateTime showing UTC offset	**98E**	Date Time + "/[N]2!n[2!n]" UTC Indicator	ISODateTime (Local) + "+/-HH.MM" offset
D	UTC/Zulu Time	**98E**	Date Time + "/00" UTC Indicator	ISODateTime (UTC) & "Z" suffix
E	UTC/Zulu Time assumed	**98E**	Data Time (without UTC Indicator)	ISODateTime (UTC) & "Z" suffix

ISO 15022	ISO 20022		
98a	Elements typed by ISODateTime data type		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
January 2021	Nov. 2021	Jun. 2021	CA303, CA43, CA457

8.18 Usage of CA Option Type for Compensation of Rights Not Distributed

If the issuer wants to compensate rights which cannot be distributed and/or used by beneficiaries due to some restrictions (eg. domicile restrictions), the option type used should be "Cash" (code "CASH).

If the account servicer offers to sell rights that cannot (or will not) be exercised, the option type used should be "Sell Entitlement" (code "SLLE").

ISO 15022	ISO 20022		
MT 564 / E / 22F / CAOP / CASH & SLLE MT 565 / D / 22F / CAOP / CASH & SLLE MT 566 / D / 22F / CAOP / CASH & SLLE MT 567 / B / 22F / CAOP / CASH & SLLE	Seev.031 & seev.035 & seev.036 – **E** / OptionType / Code / CASH & SLLE Seev.034 - **D** / OptionType / Code / CASH & SLLE		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Jul. 2010	Nov. 2011		CA185

8.19 Different Servicer Options for Different Deadlines

For elective events, when there are different election deadlines set for an event i.e. for instance one early deadline with an early bonus fee and a normal deadline, different servicer options with a different deadline for each should be created so as to ease the instructions processing.

ISO 15022	ISO 20022		
MT 564 / E / 13A / CAON MT 566 / D / 13A / CAON	Seev.031 & seev.035 & seev.036 – **E** / OptionNumber		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Dec. 2010	Nov. 2011		CA191

8.20 Usage of CA Option Type NOAC for Voluntary Events

The SMPG recommends that the option type "No Action" [code NOAC] is present in the list of options of all voluntary events.

ISO 15022	ISO 20022		
MT 564 / E / 22F / CAOP / NOAC MT 566 / D / 22F / CAOP / NOAC	seev.031 & seev.035 & seev.036 – **E** / OptionType / Code / NOAC Seev.034 - **D** / OptionType / Code / NOAC		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
May. 2010	Nov. 2011		CA192

8.21 Usage of CA Option Type for Unknown Proceeds [PRUN]

The CA option type for unknown proceeds [PRUN] should be used in elective events only. It is to be used when the type of proceeds are not known during the election period, nor will be announced before end of the election period and/or market deadline. . As a way of an example, a voluntary conversion where the holder's right to convert its financial instruments is subject to the issuer's right to pay cash or a combination of cash and additional securities but the outcome will only be known after the end of the conversion period.

The option code should be maintained throughout the lifecycle of the event, even when the type of proceeds becomes known after the market deadline.

In the rare cases when the issuer cannot even provide details of the possible movements or when there are many different movement alternatives, the recommendation is to use the Additional Text element for providing the additional information.

ISO 15022	ISO 20022		
MT 564 / E / 22F / CAOP / PRUN	seev.031 - **E** / OptionType / Code / PRUN Seev.034 - **D** / OptionType / Code / PRUN		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Aug. 2011	Nov. 2012		CA234

An example of the usage of the Option Type "Unknown Proceeds" [option type code PRUN] in a Notification message is provided in section 13.6.

8.22 Usage of CA Option Features "Option Applicability" [CAOS]

The option features indicator code "Option Applicability" [code CAOS] is to be used in mandatory events only (i.e. for event category with code "MAND" and not "CHOS") with two or more options, where the account owner cannot choose which option to receive. Instead, the option will be determined by other parties and/or factors, e.g. issuer's choice or market conditions.

ISO 15022	ISO 20022		
MT 564 / E / 22F / OPTF / CAOS	seev.031 & seev.035 - **E** / OptionFeatures / Code / CAOS		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Apr. 2012	Nov. 2012		CA234

8.23 Accrued Interests Paid with a Security Proceed

In case accrued interests have to be paid along with security proceeds, the market practice is NOT to use CASE. Instead, the option to be used must be SECU with a side cash payment similarly to what is done for cash on fractions.

ISO 15022	ISO 20022		
MT 564 / E / 22F / CAOP MT 566 / D / 22F / CAOP MT 567 / B / 22F / CAOP	seev.031 & seev.035 & seev.036 – **E** / OptionType Seev.034 - **D** / OptionType		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Sep. 2011	Nov. 2012		SR2012 CR

8.24 Events which are Rolling/Ongoing or for which Payment is Ongoing

There are different possible scenarios in the context of "rolling/ongoing" events and events with "ongoing" payment. Depending on the scenario, and how the account servicer processes the event, the element Conversion Type **[MT 564 – Seq. D - :22F::CONV <> seev.031 – D / ConversionType],** the Occurrence Type **[MT 564 – Seq. D - :22F::DITY <> seev.031 – D / OccurenceType]** and the element Payment DateTime **[MT 564 – Seq. E1 & E2 - :98a::PAYD <> seev.031 & seev.035 & seev.036 – E1 & E2 / PaymentDate]** may be used.

The table below outlines the recommended usage of these three elements in four different scenarios. Those scenarios are more common in Conversion [CONV], Put Redemption [BPUT] and Warrant Exercise [EXWA] events, but may also be applicable to other events.

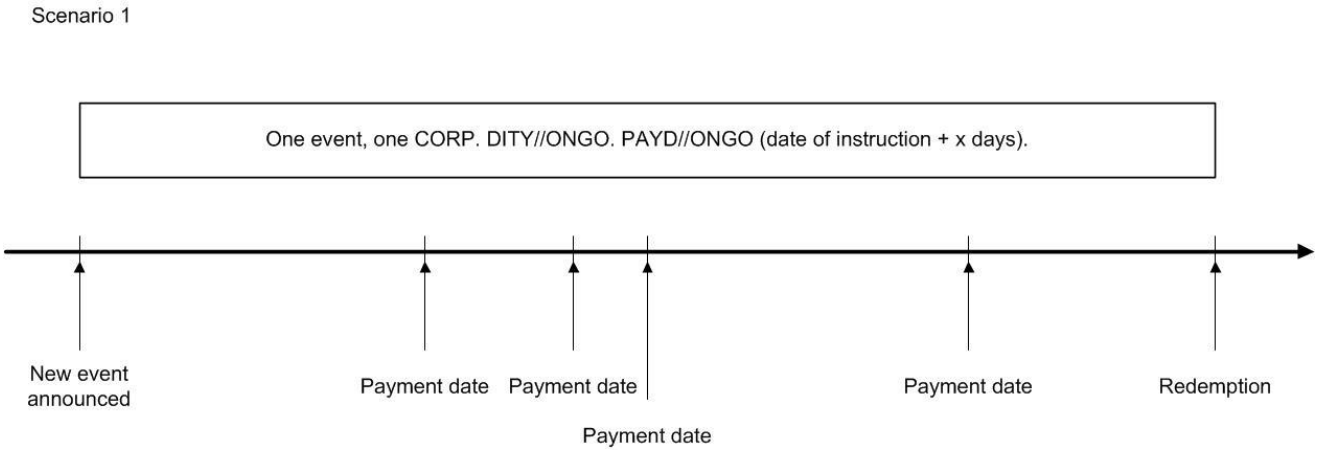
In addition to rolling events, the payment Occurrence Type Indicator [DITY] can also be used for events which are not rolling per se but where payment may take place in two or more stages i.e. interim [code INTE] and final [code FINL] payments as it may happen for liquidations. It is not recommended for events paid in one stage only, with a fixed pay date.

	Scenario	CONV (ConversionType)	DITY (Occurrence Type)	PAYD (PaymentDate)
1	One event, one CORP, conversion/exercise/redeem at any time during the instrument life cycle. Payment at instruction date + "x" day(s)	-	**ONGO**	**ONGO**
2	**Conversion/exercise during pre-defined periods (ex. Quarterly)**	**CONV**	**DITY**	**PAYD**

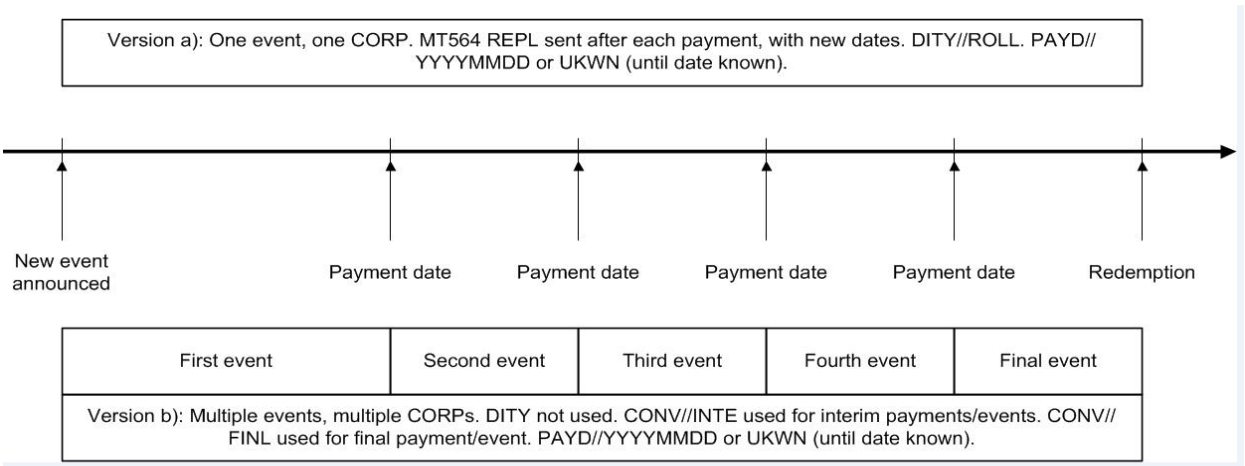
	2a. One event, one CORP, several opportunities to convert/exercise/redeem at fixed dates, Announcement replacement (REPL) after each payment with new dates	-	**ROLL**	**UKWN** (until date known) or **YYYYMMDD**
	2b. One new event per period (multiple events, multiple CORP).	**INTE** or **LAST** (for final event)	-	**UKWN** (until date known) or **YYYYMMDD**
3	One-Off / Trigger / Ad-hoc event	-	-	**UKWN** (until date known) or **YYYYMMDD**

Scenario illustrations:

Scenario 1:

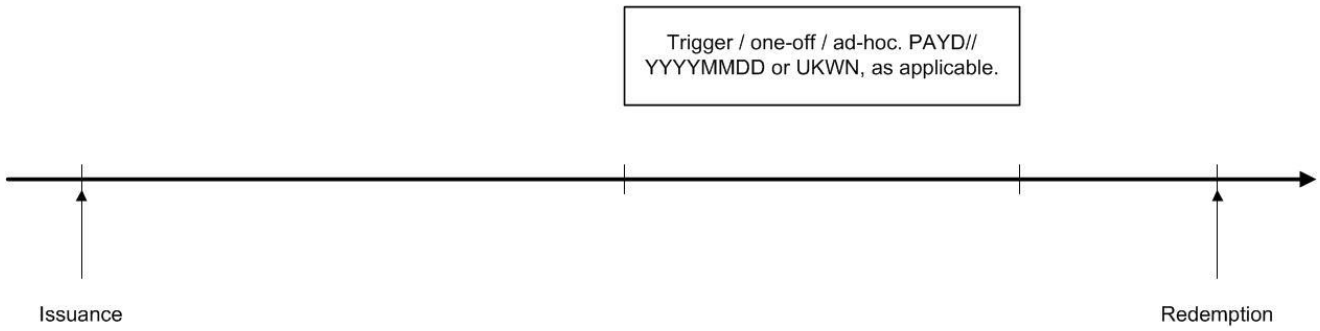


Scenario 2a and 2b:



Scenario 3:

Scenario 3



ISO 15022	ISO 20022
MT 564 / D / 22F / CONV & DITY MT 566 / C / 22F / CONV & DITY MT 564 / E1 & E2 / 98a / PAYD/ONGO MT 566 / D1 & D2 / 98a / PAYD/ONGO	seev.031 – D / ConversionType & OccurrenceType seev.031 & seev.035 & seev.036 – E1 & E2 / DateDetails / PaymentDate / DateCode / Code / ONGO

Decision Date	Implement. Date	Update Date	Open Item Ref.
2011	Nov. 2012	Dec. 2018	SR2012 CR, CA366

8.25 Certification/Breakdown

Information regarding certification and breakdowns can be provided in three elements:

- the Certification Breakdown or Certification Type [:22F::CETI],
- the Certification Breakdown indicator/flag [:17B::CERT];
- The Certification Breakdown narrative [:70E::CETI].

Those elements should be used as follows:

MT564 <> seev.031 and seev.035 and seev.036

- The Certification Breakdown indicator/flag in the Corporate Action Details [CADETL] sequence specifies if certification/breakdown is required for an event. There is no requirement to include the indicator/flag if certification/breakdown is not required for the event. This element is only present in the seev.031 in ISO 20022.
- The Certification Breakdown Type in the Corporate Action Option Details [CAOPTN] sequence specifies the type of certification/breakdown required for the option. It should only be used if required for that option.
- The Certification Breakdown indicator/flag in the Corporate Action Option Details [CAOPTN] sequence specifies if certification/breakdown is required for the option. There is no requirement to include the indicator/flag if certification/breakdown is not required for that option.
- The Certification Breakdown narrative element in the Corporate Action Option Details [CAOPTN] or in the Additional Information [ADDINFO] sequence provides additional information about the required certification/breakdown. It should only be used if required.

MT565 <> seev.033

- The Certification Type in the Beneficial Owner Details [BENODET] sequence specifies the type of certification/breakdown included in the Instruction message.

- The Certification Breakdown narrative element in the Beneficial Owner Details [BENODET] sequence and in the Additional Information [ADDINFO] sequence provides additional information about the certification/breakdown included in the Instruction message.

MT566 (not present in seev.036)

- The Certification/Breakdown indicator/flag in the Corporate Action Details [CADETL] sequence specifies if certification/breakdown is required on an event level. There is no requirement to include the indicator/flag.

ISO 15022	ISO 20022
22F / CETI 17B / CERT 70E / CETI	seev.031 - **D** / CertificationBreakdownIndicator seev.031 & seev.035 & seev.036 - **E** / CertificationBreakdownType & **E** / CertificationBreakdownIndicator & **E** / AdditionalInformation / CertificationBreakdown seev.031 & seev.035 - **F** / Certification Breakdown seev.033 – **C** / CertificationType

Decision Date	Implement. Date	Update Date	Open Item Ref.
2011	Nov. 2012		SR2012 CR

8.26 Fees and charges

Fees and charges should be quoted separately from the main rates and prices of the event, i.e. not be combined/aggregated with other rates. For instance, a solicitation fee rate **[MT564 – Seq. E2 - :92a::SOFE <> seev.031 – E2 / RateAndAmountDetails / SolicitationFeeRate]** or an early solicitation fee rate **[MT564 – Seq. E2 - :92a::ESOF <> seev.031 – E2 / RateAndAmountDetails / EarlySolicitationFeeRate]** should be provided separately from the main event rate.

ISO 15022	ISO 20022
MT 564 / E or E1 or E2 / :92a: MT 566 / D or D1 or D2 / :92a:	seev.031 & seev.035 & seev.036 - **E or E1 or E2** / RateAndAmountDetails

Decision Date	Implement. Date	Update Date	Open Item Ref.
Sep. 2012	Nov. 2013		

8.27 Generic Cash Price Paid Per Product Used with Additional For Existing Rate

The price element Generic Cash Price Paid Per Product [:90a::PRPP] is always the price of one unit of product, irrelevant of the ratio of the distribution of the event i.e. Additional For Existing Securities rate [:92a::ADEX]. If both Additional For Existing Securities rate (in the securities movement sequence and the Generic Cash Price Paid Per Product price (in the securities movement and cash movement sequences are present for the same option, the Generic Cash Price Paid Per Product will always be the price of one unit of product, irrespective of the ratio expressed in Additional For Existing Securities.

ISO 15022	ISO 20022
MT564 / E1 or E2 / 90a / PRPP MT566 / D1 or D2 / 90a / PRPP MT 564 / E1 / 92a / ADEX MT 566 / D1 / 92a / ADEX	seev.031 & seev.035 & seev.036 – **E1 or E2** / PriceDetails / GenericCashPricePaidPerProduct seev.031 & seev.035 & seev.036 – **E1 or E2** / RateAndAmountDetails / AdditionalQuantityForExistingSecurities

Decision Date	Implement. Date	Update Date	Open Item Ref.

Sep. 2011	Nov. 2012		SR2012 CR

8.28 Use of Generic Cash Price Paid Per Product in the Securities Movement sequence

The price element Generic Cash Price Paid Per Product [:90a::PRPP] is only to be included in the securities movement sequence when there will be no cash movement in the option (for instance for dividend reinvestment [DRIP] or scrip dividend [DVSC] events in UK).

ISO 15022	ISO 20022
MT564 / E1 / 90a / PRPP MT566 / D1 / 90a / PRPP	seev.031 & seev.035 & seev.036 – **E1** / PriceDetails / GenericCashPricePaidPerProduct

Decision Date	Implement. Date	Update Date	Open Item Ref.
Sep. 2011	Nov. 2012		SR2012 CR

8.29 Meaning of Entitled Quantity or Entitled Amount in the Movement Sequences

The Entitled Quantity in the securities movement sequence and the Entitled Amount in the cash movement sequence in an Eligible Balance or Final Entitlement message or Movement Preliminary Advice message are to be used for the projected quantity/amount. Thus, the Entitled Quantity/Amount in these messages should be equal to the Posting Quantity/Amount in the confirmation message once this is sent.

ISO 15022	ISO 20022
MT564 / E1 / 36B / ENTL MT 564 / E2 / 19B / ENTL MT566 / E1 / 36B / ENTL MT 566 / E2 / 19B / ENTL	seev.031 & seev.035 & seev.036 – **E1** / EntitledQuantity or **E2** / EntitledAmount

Decision Date	Implement. Date	Update Date	Open Item Ref.
Sep. 2013	Nov. 2014	Nov. 2014	CA253

8.30 Amounts / Rates / Prices / Quantities Larger than Allowed

In ISO 15022, the syntax for the Amounts, Rates, Prices and Quantity elements allows up to 15 digits to be used (including the decimal coma)

In ISO 20022,

- the syntax for the Amounts allows for up to 18 total digits and up to 13 fraction digits maximum;
- the syntax for the Rates allows for up to 11 total digits and up to 10 fraction digits maximum;
- the syntax for the Prices allows for up to 11 total digits and up to 10 fraction digits;
- the syntax for the Quantity elements allows for up to 18 digits and up to 17 fraction digits to be used.

For amounts/rates/prices where the maximum size limitation means that not all decimals can be provided in a formatted field, the sender should include as many decimals as the field length allows and include the complete amount/rate/price in the Additional Text narrative **[:70E::ADTX <> Additional Information / AdditionalText]** in the corporate action options sequence.

For amounts/rates/prices where the maximum size limitation means that not all integers can be provided in a formatted field, the sender should not include the formatted field. Instead, it should only include the complete amount/rate/price in the Additional Text narrative **[:70E::ADTX <> Additional Information / AdditionalText]**in the corporate action options sequence .

For the mandatory Posting Amount and Posting Quantity elements in the confirmation message, the sender should split the amount/quantity in as many movement sequences as necessary.

ISO 15022	ISO 20022
For all 19B & 92a & 90a & 36B MT 566 / D1 / 36B / PSTA MT 566 / D2 / 19B / PSTA	For all AmountsDetails, RateAndAmountDetails, PriceDetails & SecuritiesQuantity elements Seev.036 – E1 / PostingQuantity Seev.036 – E2 / PostingAmount

Decision Date	Implement. Date	Update Date	Open Item Ref.
Feb. 2015	Nov. 2015		CA284

8.31 Usage of Country of Income Source

The Country of Income Source element**[MT 564 – Seq. E1 or E2 - :94C::COIN <> seev.031 / E1 or E2 / CountryOfIncomeSource]** present in cash and securities movement sequences of the Notification and Movement Confirmation messages should not be used for Depositary Receipts (ADRs or GDRs) to specify the origin of the underlying instrument.

It should only be used in exceptional cases when the country of origin of different portions of an income (for one specific instrument) needs to be identified. It will usually happen when a different tax rate must eventually be applied to the different income portions.

This information should only be included in in the messages when provided by the issuer or its agent.

An example of the usage of the "Country Of Income Source" element in a Movement Confirmation message is provided in section 13.7.

ISO 15022	ISO 20022
MT 564 / E1 or E2 / 94C / COIN MT 566 / D1 or D2 / 94C / COIN	Seev.031 or seev.035 or sev.036 – E1 or E2 / CountryOfIncomeSource

Decision Date	Implement. Date	Update Date	Open Item Ref.
Oct. 2015	Nov. 2016		CA318

8.32 Usage of Withholdings Tax Rate and Second Level Tax

The usage of the Withholding Tax Rate [:92a::TAXR <> WithholdingTaxRate] and Second Level Tax [:92a::WITL <> SecondLevelTax] are illustrated in the following examples (based on South-African scenarios).

	QUALIFIER	Example 1	Example 2	Example 3	Example 4	Example 5
Company		RMB Holdings Limited	Compagnie Financiere Richemont SA	Oando Plc	Old Mutual Plc	Tradehold Limited
ISIN		ZAE000024501	CH0045159025	NGOANDO00002	GB00B77J0862	ZAE000152658
Exchange where primary listing is maintained		Johannesburg Stock Exchange	Schweizer Borse Swiss Exchange	Nigerian Stock Exchange	London Stock Exchange	Johannesburg Stock Exchange
Exchange where secondary listing is maintained		n/a	Johannesburg Stock Exchange	Johannesburg Stock Exchange	Johannesburg Stock Exchange	n/a
Country where tax affairs are concluded		South Africa	Switzerland	Nigeria	South Africa	Malta
Source of dividend payment		South African	Swiss	Nigerian	South African	Maltese
Foreign dividend		No	Yes	Yes	No	Yes
Exemption for resident shareholders to pay DWT in terms of the South African Income Tax Act		Yes	No	No	Yes	Yes
Exemption for non-resident shareholders to pay DWT in terms of the South African Income Tax Act in terms of a DTA		Yes	Yes	Yes	Yes	Yes
Applicable section of the South African Income Tax Act for non-resident shareholders		n/a	Section 64N	Section 64F	n/a	Section 64F
Gross Dividend Rate per share		ZAR0.81	ZAR1.08019	ZAR0.75	ZAR0.90	ZAR1.30
Usage of Withholding Rates Before SR2016						
South African Dividend Withholding Tax Rate	TAXR	15%	0%	5%	15%	15%
Foreign Dividend Withholding Tax Rate (deducted in country of primary listing)	WITF	n/a	35%	10%	n/a	n/a
Usage of Withholding Rates as of SR2016						
Percentage of a cash distribution that will be withheld by the tax authorities of the jurisdiction of the issuer, for which a relief at source and/or reclaim may be possible.	TAXR	15%	35%	10%	15%	0%
Second level Tax	WITL	n/a	0%	5%	n/a	15%
Net Dividend Rate per share		ZAR0.6885	ZAR0.7021235	ZAR0.6375 (15% must be deducted)	ZAR0.765	ZAR1.105
Reclaim possible (when tax is withheld in a foreign jurisdiction, i.e. Other than the service provider jurisdiction)		No	Yes	No	No	No
Reclaim rate		n/a	20% (difference between 35% and the South African dividend	n/a	n/a	n/a

The method used to calculate a dividend net amount when both a withholding tax rate and second level tax rate are provided in the Notification message may be dependent upon local market practices.

Two cases have been identified so far:

- the second level tax rate applies only on the amount net of the withholding tax rate (i.e. the resulting amount after deduction of the withholding tax on the gross dividend amount);
- Both tax rates are applied on the gross dividend amount.

ISO 15022	ISO 20022
MT 564 / E, E1 or E2 / 92a / TAXR or WITL MT 566 / D, D1 or D2 / 92a / TAXR or WITL	Seev.031 or seev.035 or sev.036 – E, E1 or E2 / RateAndAmountDetails / WithholdingTaxRate or SecondLevelTax

Decision Date	Implement. Date	Update Date	Open Item Ref.
Feb. 2016	Nov. 2023	Dec. 2022	CA318, CA370, SR2023 CR1846

8.33 Usage of Available Date/Time For Trading

The element “Available Date/Time For Trading” **[:98a::AVAL <> E1 / AvailableDate]** should only be used for newly issued securities (with new ISIN) received in a distribution or re-organisation event with option types “Security” [code SECU] or “Cash And Security” [code CASE].

ISO 15022	ISO 20022		
MT564 / E1 / 98a / AVAL MT566 / D1 / 98a / AVAL	seev.031 or seev.035 or seev.036 – E1 / DateDetails / AvailableDate		
Decision Date	Implement. Date	Update Date	Open Item Ref.
Feb. 2017	Nov. 2017		CA203

8.34 On Actual and Contractual Payments

8.34.1 General Rule

As a general rule all payments of income proceeds or capital are processed on an actual basis.

An account servicer may, if local regulations allow it, offer an SLA-based contractual payment service to its account holders. An account servicer may reverse a contractual payment at its discretion should the expected funds not be received in due time.

8.34.2 Contractual Payment Indicator in Notifications

The contractual payment indicator and the code **[ACTU]** for actual payment should be used only when there is a contractual payment agreement on the account, and only when there needs to be an exception to this service. If both of these two conditions are not met, the indicator should not be used.

For account holders with contractual payment agreement, the contractual payment indicator should only be used when payment for this specific event/option will be made upon actual receipt of the funds.

ISO 15022	ISO 20022		
MT564 / E2 / 22H / CONT / ACTU	seev.031 – E2 / ContractualPaymentIndicator / ACTU		
Decision Date	Implementation Date	Update Date	Open Item Reference
Apr. 2019	Nov. 2019	n/a	CA414

8.34.3 Contractual Payment Indicator in Confirmations

The contractual payment indicator and the code [ACTU] for actual payment should be used only when there is a contractual payment agreement on the account. If not, the indicator should not be used.

For account holders with contractual payment agreement, the contractual payment indicator allows an account servicer to inform the account holder whether the payment was executed upon receipt of the proceeds from the issuer [**ACTU**] or not [**CONT**], and hence whether the payment may be reversed.

ISO 15022	ISO 20022		
MT566 / D2 / 22H / CONT / CONT or ACTU	seev.36 – E2 / Cash Movement Details / Contractual Payment Indicator / CONT or ACTU		
Decision Date	Implementation Date	Update Date	Open Item Reference
Apr. 2019	Nov. 2019	n/a	CA414

9 Market Practices on Particular Events

9.1 Rights Issues

Rights issues can be processed in one or two event types, either using the event type code “RHTS” when processed in one event type or using the event type codes “”RHDI” and “EXRI” when processed in two events.

At its Madrid meeting in October 2005, the SMPG agreed that the general way forward is to migrate to process rights issues as two events. [1] Since then, a number of markets have migrated and the two events process is now the most common of the two.

The SMPG Market Practice Part 2 document (EIG+) provides the status of the migration per market within the “Distribution with Options” table.

9.1.1 One event

If a Rights Issue is handled as one event, the corporate action Event Type should be “Right Issue” [RHTS code] and the Intermediate Security sequence **[MT 564 – Seq. C <> seev.031 – C /]** is to be used to give the details on the rights.

This event is a mandatory with options event and an instruction is required[2], therefore the Event Category code used must be “CHOS” **[:22F::CAMV//CHOS <> A / MandatoryVoluntaryEventType / Code / CHOS]**.

It is to be noted that if the ISIN of the rights is not known when a notification is sent, the “UKWN” code is to be used as a code word.

In a one-event Rights Issue, instructions should be sent on the rights (referred to in the Intermediate Security sequence), not on the underlying security for the event. This is an exception to global market practice that is only applicable to one-event Rights Issues.

When processing rights as one event, the posting of the rights can be done with mention of option code “Securities” **[MT566 – Seq. D - :22F::CAOP//SECU <> seev.036 – E / OptionType / Code / SECU],** even though this SECU option was not provided on the Notification message.

An example of the main data used in the one event scenario in ISO 15022 is provided in section 13.8 and the SMPG CA Event Templates document provides a full message illustration of the one event scenario as well.

9.1.2 Two events

If a Rights Issue is handled as two events, the corporate action Event Type in the first event should be “Intermediate Securities Distribution” [RHDI code] with the details on the rights in the Securities Movement Details sequence.

The first event, the Intermediate Securities Distribution, is a mandatory securities distribution event.

The second event, the Exercise of Rights, is in most markets a mandatory with options reorganisation event, but may in some markets be a voluntary reorganisation event.

The two events do not need to be linked. via references (though that is of course possible), but the first event must contain the event type of the second event in the Intermediate Securities Distribution Type Indicator of the Notification message **[MT564 – Seq. D - :22F::RHDI <> seev.031 – D / IntermediateSecuritiesDistributionType / Code]**, and the underlying security of the second event is the security distributed to account holders in the first event.

An example of the main data used in the two events scenario in ISO 15022 is provided in section 13.9 and the SMPG CA Event Templates document provides a full message illustration of the two events scenario as well.

[1] Madrid meeting October 2005

[2] Correction of an issue identified in Geneva meeting September 2002.

ISO 15022	ISO 20022		
22F / CAEV / RHDI & EXRI	A / EventType / Code / RHDI & EXRI		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Jan. 2001	Nov. 2002	Jan. 2020	CA439

9.1.3 Sale/Purchase of Rights/Interim Securities

The sale/purchase of rights/interim securities by the account servicer are not always offered options, and are solely within the discretion of the account servicer.

However, when the option/-s are offered, and an Instruction message is received to execute the sale/purchase of rights, the confirmation should be done via an Movement Confirmation message. Since the Movement Confirmation message does not include all fields necessary for trade/transaction reporting, a Client Confirmation of Purchase or Sale message **[MT515 <> setr.027]** may be sent in addition to the Confirmation message.

ISO 15022	ISO 20022		
MT564 / D / 22F / CAOP / BUYA or SLLE	Seev.031 – E / OptionType / Code / BUYA or SLLE		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Jun. 2001	Nov. 2002		

9.2 On Payment of Interest and Principal Amount[1]

This section provides guidelines to the usage of Notification and Movement Confirmation messages to announce/confirm the combined payment of interest and principal (Corporate bond at Maturity, Mortgage back Security).

This should be handled in two events: an “Interest Payment” (INTR) and a “Partial Redemption With Pool Factor Reduction” (PRED).

ISO 15022	ISO 20022		
MT56x / A / CAEV / INTR, PRED	Seev.03x - **A** / EventType / Code / INTR, PRED		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Jan. 2002 / Nov. 2004	May. 2005	May 2011, Nov. 2016, June 2018	CA56 / CA 142 / CA395 / CR001128

9.3 Advising Distribution Rates for Dividend with Options Involving a Compulsory Cash Rate

Should a rate appear in one option in the Corporate Action Option Details?

For example:

New World Development Final dividend HKD 0.84

HKD 0.84 per share

[1] Brussels meeting June 2003.

HKD 0.01 Compulsory cash rate

HKD 0.83 in the form of cash with scrip option

How should the Corporate Action Option Details sequence be formatted for the above example?

The SMPG recommendation is that this type of process should be treated as two events[1]:

- One for the compulsory cash
- The other for the cash or stock options.

9.4 Booking Out of Valueless Securities

In order to confirm that valueless subscription rights have been booked out, the event type Intermediate Securities Distribution (RHDI) is used – as this relates to the original event. In order to confirm that valueless warrants have been booked out, the event type Warrant Exercise (EXWA) is used – as this relates to the original event.

How can we confirm that valueless securities - derived from liquidation or a bankruptcy that started years ago – are booked out?

The SMPG recommendation[2] is that the event type Worthless (WRTH) for the booking out of valueless securities is the most appropriate event if this is part of a Corporate Actions.

However, if a client has asked to have them "booked off" without waiting the end of the legal process for example, then it is a deliver free settlement event.

9.5 Redemption of Short Term Note

Short term note with:

- a redemption option,
- at the same time rolled over to a new note upon maturity if redemption is not exercised.

The SMPG recommendation[3] is that it should be handled as a single redemption event with two options.

9.6 Clarification on Dividend Option event and Currency Options

The event type Cash Dividend (DVCA) must be used with the event category "Mandatory With Option" (CHOS) if there is a choice of currencies in which the cash may be distributed.

If any option involves a security in place or in addition to cash then the event type Dividend Option (DVOP) must be used.

ISO 15022	ISO 20022
MT56x / A / CAEV / DVCA, DVOP	Seev.03x - **A** / EventType / Code / DVCA, DVOP

Decision Date	Implement. Date	Update Date	Open Item Ref.
Apr. 2005	Nov. 2006		

[1] Brussels meeting June 2003.

[2] Brussels meeting June 2003.

[3] Brussels meeting June 2003.

9.7 Use of Previous and Next Pool Factors

The CA WG confirms at the SR2007 maintenance meeting that no more than two pool factors are needed (i.e. Previous Factor and Next Factor) for one corporate action event. The requirement for a current factor could be fulfilled by announcing the next event in another MT 564, using again Previous and Next Factors.

The next pool factor **[:92a::NWFC <> D / NextFactor]** identifies the factor for the current event and the previous pool factor **[:92a::PRFC <> D / PreviousFActor]** identifies the factor that applied before.

Thus the previous pool factor applies before the redemption date of the event and the new factor applies after the redemption date of the event.

The difference between the two factors is used to calculate the payment.

Please refer to the ISITC US Market Practice document in section on "subsequence B1 Financial Instrument Attributes" for more information on the usage of the previous pool factor and next pool factor.

ISO 15022	ISO 20022
MT564 / D / NWFC & PRFC MT 566 / C / NWFC & PRFC	Seev.031 – D / RateAndAmountDetails / PreviousFactor & NextFactor

Decision Date	Implement. Date	Update Date	Open Item Ref.
Oct. 2006	NA		SR2007 III.64

9.8 The OTHER Event

SMPG recommends that the Other [OTHR] event type is not used. No recommendations are provided for either for options.

In addition unconfirmed and rumoured events must not be notified using the Other event type, the appropriate event type code must be used at all times.

ISO 15022	ISO 20022
22F / CAEV / OTHR	A / EventType / Code / Other (OTHR)

Decision Date	Implement. Date	Update Date	Open Item Ref.
March 2007	NA		CA108

9.9 Tax rate and Taxable Quantity for Stock Dividend events

For stock dividend markets/events where the tax authority requires a tax to be paid in securities, rather than in cash, the SMPG recommendation is to use two securities movement sequences, one with a credit of securities and one with a debit of securities and the tax details in narrative.

ISO 15022	ISO 20022
22F / CAEV / DVSE	A / EventType / Code / StockDividend (DVSE)

Decision Date	Implement. Date	Update Date	Open Item Ref.
Nov. 2009	Nov. 2010		CA164

9.10 Use of Unknown Code with Fraction Disposition

Disposition of fractions is not a critical information, and hence there is no requirement to report the disposition of fractions with the value Unknown [code UKWN]. However, if there is a market rule for the disposition of fractions or if the issuer has announced the disposition, it should be reported.

ISO 15022	ISO 20022
MT 564 / E & E1 / 22F / DISF MT 566 / D & D1 / 22F / DISF	Seev.31 & seev.035 & seev.036 – E or E1 / FractionDisposition

Decision Date	Implement. Date	Update Date	Open Item Ref.
Nov. 2009	Nov. 2010		CA131

9.11 Class Actions

The key principles are:

- A class action event type **[:22F::CAEV//CLSA <> EventType / Code / CLSA]** is not considered as a voluntary event at the time it is filed but rather as a General event processing type **[MT564 – Seq. A / :22F::CAEP//GENL <> seev.031 – A1 / EventProcesssingType / Code / GENL]** with no predefined proceeds or movements.
- Once the court has approved it (sometimes several years later), then a voluntary class action event type is created with options with the possibility for the Account Servicer to indicate what options are supported if any.

There is no requirement to keep the same Corporate Action Event Identification [:20C::CORP] as it is perceived as difficult to manage when the Event Category [:22F::CAMV] changes for the same event.

ISO 15022	ISO 20022
22F / CAEV / CLSA 22F / CAMV / MAND & VOLU	A / EventType / Code / ClassAction (CLSA) A / MandatoryVoluntaryEventType / MAND & VOLU

Decision Date	Implement. Date	Update Date	Open Item Ref.
Nov. 2009	Nov. 2011		CA138, CA165

9.12 Use of Effective Date

An Effective Date is to be used in events where there is no concept of entitlement, for instance in Name Change events [:22F::CAEV//CHAN] or Place of Incorporation events [:22F::CAEV//PLAC], andwhere there is a sense of eligibility but with a legal obligation, for instance in Merger events [:22F::CAEV//MRGR].

ISO 15022	ISO 20022
MT 564 /D / 98a / EFFD MT 566 /C / 98a / EFFD	Seev.031 - D / DateDetails / EffectiveDate

Decision Date	Implement. Date	Update Date	Open Item Ref.
May. 2009	Nov. 2010		CA127, CA127.1

9.13 Final Redemption Event after a Partial Redemption

The final redemption of a bond that has been partially redeemed before via a Partial Redemption Without Pool Factor Reduction event **[:22F::CAEV//PCAL <> A / EventType / Code / PCAL]** or via a Partial Redemption With Pool Factor Reduction **[:22F::CAEV//PRED <> A / EventType / Code / PRED]** must be done via a Final Maturity event **[:22F::CAEV//REDM <> A / EventType / Code / REDM]** if done at final maturity according to the terms of the event or via an Full Call event **[:22F::CAEV//MCAL <> A / EventType / Code / MCAL]** in case of an early final maturity.

ISO 15022	ISO 20022
22F / CAEV / REDM & PCAL & PRED & MCAL	A / EventType / Code / FinalMaturity (REDM) & PartialRedemptionWithoutPoolFactorReduction (PCAL) & PartialRedemptionWithPoolFactorReduction (PRED) & FullCAll (MCAL)

Decision Date	Implement. Date	Update Date	Open Item Ref.
Oct. 2010	Nov. 2011		CA06.13

9.14 Redemptions in Pro-Rata

The Pro-Ration Option Feature **[MT564 – Seq. E - :22F::OPTF//PROR <> seev.031 & seev.035 / E / OptionFeatures / Code / Proration (PROR)]** can be used in two distinct scenarios:

- for elective events in case of options subject to pro-ration (scale back) such as over-subscription for example,
- for mandatory events in case of redemption with partial reduction in pro-rata. The Partial Redemption Without Pool Factor Reduction event **[:22F::CAEV//PCAL <> A / EventType / Code / PCAL]** is processed with an actual nominal reduction but without change in the denomination size.

ISO 15022	ISO 20022
MT 564 / E / 22F / OPTF / PROR	Seev.031 & seev.035 & seev.036 – E / OptionFeatures / Proration (PROR)

Decision Date	Implement. Date	Update Date	Open Item Ref.
Nov. 2013	NA		CA266

9.15 Timeline for Dividend Reinvestment without Interim Line – Voluntary

The event is announced as a mandatory cash dividend [code DVCA], followed by a dividend reinvestment event [code DRIP].

The ex-dividend date and record date of the first cash dividend event will have the same value as in the second dividend reinvestment event.

The scenario is as follows:First event

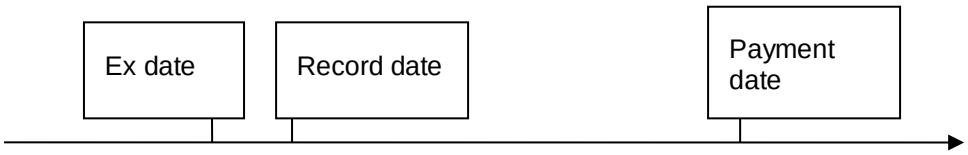
Event type: Cash dividend [DVCA]

Event Category: Mandatory

Security A

Option type CASH with Gross Dividend Rate [:92a::GRSS] and cash credit movement

Key dates



Second event

Event Type: Dividend Reinvestment [DRIP]

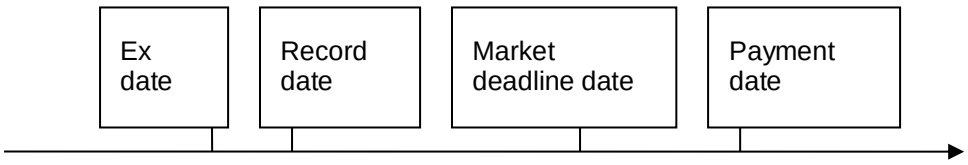
Event Category: Voluntary

Security A

Option Type SECU with Generic Cash Price Paid per Product [:90a::PRPP] and cash debit movement and security credit movement with security A

Option type No Action [code NOAC] i.e. keep the cash that was distributed in first event.

Key dates



ISO 15022	ISO 20022
22F / CAEV / DVCA + DRIP	A / EventType / Code / Cash Dividend (DVCA) & Dividend Reinvestment (DRIP)

Decision Date	Implement. Date	Update Date	Open Item Ref.
Oct. 2011	Nov. 2012		CA139

9.16 Cash Distribution from Non-Eligible Securities Sales

The new event type code DRCA for “Cash Distribution From Non-Eligible Securities Sales” is only to be used for distribution to shareholders of cash resulting from the selling of non-eligible securities, for instance, in the frame of a depositary receipt program. If the event that generated the non-eligible securities was announced to the shareholders, the two events should be linked.

ISO 15022	ISO 20022
22F / CAEV / DRCA	A / EventType / Code / Cash Distribution From Non-Eligible Securities Sales (DRCA)

Decision Date	Implement. Date	Update Date	Open Item Ref.
2011	Nov. 2012		SR2012 MWG

9.17 Cash Distributions with Two or More Components

There are scenarios where multiple payments are distributed within a single event.

In this case, the multiple payments are announced as one event, for example, a capital gain distribution [code CAPG] with both short term and long term capital gains.

When a cash dividend [code DVCA] or a capital distribution [code CAPD] is announced with a capital gain distribution, the dividend / capital distribution is considered a separate event. Hence, do not use the Short Term Capital Gain [code STCG] and Long Term Capital Gains [LTCG] rate type codes with the Gross Dividend rate in the cash movement sequence of the cash dividend or capital distribution event types.

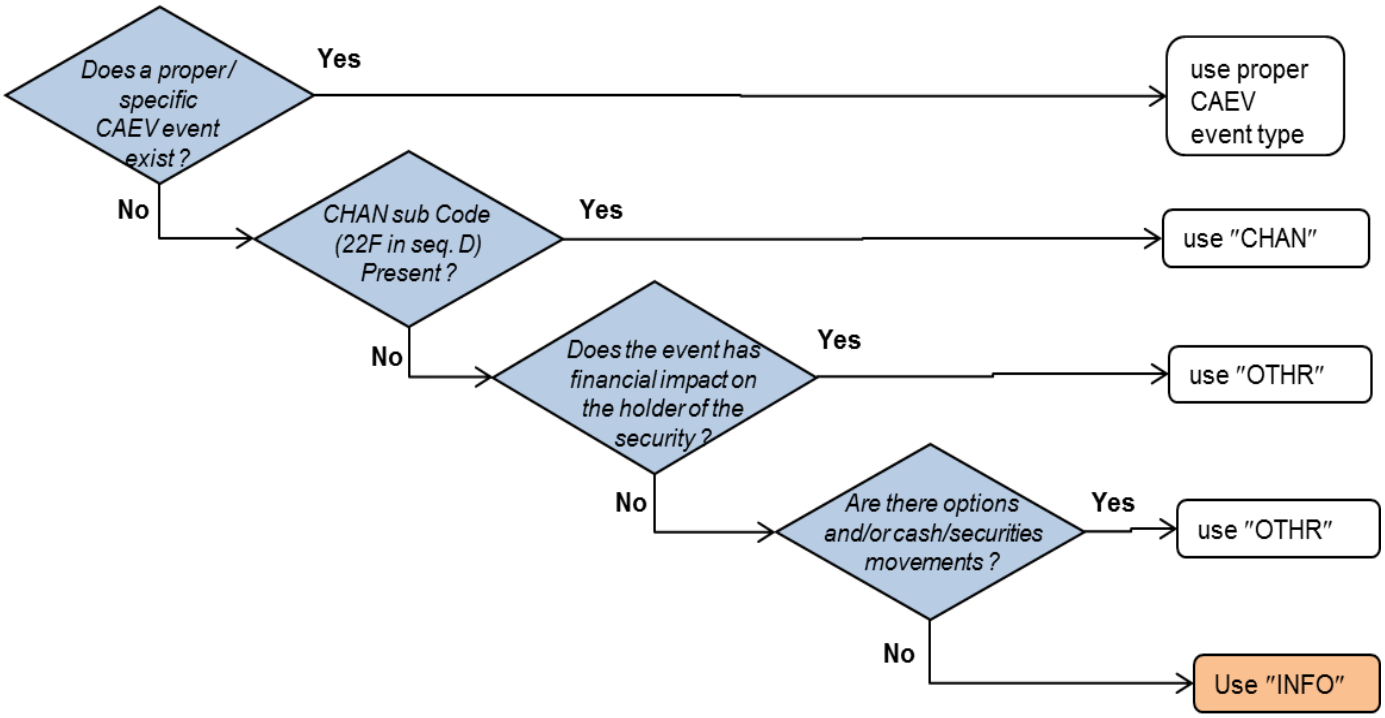
ISO 15022	ISO 20022
22F / CAEV / CAPG MT564 / E2 / GRSS / LTCG & STCG MT566 / E2 / GRSS / LTCG & STCG	A / EventType / Code / Capital Gain Distribution (CAPG) Seev.031 & seev.035 & seev.036 / E2 / RateAndAmountsDetails / GrossDividendRate / RateTypeAndAmountAndRateStatus / RateType / Code

Decision Date	Implement. Date	Update Date	Open Item Ref.
2011	Nov. 2012	Jun. 2016	CA298

9.18 The Information (INFO) Event Usage Guidelines

The Information [code INFO] event shall only be used for information provided by the issuer when the information has no accounting/financial impact on the holder and when it is not already covered by another specific existing event type like Change event type [code CHAN] or Other [code OTHR].

The following decision tree chart will help identify exactly when the information event should be used.



Typically the kind of events that are targeted are for instance the “conference call” announcements. It occurs when an issuer, trustee, agent wishes to talk to note holders to discuss a certain issue or potential change to the notes. It is usually an informal call where anything said is not binding. This information event would cover issuer’s information communication without involving any movements or without any deadlines.

ISO 15022	ISO 20022
22F / CAEV / INFO	A / EventType / Code / Information (INFO)

Decision Date	Implement. Date	Update Date	Open Item Ref.

May 2012	Nov. 2013		CA224

9.19 Coupon-like Payments

The SMPG recommends the use of the event type Interest Payment [code INTR] for all interest payments on interest-bearing securities, even if the interest payment is non-regular, conditional or additional.

ISO 15022	ISO 20022		
22F / CAEV / INTR	A / EventType / Code / Interest Payment(INTR)		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
May 2012	Nov. 2013		CA243

9.20 Accumulation Event Type

A market practice for the Accumulation event type [code ACCU] has been created by the UK&IE NMPG. Please refer to the UK & IE MP document.

ISO 15022	ISO 20022		
22F / CAEV / ACCU	A / EventType / Code / Accumulation (ACCU)		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
	Nov. 2013		SR2013 MWG

9.21 Cash Dividend in Percentage Form

On preference shares, there is sometime a percentage provided for the cash dividend, however, the Gross Dividend Rate [:92A::GRSS] cannot be used as the format to provide it in percentage does not exist.

The SMPG recommends to use of the Applicable Rate [:92A::RATE] instead for cash dividends announced as a percentage.

ISO 15022	ISO 20022		
MT564 / E2 / 92A / RATE	Seev.031 & seev.035 & seev.036 – E2 / RateAndAmountDetails / ApplicableRate		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Nov. 2012	Nov. 2013		CA244

9.22 Consent Related Events

ISO 15022	ISO 20022		
22F / CAEV / CONS & TEND & EXOF & BIDS	A / EventType / Code / Consent (CONS) & Tender Offer (TEND) & Exchange (EXOF) & Repurchase Offer (BIDS)		
Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Sep. 2013	Nov. 2014		CA167

9.22.1 Types of Consents

A consent is, by definition, a request normally performed by the issuer to the holders on specific topics linked to the life of the company or to the terms and conditions of the company's issued securities.

Different types of *consents* exist on the market.

Here are the most common types of consents and their characteristics:

Scenario	Target Market	Description	B: Bond S: Shares	Electronic Instruction	Physical Meeting	Stand Alone	ISO 20022	Originator I: Issuer T: Third Party	Event Type	Event Category	Option / Vote Instruction Types	Fee on Election
1	XS	Change in Terms (+/-80% of XS consent)	B	Y	N	Y	seev.031 (CANO)	I	**CONS** + CONS//CTRM indicator.	VOLU	CONY, CONN, NOAC	Y (SOFE) / N
2	XS	Due & Payable (+/- 20% of XS consents)	B	Y	N	Y	seev.031 (CANO)	**TP**	**CONS** + CONS//DUPY indicator	VOLU	CONY, CONN, NOAC	N
3	US	Consent for EXOF, TEND, BIDS	B+S	Y	N	Y/ N	seev.031 (CANO)	I	**TEND,EXOF, BIDS** + ADDB/CONS	VOLU	CTEN, CEXC, CONY, CONN, NOAC	Y (SOFE) majority
4	KR	Consent for buyback offer for dissenters	S	Y	N	N	seev.031 (CANO)	I	**CONS** (followed by **BIDS** VOLU)	VOLU	CONN, NOAC	N
5	All	Bond Holder meeting	B	Via Proxy	**Y**	Y	seev.001 (MENO)	I	**BMET**	VOLU	Meeting Options + Abstain	Y / N (Incentive Premium)

1) Change in the terms and conditions of a security. This often occurs for bonds and structured products for which a clear 'terms and conditions' document exists. For certain types of modification, a consent of the holder is requested (see scenario 1 above).

2) Bonds can be declared due and payable. See scenario 2 and more details in the *specifics of the XS market* chapter below.

3) Consent requested to the holder in the context of specific events like exchange offers or tenders. This consent has very often impacts on the receipt of potential fees and also on the deadline. See scenario 3 and more details in the *specifics of the US market* chapter.

4) In Korea, a common scenario is that issuers do not organize a general meeting to request the opinion of their holders and allow the holders who did not agree with the proposals to sell the securities to the issuer company via a Repurchase Offer [code BIDS] event (the other holders cannot participate to the second event). See scenario 4.

5) When a meeting is convened to request the holders' consent, whether the meeting is held physically or virtually, the event should be announced as a general meeting, using the appropriate meeting type (BMET). See scenario 5.

9.22.1.1 Event Type Consent

The event type Consent [code CONS] will remain applicable whenever the issuer is not requiring to consent on a specific event but requesting for example a change in the terms and conditions of a bond.

The SMPG agrees that the ISO definition of the Consent event type is therefore not appropriate and decides to have it changed as follows for SR2014:

From:

"Procedure that aims to obtain consent of holder to a proposal by the issuer or a third party intended to progress an event to the next stage. This procedure is not required to be linked to the organisation of a formal meeting. For example, consent to approve a plan of reorganisation for a bankruptcy proceeding."

to

"Procedure that aims to obtain consent of holder to a proposal by the issuer or a third party without convening a meeting. For example, consent to change the terms of a bond."

Illustration in ISO 15022:

Consent changes in the terms of a bond	
Seq A	
22F::CAEV//CONS	
22F::CAMV//VOLU	
Seq D	It is **NOT** recommended to repeat CONS in the ADDB
~~22F::ADDB//CONS~~	

9.22.1.2 Consent on Tender or Repurchase or Exchange Offer

When a consent is required on a specific event for instance consent on a tender/repurchase offer or exchange offer, the event type of the specific event should be used. In order to clarify that a consent is required for this event to actually take place, the use of the additional business process "Consent" **[:22F::ADDB//CONS <> seev.031 - D / AdditionalBusinessProcessIndicator / Code / Consent (CONS)]** is recommended in the Corporate Action Details sequence of the Notification message.

Illustration in ISO 15022:

Tender and Consent	**Exchange and Consent**
Seq A	Seq A
22F::CAEV//TEND (Tender and Consent)	22F::CAEV//EXOF (Exchange and Consent)
22F::CAMV//VOLU	22F::CAMV//VOLU
Seq D	Seq D
22F::ADDB//CONS	22F::ADDB//CONS

For Consent Tender/Exchange Events - account holders who elect to "Take No Action" [code NOAC], will have no impact on their holdings. When the Consent and Tender/Exchange Event is granted, holders who elected to Consent and Tender/Exchange [code CTEN or CEXC] are impacted based on the terms of the option. Holders who only granted the consent [code CONY] will not have their shares surrendered. However, they are bound to the changes of the consent.

If the offer becomes compulsory, the tender/exchange itself becomes mandatory, holders who elected "No Action" [code NOAC] or "Consent Denied" [code CONN] will therefore be subject to a second event, which will be mandatory.

9.22.1.3 Bond Holder Meeting Consent

In the case of bondholder meetings the specific event type "Bond Holder Meeting" [code BMET] should be used in order to have a clear distinction with the shareholder meetings on one hand and the consent done on the bonds on the other (e.g. scenario 1a and 1b above). The bondholder meeting is thought to be so specific that it is worth having it represented as a separate event. This approach was also agreed at the Proxy Voting subgroup of the SMPG.

9.22.2 Fees

In case there are solicitation fees or early solicitation fees, this information is at the option level. This is typically applicable to "Consent and Tender" [code CTEN], "Consent and Exchange" [code CEXC] and "Consent Granted" [code CONY] option types.

Generally, the deadline on an early solicitation option is before the deadline on the Consent and Tender or Consent and Exchange option types.

The rate that would typically be used to represent this solicitation fee is the Solicitation Fee Rate element **[MT 564/MT566 – Seq. E2/D2 - :92a::SOFE <> seev.031 & seev.035 & seev.036 – E2 / RateAndAmountDetails / SolicitationFeeRate] defined as: "***Rate of the cash premium made available if the securities holder consents or participates to an event, for example consent fees or solicitation fee*".

NB: Note this is not to be confused with Third Party Incentive Rate [:92a::INCE] that is not distributed to the holder but rather to a third party in the chain (see ISO definition).

9.22.3 Specifics of the XS Market

Once a security is declared "*in Default*", it is quite usual to ask customers whether they would like the bond to be declared "*Due & Payable"*. This is done at Trustee request to speed up the process of the default. In this specific case the Consent event type [code CONS] can also be used.

In order to allow a distinction between scenario 1a and 1b above, the Consent indicator in the Corporate Action Details sequence must be used.

> NB1: As this is often performed at the request of a Trustee the notion of 'third party' is kept in the definition of the Consent event.
>
> NB2: additional information: a typical necessary quorum can be around 20 or 25 per cent of nominal amount outstanding, as defined in the Terms and Conditions of the Notes. In such a case, the bonds will be officially declared "due and payable" and the Trustee will take action against the issuer and discussions and procedures will be initiated for 'potential restructure'.

It is possible to have a Consent event before a meeting to know what noteholders think (for example in the Lehman Brothers case).

The main difference(s) between the Consent event [code CONS] and the Bond Holder Meeting event [code BMET] are:

Consent Event - CONS	Bond Holder Meeting event - BMET
Electronic voting only	Allow physical attendance for the voting or proxy voting
Option type "Abstain" [ABST] not available	Option "Abstain" [ABST] available
Different % of quorum may be required vs BMET	Different % of quorum may be required vs CONS

9.22.4 Specifics of the US Market

There are conditions whereby the account holder can consent with a fee or consent without a fee. These conditions are represented by different options. Consent with a fee would typically have an earlier deadline.

1) <u>What are the options to be used for Tender and Consent and Exchange and consent?</u>

> For voluntary tender offer and exchange offer events, the following option type codes can be used:CTEN or CEXC – Consent and Tender or Consent and Exchange
>
> CONY – Consent Granted
>
> CONN – Consent Denied
>
> NOAC – Take No action

2) <u>What is the difference between option types Consent Denied [CONN] and No Action [NOAC]?</u>

CONN – holder actively denying the consent

NOAC – holder is not taking any action (neither deny nor accept)

3) What is the difference between Consent and Exchange / Consent and Tender [CEXC/CTEN] and Consent Granted [CONY]?

CEXC and CTEN – the holder is agreeing with the consent and surrender of securities.

CONY – the holder is only agreeing with the consent but retaining its holdings (neither Tendering nor exchanging).

Option CONY is also provided with option CEXC in case restrictions need to be lifted before the exchange.

4) What event can occur after the offer becomes compulsory?

The tender/exchange becomes mandatory. Holders who elected No Action [NOAC] or Consent Denied [CONN] will be subject to a second event (MAND) that will be usually a merger (equities) or a tender (fixed income).

9.23 Disclosure Event Type

The usage of a disclosure event type [code DSCL] is limited to (I)CSD only, for ad hoc request typically in the XS and RU market.

If a disclosure is required in the context of a corporate action event, then the disclosure request should be announced within that event.

9.24 Write-up / Write-Down on Contingent Convertible Corporate (CoCo) Bonds

For a decrease (write-down) of face value on a "CoCo" bond, the SMPG recommends to use a "Partial Redemption Without Pool Factor Reduction" event [code PCAL] with a Securites [SECU] option.

For an increase (write-up) of face value, the SMPG recommends to use a Pay in Kind event [code PINK] with a Securities option.

The SMPG also recommends to use the Applicable Rate [:92A::RATE] as the rate for both events provided the rate is announced as a percentage (of increase and decrease).

ISO 15022	ISO 20022
22F / CAEV / PCAL & PINK	A / EventType / Code / RedemptionWithoutPoolFactorReduction (PCAL) & PayInKind (PINK)

Decision Date	Implement. Date	Update Date	Open Item Ref.
Sep. 2014			CA282

9.25 Mandatory Events with Required Owner Action

In exceptional circumstances, there are types of mandatory events where some form of action is required by the account owner in order to receive the entitlement/proceeds. Examples include spin-off where the outturn securities cannot be held in the same CSD/account as the underlying securities, and distribution of interim securities/subscription rights where the account owner must certify it is not restricted from participation before the entitlement/proceeds can be distributed.

For these events, the Event Category code [:22F::CAMV <> MandatoryVoluntaryEventType / Code] "CHOS" should be used instead of "MAND", with option type codes "SECU"/"CASE"/"CASH" according to the terms of the event and option type code "LAPS", forfeiting the entitled proceeds, or option type code "NOAC", when the entitled proceeds are held in escrow, as the default.

In addition, two other fields may be used:

- Since the event is not a standard mandatory event with options event, the Additional Business Process code "Required Action" **[MT564 – Seq. D - :22F::ADDB//REAC <> seev.031 & seev.035 – D / AdditionalBusinessProcessIndicator / Code / REAC]** should always be included in the Corporate Action Details sequence to better explain the reason for the non-standard mandatory/voluntary indicator.

- For some recipients of the event notification, the information needed by the issuer/agent may already be known to the account servicer (e.g. due to a fully segregated account). Hence, the account servicer may offer to provide the information to the issuer/agent without the need of an instruction from the account holder.

  If both these conditions are met, the "Applied Option Indicator" flag **[MT564 – Seq. E - :17B::APLI//Y <> seev.031 & seev.035 – E / AppliedOptionIndicator (true)]** should be included in the applicable option sequence to inform that the default option will not be applied unless an instruction to that effect is received.

  Please note that the flag should only be used with value "Y"/"true" and only for mandatory events requiring account owner action (i.e. when the Additional Business Process indicator "Required Action" **[MT564 – Seq. D - :22F::ADDB//REAC <> seev.031 & seev.035 – D / AdditionalBusinessProcessIndicator / Code / REAC]** is used. The applied option flag should also only be used for the non-default option (i.e. it should not be included for an option where the Default Processing Flag **[MT564 – Seq. E - :17B::DFLT <> seev.031 & seev.035 – E / DefaultProcessingOrStandingInstruction / DefaultOptionIndicator]** flag value is "Y"/"true").

The below table provides some examples of these types of events. The list is not exhaustive, other events may occur as well.

	Type of MAND Event scenario	Agreed solution as of SR2016 illustrated in ISO 15022 in MT 564
1	Securities to be distributed cannot be held in the CSD; as a result details for the other CSD must be provided. No lapse of the securities entitlement.	**becomes CHOS with existing Option Types** Example event: SOFF **CHOS** **:22F::ADDB//REAC** :22F::CAOP//SECU :17B::DFLT//N **:17B::APLI//Y** (when applicable for a specific account) +Narrative for place of safekeeping etc. :22F::CAOP//NOAC :17B::DFLT//Y
2	Distribution of interim securities where the recipients must certify that underlying clients are not restricted from participation in the event in order to receive the securities. If this is not done before expiry date, the securities will lapse.	**Becomes CHOS with existing Option Types** Example event: RHDI **CHOS** **:22F::ADDB//REAC** :22F::CAOP//SECU :17B::DFLT//N **:17B::APLI//Y** (when applicable for a specific account) :22F::CETI//NDOM (or DOMI, as applicable) :22F::CAOP//LAPS :17B::DFLT//Y
3	Cash dividend with beneficial owner declaration required; if not, the entitlement to the cash dividend will lapse.	**becomes CHOS with existing Option Types** Example event: DVCA **CHOS** **:22F::ADDB//REAC** :22F::CAOP//CASH :17B::DFLT//N **:17B::APLI//Y** (when applicable for a specific account) :22F::CETI//FULL (or TRBD) :22F::CAOP//LAPS :17B::DFLT//Y
4	Cash dividend with beneficial owner declaration required; if not, the dividend is held in escrow.	**becomes CHOS with existing Option Types** Example event: DVCA **CHOS** **:22F::ADDB//REAC** :22F::CAOP//CASH :17B::DFLT//N

		:17B::APLI//Y (when applicable for a specific account) :22F::CETI//FULL (or TRBD) :22F::CAOP//NOAC :22F::DFLT//Y
5	Mandatory exercise of warrants: Warrants will pay or not depending on whether it is in the money or not. If in the money, non-US certification can sometimes be requested and is conditional to any payment to the customer.	**becomes CHOS with existing Option Types** Example event: EXWA **CHOS** **:22F::ADDB//REAC** :22F::CAOP//EXER :17B::DFLT//N **:17B::APLI//Y** (when applicable for a specific account) :22F::OPTF//CAOS :22F::CETI//NDOM :94C::NDOM//US :22F::CAOP//LAPS :17B ::DFLT//Y :22F::OPTF//CAOS

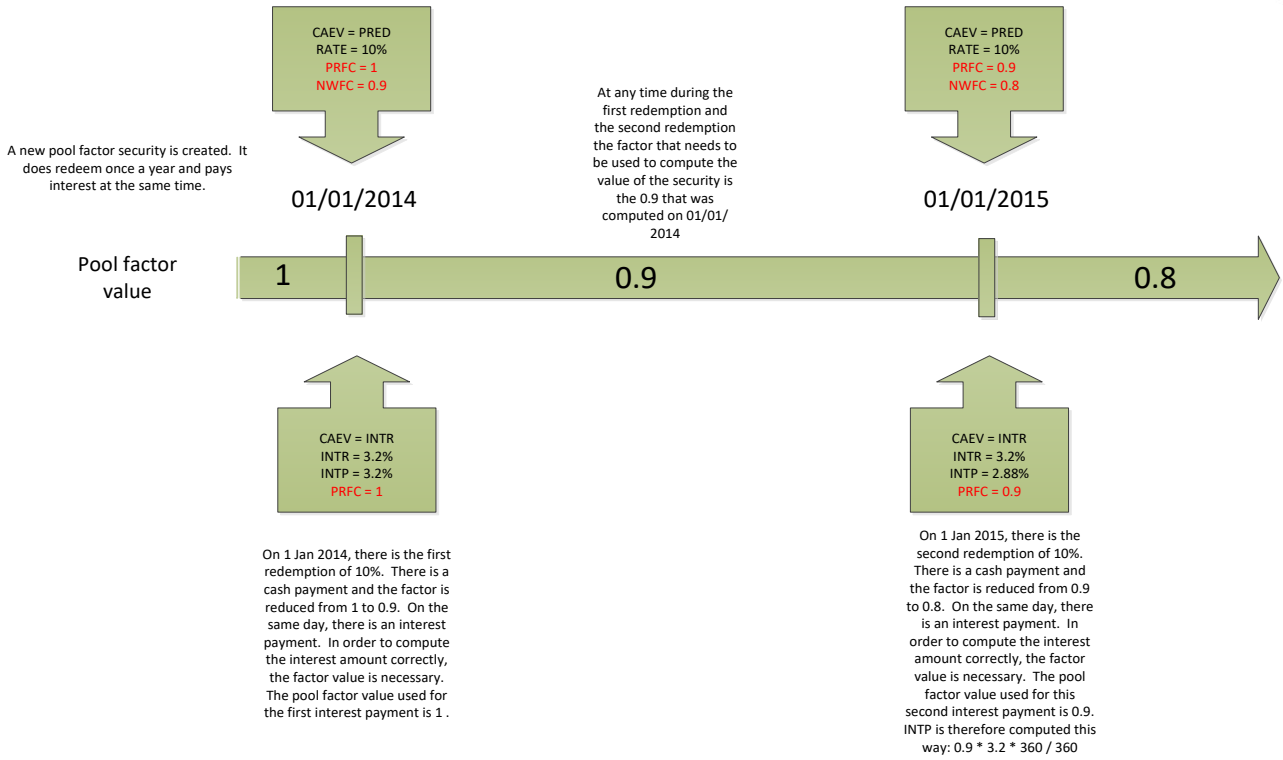
ISO 15022	**ISO 20022**
MT564 – D / 22F / ADDB / REAC MT564 – E / 17B / APLI	Seev.031 & seev.035 - **D** / AdditionalBusinessProcessIndicator / Code / REAC seev.031 & seev.035 – **E** / AppliedOptionIndicator (true)

Decision Date	**Implement. Date**	**Update Date**	**Open Item Ref.**
Jun. 2015	Nov. 2016		CA240, CA289

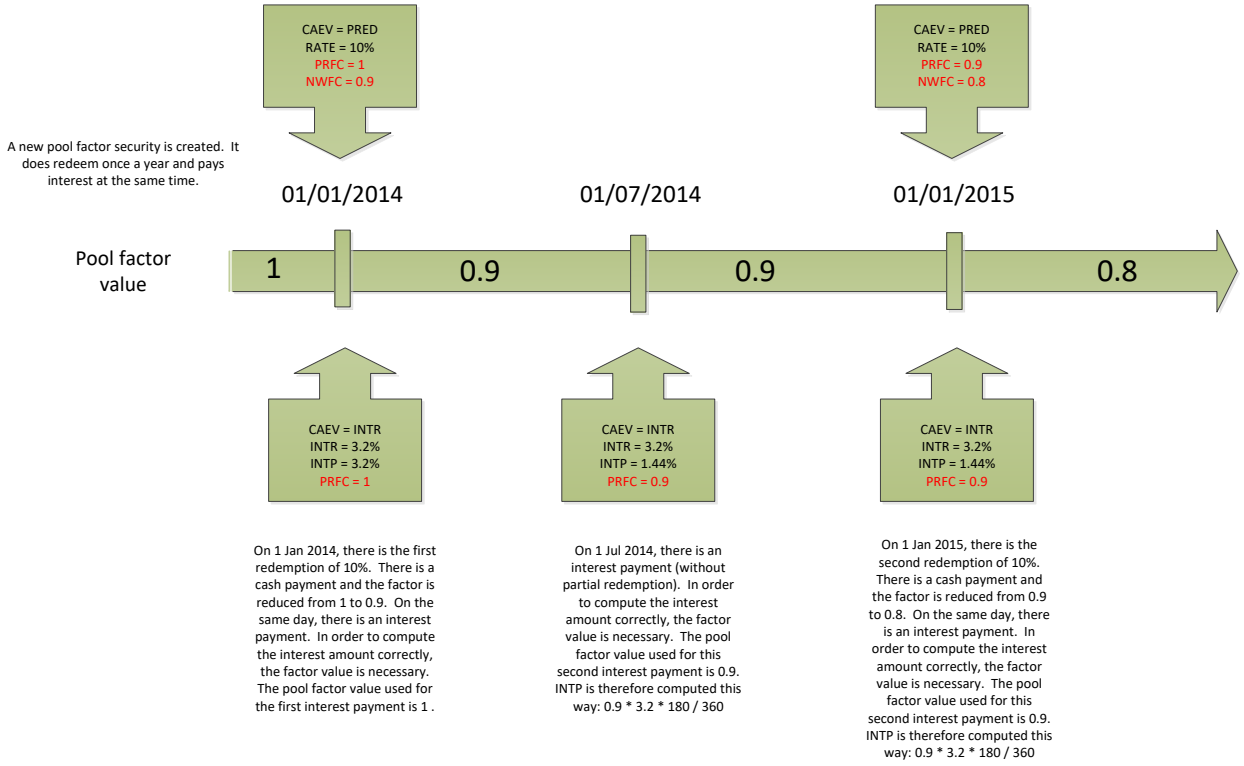
9.26 Partial Redemptions and Interest Payment on Factored Securities

During the life of factored securities, partial redemptions and interest payments occur normally on a regular basis. The following examples illustrate the lifecycle and the main qualifiers and codes to be used:

Scenario 1: The Interest Payment event [code INTR] always falls on the same day as the Partial Redemption With Pool Factor Reduction [code PRED]



Scenario 2: The Interest Payment event [code INTR] falls on the same day as the Partial Redemption With Pool Factor Reduction [code PRED] and also between 2 PRED



ISO 15022	ISO 20022
22F / CAEV / INTR & PRED	A / EventType / Code / InterestPayment (INTR) & PartialRedemptionWithPoolFactorReduction (PRED)

Decision Date	Implement. Date	Update Date	Open Item Ref.
			CA278

9.27 Usage of Currency in Rates and Prices Format for Income Cash Payment Events

The following table provides the recommendations on the format to be used for the InterestRateUsedForPayment element [:92a::INTP] and for the GenericCashPriceReceivedPerProduct element [:90a::OFFR] in different currency scenario for the Interest Payment and the Final Maturity (redemption) event types:

		SMPG Recommendation	
Type of Payment Ccy scenario	**Denomination Ccy**	**Interest Payment [INTR MAND]**	**Redemption [REDM MAND]**
		:11A::OPTN <> CurrencyOption **:92a::INTP <> InterestRateUsedFor Payment** **:22F::OPTF//CAOS <> OptionFeatures / OptionApplicability**	**:90a::OFFR <> GenericCashPriceReceivedPer Product**
In Single Ccy	Same as Payment Ccy	• INTP in Percentage [:92A::INTP] of the denomination Ccy	• OFFR in “PercentagePrice” [:90A::OFFR//PRCT] of the denomination Ccy
In Single Ccy	Different from Pay Ccy	• OPTN in **Payment Ccy** • INTP in Percentage [:92A::INTP] of the denomination Ccy • Foreign ExchangeRate [:98B::EXCH] to be provided	• OPTN in **Payment Ccy** • OFFR in “PercentagePrice” of the denomination Ccy or ”AmountPricePerAmount” [:90A::OFFR//PRCT or :90J::OFFR//] • Foreign ExchangeRate [:98B::EXCH] to be provided
Issuer Option Ccy	N/A	Several options provided: • OPTF//CAOS • INTP in Percentage [:92A::INTP] of the denomination Ccy • Foreign ExchangeRate [:98B::EXCH] to be provided	Several options provided: • OPTF//CAOS • OFFR in “PercentagePrice” [:90A::OFFR//PRCT] of the denomination Ccy • Foreign ExchangeRate [:98B::EXCH] to be provided
Multiple Ccy Paid (no choice) & Multiple Cash Movements	N/A	• OPTN Not Present • INTP in Percentage [:92A::INTP] of the denomination Ccy • Foreign ExchangeRate [:98B::EXCH] to be provided	• OPTN NOT Present • OFFR in “PercentagePrice” of the denomination Ccy or ”AmountPricePerAmount” [:90A::OFFR//PRCT or :90J::OFFR//] • Foreign ExchangeRate [:98B::EXCH] to be provided

ISO 15022	ISO 20022
22F / CAEV / INTR & REDM	A / EventType / Code / InterestPayment (INTR) & Fina Maturity (REDM)
MT564 - E / 11A / OPTN	Seev.031 & 035 – E / CurrencyOption
MT564 - E2 / 92a / INTP	Seev.031 & 035 – E2 / RateAndAmountDetails / InterestRateUsedForPayment
MT564 - E2 / 90a / OFFR	Seev.031 & 035 – E2 / PriceDetails / GenericCAshPriceReceivedPerProduct

Decision Date	Implement. Date	Update Date	Open Item Ref.

Nov. 2017			CA333, CA356, CA367

9.28 Scheme of Arrangement

Scheme of arrangement are events usually composed of a consent component which, in case of approval by a given percentage of shareholders makes the restructuring of the instrument mandatory to all holders.

Due to their complexity, these events can contain a large set of options and might require the usage of additional narrative information to detail the conditions and outturn of each option.

A scheme of arrangement can be processed by either EXOF or MRGR corporate action events depending on the local market practices.

The announcement must contain the Additional Business Process Indicator "Scheme Or Plan Of Arrangement [SCHM]" code **[MT564 – Seq. D - :22F::ADDB//SCHM <> seev.031 & seev.035 – D / AdditionalBusinessProcessIndicator / Code / SCHM]**.

ISO 15022	ISO 20022
MT564 – D / 22F / ADDB / SCHM	seev.031 & seev.035 - D / AdditionalBusinessProcessIndicator / Code / SCHM

Decision Date	Implement. Date	Update Date	Open Item Ref.
April 2019	November 2020		CA400

9.29 Tax on Non-Distributed Proceeds (TNDP) Event

9.29.1 Overview

This section details Market practice principles regarding tax on non-distributed proceeds events.

Specifically Non-Distributed Proceeds refers to a situation where holders of securities are "deemed" to have received income, resulting in a withholding tax obligation. Withholding agents have requirements to withhold tax on the deemed distribution and may have the obligation to perform year-end tax reporting for the deemed distribution to holders.

For the background legal framework refer to:

- US Regulation: Section 305(c) of the Internal Revenue Code (IRC)RC and Dividend Equivalent Payment (DEP) under Section 871(m) of the IRC
- Australian Legislation: The Tax Laws Amendment (New Tax System for Managed Investment Trusts) Act 2016 establishes a new class of trust known as an attribution managed investment trust (AMIT)
- German Legislation: The Investment Tax Reform Act (InvStRefG), which requires banks to deduct taxes on fund holdings, if the fund does not distribute any income.

9.29.2 Notification about events and eligibility

All accounts that are notified of eligibility in a tax on non-distributed proceeds event via the Corporate Action Notification **[MT564 <> seev.031]** message, should be notified of the tax on non-distributed proceeds results via the Corporate Action Movement Preliminary Advice **[MT564 – seq. D - :22F::ADDB//CAPA <> seev.035]** regardless of whether their accounts were affected by the tax on non-distributed proceeds.

In the US:

- The issuer provides the "timing date" (typically based on the ex-date of the underlying security).

- Payment date (debit) is determined by the withholding agent which is based on some position capture date.

In Australia:

The attribution of income (assessable income, exempt income and non-assessable non-exempt income) and tax offsets are attributed to a member on the AMIT member's annual statement (AMMA Statement) issued by the AMIT after the end of the AMIT's income year. The deemed payment amount will be subject to withholding tax. The payment date is determined by the withholding agent

In Germany:

The events apply to the holder of certain fund shares if the fund did not distribute any income as of 31 December. The events are usually announced early January. The payment takes place immediately after announcement.

9.29.3 Message rules for Tax on Non-Distributed Proceeds Flow

Key fields that have to be used for tax on non-distributed proceeds events are outlined in the respective country columns of the EIG+. Please refer to Part 2 of the SMPG CA Global Market Practice.

In addition, the following key fields should be used:

- **Linkage to underlying event**

  Linkage should be provided to the underlying Cash Dividend or applicable event with the official corporate action event identification **[MT564 - Seq. A1 - :20C::COAF <> seev.031 – A / OfficialCorporateActionEventIdentification]** provided, if any. For Germany, this is not applicable as there is no underlying event.

- **Corporate Action Event Processing Indicator [MT564 – Seq. A - :22F::CAEP <> seev.031 – A / Event ProcessingType]**

  The code value "Distribution" (DISN) should be used in the US and Australia meaning that the holder of the relevant security, will be subject to a payment without giving up the underlying security. This is optional in Germany.

- For the US, the **Tax on Non Distributed Proceeds Indicator [MT564 – Seq. D - :22F::TNDP <> seev.031 - D / TaxOnNonDistributedProceedsIndicator]** should be used (with the "SMPG" data source scheme Issuer value). It is used to identify if the event is subject to regulation 871m (use code value "US01") or to regulation 305c (use code value "US02") - as illustrated below for ISO 15022:

  e.g. :*22F::TNDP/SMPG/US01* (for regulation 871m)

  :22F::TNDP/SMPG/US02 (for regulation 305c)

  :22F::TNDP/SMPG/US03 (for regulation Excess of Cumulative Net Income under section 1446(f).)

  :22F::TNDP/SMPG/US04 (for regulation 1042-S Classifications. US source payments made to non-US persons that are reportable on US IRS Form 1042-S.)

  :22F::TNDP/SMPG/US05 (for regulation 92-Day Exemption Qualified Notice

  Note: Since SR2022, the TNDP indicator may also be used to refer to one or even to multiple specific tax withholding or tax reporting regulations that are applicable to the event which is announced.

  The usage of the TNDP indicator is therefore no longer related exclusively to the TNDP event.

- Similarly, the **Income Type [MT564 – Seq. E1 or E2 - :22F::ITYP <> seev.031 - E1 or E2 / IncomeType]** is used in the US market as follows with code value "IRSX" as Data Source Scheme Issuer value:
  - For 871m events, use IRS Income type code "0040" (Other Dividend Equivalents).
  - For 305c events, it can be either IRS Income Type code "0006" (Dividends Paid by US Corporations), "0008" (Dividends paid by Foreign Corporations) or "0037" (Return of Capital).

- **Deemed Rate [MT564 – Seq. E2 - :92a::DEEM <> seev.031 - E2 / RateAndAmountDetails/DeemedRate]**

  This is the rate applied for the calculation of deemed proceeds which are not paid to security holders but on which withholding tax is applicable.

- **Deemed Amount [MT564 – Seq. E2 - :19B::DEEM <> seev.031 - E2 / AmountDetails/DeemedAmount]**

  Also known as "Gross Taxable Amount" is the amount of proceeds which is not actually paid to the security holder but on which withholding tax is applicable.

  For the Australian market, additional types of amounts may be required with the Deemed Amount to describe the source of the deemed proceeds:
  - Deemed Interest Amount (:19B::DEIT)
  - Deemed Dividend Amount (:19B::DEDI)
  - Deemed Fund Amount (:19B::DEFP)
  - Deemed Royalties Amount (:19B::DERY)

- **Rate Type Code**

  For the Australian market, a rate type code **[MT564 – Seq. E2 - :92a::DEEM// <> seev.031 – E2 / RateAndAmountDetails / DeemedRate / RateTypeAndRate / RateType]** is required with the Deemed Rate using one of the below rate type code to describe the source of the deemed proceeds:
  - DEIT: Deemed Interest Proceeds
  - DEDI: Deemed Dividend Proceeds
  - DEFP: Deemed Fund Proceeds
  - DERY: Deemed Royalties Proceeds

- **Tax Rate [MT564 – Seq. E2 - :92a::TAXR <> seev.031 - E2 / Rate AndAmountDetails/WithholdingTaxRate]**

  The tax rate applicable to the security holders.

- **Cash Movement and Posting / Net Cash Amount [MT566 – Seq. D2 - :19B::PSTA or NETT<> seev.036 – D2 / AmountDetails / PostingAmount or NetCAshAmount]**

  The cash movement should appear as a debit to signify the debit related to the tax withholding (based upon the deemed amount and withholding rate).

  The posting amount and net cash amount are the amount of tax debit resulting from the tax on non-distributed proceeds and indicate the cash movements (debit) resulting from the tax on non-distributed proceeds.

ISO 15022	ISO 20022
MT564 - A / 22F / CAEV / TNDP	Seev.031 – A / EventType / Code / TNDP
MT564 - A / 22F / CAEP / DISN	Seev.031 – A / EventProcessingType / Code / DISN
MT564 - D / 22F / TNDP	Seev.031 – D / TaxOnNonDistributedProceedsIndicator
MT564 - E1 or E2 / 22F / ITYP	Seev.031 – E1 or E2 / IncomeType
MT564 - E2 / 92a / DEEM	Seev.031 – E2 / RateAndAmountDetails / DeemedRate
MT564 - E2 / 19B / DEEM	Seev.031 – E2 / AmountDetails / DeemedAmount
MT566 - D2 / 19B / PSTA, NETT	Seev.036 – D2 / AmountDetails / PostingAmount & NetCashAmount

Decision Date	Implement. Date	Update Date	Open Item Ref.
April 2019	November 2020		CA378 / CA418

9.30 Dutch Auction Events about Prices and Processing

9.30.1 Usage of Unspecified Price and To Be Specified Price

For modified Dutch Auction (DTCH) events that include competitive and non-competitive options, the SMPG recommends to use the price codes “To Be Specified” (TBSP) and “Unspecified” (UNSP) with the “Generic Cash Price Received per Product” element in order to make the distinction between both competitive and non-competitive options.

Examples in the MT 564 cash movement sequence:

:90E:: OFFR//TBSP (for offers with specified competitive price)

:90E:: OFFR//UNSP (for offers with non-competitive price)

ISO 15022	ISO 20022
MT564 - E2 / 90E / OFFR / UNSP or TBSP	Seev.031 – E2 / PriceDetails / GenericCashPriceReceivedPerProduct / NotSpecifiedPrice / UNSP or TBSP

Decision Date	Implement. Date	Update Date	Open Item Ref.
September 2020	November 2020		CA450

9.30.2 Instruction Processing for Dutch Auction Events

Following the announcement of the acceptance price of a Dutch auction (DTCH), the account servicer should announce such price via an updated notification. This will inform account owners whose offer price does not meet the price requirements that their instructions will be disregarded, i.e. securities won’t be tendered but unblocked.

The sending of an Instruction Status Advice message (MT 567 / seev.034) in addition is optional and up to service level agreement.

ISO 15022	ISO 20022
MT564 - A / 22F / CAEV / DTCH	Seev.031 – A / EventType / Code / DTCH

Decision Date	Implement. Date	Update Date	Open Item Ref.
February 2023	November 2023		CA519

9.31 Announcement and Payment of Incentive Premium Associated to a General Meeting

Some general meetings (for instance in Spain or XS) are announced with an incentive premium whereby rightsholders may benefit of a payment in case they vote or vote in certain direction, depending on the terms of the event. Some meetings also include an early incentive premium in case the rightsholder votes before an early deadline.

The details of the general meeting, including the details of the incentive premium or of an early incentive premium, are announced via a meeting notification message (usually via the ISO 20022 MeetingNotification (MENO - seev.001) as documented in the SMPG General Meeting market practice document for the ISO 20022 elements IncentivePremium and EarlyIncentivePremium as follows:

Description	Description of the premium or early incentive premium
Amount	To record the amount of the incentive premium or early incentive premium.
Type	To indicate the type of incentive premium or early incentive premium: per security per vote per attendee
Payment Date	Unless, the date is known at the time of the announcement, the recommendation is to report this as unknown using the DateCode UKWN.

After the meeting has taken place, the payment of such incentives is announced and payment processed, to the rights-holders entitled to such payment, via a mandatory Consent event (CONS code value) with a CASH option.

To correctly identify such events as related to votes lodged for a meeting with incentive premium, for SR2022 a new dedicated 22F:: ADDB//INCP code has been created in sequence D of the MT564 and sequence C of the MT566 to be used exclusively with the consent event[1].

The Consent event should be linked to the general meeting the incentive relates to, with:

- either a Corporate Action Reference (CORP) equal to the MeetingIdentification in the ISO 20022 MeetingNotification (MENO),
- or an Official Corporate Action Event Reference (COAF) equal to the IssuerMeetingIdentification in the ISO 20022 MeetingNotification (MENO).

Where the processing of general meeting has been outsourced to a third party provider and the issuer is not announcing a meeting identification, the ID assigned by the third party provider could be reported as MeetingIdentification (in the MT564 CORP linkage sequence)

In case of meeting events giving right to both incentive premium and early incentive premium (depending on when votes are received), two meeting incentive premium events should be announced:

- one event is used to pay the incentive premium: The Solicitation Fee Rate and Solicitation Fees amount elements should be reported in the notification message: **[MT 564 - seq. E2 - :92a::SOFE & seq. E2 - :19B::SOFE <> seev.031 - E2 / RateAndAmountDetails / SolicitationFeeRate and E2 / AmountDetails / SolicitationFees]**

- a second event is used to pay the early incentive premium: The Early Solicitation Fee rate and Solicitation Fees amount elements should be reported in the notification message: **[MT 564 - seq. E2 - :92a:: ESOF & seq. E2 - :19B::SOFE <> seev.031 - E2 / RateAndAmountDetails / EarlySolicitationFeeRate and E2 / AmountDetails / SolicitationFees]**

[1] Enforced via a network validated rule on SWIFT

The eligible balance (ELIG) of these events should be determined based on the voting instructions accepted within the linked general meeting event, according to the terms of the incentive/early incentive payment announced in such event. In particular,:

- The voting instructions giving right to the incentive premium should be used to determine the eligible balance for the incentive premium event.
- The voting instructions giving right to the early incentive premium should be to determine the eligible balance for the early incentive premium event.

As a consequence, only the account owner entitled to receive premium(s) will receive the CA notification(s).

The Solicitation Fee Rate or Early Solicitation Fee rate and Solicitation Fees amount elements in the confirmation message: **[MT 566 - seq. D2 - :92a::SOFE / ESOF & seq. D2 - :19B::SOFE <> seev.036 - D2 / RateAndAmountDetails / SolicitationFeeRate or EarlySolicitationFeeRate and D2 / AmountDetails/ SolicitationFees],**

must be used to report the (early) incentive premium rates and amounts.

ISO 15022	ISO 20022
MT 564 / E2 / 92a / SOFE & ESOF MT 564 / E2 / 19B / SOFE MT 566 / D2 / 92a / SOFE & ESOF MT 566 / D2 / 19B / SOFE	seev.031 – **E2** / RateAndAmountDetails / SolicitationFeeRate and Early SolicitationFeeRate seev.031 – **E2** / AmountDetails / SolicitationFees seev.036 – D**2** / RateAndAmountDetails / SolicitationFeeRate and Early SolicitationFeeRate seev.036 – **D2** / AmountDetails / SolicitationFees

Decision Date	Implement. Date	Update Date	Open Item Ref.
July 2021	Nov. 2022	May 2022	CA474, CA509

10 Market Claims and Interest Compensation

This section provides market practice guidelines about the way market claims (whether for cash and/or securities) should be notified and confirmed by an account servicer to an account owner.

10.1 Notification of a market claim

In the Notification message, the Additional Business Process Indicator "Automatic Market Claim [ACLA]" code should be used to indicate that market claims will automatically be raised for the event.

ISO 15022	ISO 20022
MT564 – D / 22F / ADDB / ACLA	Seev.031 - **D** / AdditionalBusinessProcessIndicator / Code / ACLA

Decision Date	Implement. Date	Update Date	Open Item Ref.
April 2019	November 2019		CA398 & CA421

10.2 Confirmation of a market claim

The message to be used is the Movement Confirmation message [MT566 – seev.036] which should include the Additional Business Process Indicator "Claim or Compensation [CLAI]" code to indicate that the posting is related to a claim on the associated corporate action event.

10.2.1 Details of the underlying settlement transaction

The details of the settlement instruction which originated the claim may be provided as a related message reference **[MT566 – Seq. A1 - :20C::RELA & :13a::LINK <> seev.036 – OtherDocumentIdentification/Identification & OtherDocumentIdentification/DocumentNumber/LongNumber],** with the following linked message type short number identifications for 15022: "540", "541", "542", or "543" and with the long number "seev.023" for ISO 20022.

The related message reference could also be used to refer to a trade instructions reference or a stock exchange reference, if available.

The corporate action event reference **[:22F::CORP <> A / CorporateActionEventIdentification]** is also mandatory in the message.

10.2.2 Balance of securities to be reported in the transaction

The balance of securities generating the claim i.e. the quantity of securities of the underlying settlement transaction should be reported as the confirmed balance in the Movement Confirmation message **[MT566 – Seq. B - :93B::CONB <> seev.036 – B / Balance / Confirmed Balance]**.

ISO 15022	ISO 20022
MT566 – B / 93B / CONB	seev.036 – B / Balance / ConfirmedBalance

Decision Date	Implement. Date	Update Date	Open Item Ref.
April 2019	November 2019		CA398 & CA421

10.2.3 Amount of Claim

The amount of the claim is generally carried in the Posting Amount **[MT566 – Seq. D2 - :19B::PSTA <> seev.036 – E2 / AmountsDetails / PostingAmount].**

It is recommended that the claim amount is also reported in the Market Claim Amount **[MT566 – Seq. D2 - :19B::MKTC <> seev.036 – E2 / AmountsDetails / MarketClaimAmount].** If used, the Market Claim Amount should be equal to the Posting Amount.

If the Market Claim amount is paid in a different currency, the Posting Amount will use the currency of the Resulting Amount **[MT566 – Seq. D2 - :19B::RESU <> seev.036 – E2 / ForeignExchangeDetails / ResultingAmount].**

ISO 15022	ISO 20022
MT566 – D2 / 19B / MKTC, PSTA, RESU	seev.036 – E2 / AmountDetails / MarketClaimAmount & PostingAmount & ResultingAmount

Decision Date	Implement. Date	Update Date	Open Item Ref.
April 2019	November 2019		CA398 & CA421

11 Proxy Voting Activities in ISO15022[1]

Discussion on Proxy activities has been initiated at the SMPG level and is still ongoing.

It was pointed out that the ISO 15022 messages should offer a good solution since proxy voting is done more and more via electronic networks. However, there are so many variations on proxy in different countries that the SMPG should start with some basic functionality in order to allow the custodian to collect voting instructions from its clients.

There are a couple of options:

a) fit it into the CA messages.

b) start identifying the required elements for proxy, not taking into account these messages.

Thereafter, it should be decided whether new proxy messages should be created or whether the CA messages can be used.

Action:

a) NMPGs should identify the business flows and data elements required for proxy.

b) They should also consider the proposal from SWIFT, i.e., how to use the ISO 15022 CA messages for proxy.

The group reviewed the proxy voting proposal from SWIFT:

The group considered the flows and elements required for a long-term solution.

There are 3 business functions to be covered:

- Announcement of the meeting
- Instruction to vote
- Results of the meeting.

These functions were covered in ISO 7775 by

- MT 560 - for the announcement.
- MT 561 - for the instruction to vote.
- The Results of the meeting were often communicated using MT 599 or equivalent.

The Securities Maintenance Working Group from April 2000 decided to use the ISO 15022 to cater the proxy activities. The following flow was agreed:

- MT 564 (linked to MT 568 if needed) for the announcement.
- MT 565 for the instruction to vote.
- MT 568 for the results of the meeting.

11.1 Announcement

MT 564 with the following characteristics:

- Event Type = MEET, XMET, OMET or CMET
- Mandatory/Voluntary Indicator: TBD
- Linkage to MT 568 if necessary

[1] Brussels meeting June 2001.

Details of the meeting:

- 98a::MEET - meeting date
- 98a::RDDT - Response Deadline (either in sequence D or in sequence E if options are given).

Meeting Dates

For Meeting event, is meeting time expressed from the account servicer's time zone or from the local time of the place where the meeting will be held ?

Decision: The time of a general meeting is the time the meeting will be held at that particular place, i.e. not the account servicer's/sender's time zone.

Seq.	Tag	Qualifier	Decision Date	Implement. Date	Update Date	Open Item Ref.
D	98a	MEET, MET2, MET3	25 April 2013	November 2013		CA229

Options available:

(options could be given or not based on SLA, the option given are dependent on country practices).

22F::CAOP//4!c where 4!c =

- CONY Consent Granted Event or proposal approved. This applies to all resolutions.
- CONN Consent Denied Event or proposal not approved. This applies to all resolutions.
- ABST: Abstain Vote expressed as abstain. In this case, the issuing company will add the number of shares to the quorum of the meeting. If the voting right is not executed, it will not be added to the quorum. In this case, code NOAC should be used.
- SPLI: Split Instruction Option to give a split instruction, e.g., a split voting instruction on a Meeting for example Yes on resolution 1, No on resolution 3 and 4, Abstain on resolution 2.
- PROX: Proxy Card Issue a proxy card in case of voting.

The CA Narrative field in the MT 564 will be used to give the details of the meeting and a subsequent MT 568 used if the available space in the narrative is not sufficient.

Some details of the meeting do not have a formatted field:

- Meeting Place
- Registered Name and Place of the company

The Linked MT 568 would contain:

- the same CA Reference (:20C::CORP) in the linkage block
- the event type is MEET, XMET, OMET or CMET.
- a link to the MT 564 (linkage :20C::PREV)
- the details of the agenda in sequence C.

11.2 Instruction (MT 565)

The MT 565 will have the following characteristics:

- CAEV: MEET, XMET, OMET or CMET
- CORP referencing to the MT 564 CORP
- CAOP: One of the CAOP listed in the MT 564.

The vote is often expressed as a bulk vote, i.e. vote in favour for all resolutions, or against for all.

However, there is the possibility to indicate a split vote instruction using CAOP=SPLT.

However, if CAOP= SPLT is used then a (mandatory) narrative is to be given to explain the vote.

11.3 Results (MT 568)

CAEV:: MEET, XMET, OMET or CMET

This MT 568 should reference to the original CORP.

It is not necessary to reference it to the instruction sent as some holders do not wish to vote but want to be kept posted of the results.

11.4 Status (MT 567)

The MT 567 will be used as per the normal way to acknowledge the instruction or reject it.

Some specific reason code might need to be defined for example when a split vote instruction is received and it is not allowed in that country.

Please not that the proxy event is a particular events and some of the Market Practice rules defined for other events will not applied.

For an illustration, see Proxy_scenario_v5_6.pdf available on www.smpg.info.

Note: Some specific Proxy Voting messages have beeen developed by SWIFT on behalf of ISO and will be available in 2H2007 following a pilot.

Seq.	Tag	Qualifier	Decision Date	Implement. Date	Update Date	Open Item Ref.
			JUN-2001	NOV-2002		

11.5 Proxy - Specification of Beneficiary/Intermediary Details in the Instruction[1]

In some cases the details required may be those of an intermediary rather than the beneficiary.

It is recommended to put all beneficiary details in the dedicated sequence of the instruction message (sequence BENODET of the MT 565), including the use of the narrative.

Any intermediary details should be populated in the registration details narrative of the additional details sequence (:70E::REGI of ADDINFO of MT 565).

Seq.	Tag	Qualifier	Decision Date	Implement. Date	Update Date	Open Item Ref.
			JUN 2003	MAY 2005		

[1] Brussels meeting June 2003

11.6 Proxy - Split Voting[1]

The group were reminded that split voting requires narrative and/or additional instruction messages.

Seq.	Tag	Qualifier	Decision Date	Implement. Date	Update Date	Open Item Ref.
			JUN-2002	NOV-2002		

[1] Toronto meeting June 2002

12 ISO 15022 - 20022 Coexistence Rules

In December 2009, a new set of fourteen ISO 20022 corporate action messages have been published by ISO. Twelve of those ISO 20022 messages were directly reversed engineered from the 5 ISO 15022 corporate action messages. However, in ISO 20022, a few of the basic data types reused in the messages design are not fully aligned with those of ISO 15022.

Therefore, as both message standards will coexist for a certain number of years, until this coexistence period ends, the usage of certain ISO 20022 data types must be restricted to ensure interoperability between ISO 15022 and 20022 users. This has been done in the ISO 20022 CA standards by adding specific coexistence restrictions at some places in the messages.

In the ISO 20022 Message Definition Report document for Corporate Action, the coexistence restrictions are described in Textual Rules linked to the Message Items they concern; these coexistence textual rules are named by convention "**Coexistence [**Xxxx]**Rule**" name where [Xxx] is the type of element on which the rule applies.

Adherence to these coexistence rules is mandatory when using the ISO 20022 corporate action messages in a coexistence environment.

Seq.	Tag	Qualifier	Decision Date	Implement. Date	Update Date	Open Item Ref.
			November 2009	November 2010		CA145

Sample of coexistence rules found in the ISO 20022 CA MDR document

Coexistence Rule Name	Rule Description
CoexistenceIdentificationRule	During ISO 15022 – 20022 coexistence, all transaction and document identifications or references must be 16 characters or less. The field must not start or end with a slash '/' or contain two consecutive slashes '//'.
CoexistenceAmountRule	During ISO 15022 – 20022 coexistence, Amount length must not be greater than 15, including the decimal point.
CoexistenceQuantityRule	During ISO 15022 – 20022 coexistence, Quantity length must not be greater than 15, including the decimal point.
Coexistence35to30TextFieldRule	During ISO 15022 – 20022 coexistence, MarketIdentification/Description must be 30 characters or less. The field must not start or end with a slash '/' or contain two consecutive slashes '//'.
CoexistenceCharacterSetXRule	During ISO 15022 – 20022 coexistence, characters used in all text fields (except AdditionalInformation/AdditionalInformation) must correspond to ISO 15022 character set X, that is, a-z A-Z / - ? : ( ) . , ' + { } CR LF.
CoexistenceCharacterSetZRule	During ISO 15022 – 20022 coexistence, characters used in AdditionalInformation must correspond to character set Z, that is, a-z A-Z / - ? : ( ) . , ' += ! " % & * < > ; @ # { CR LF.
CoexistenceIssuerSchemeNameRule	During ISO 15022-20022 coexistence, Issuer length must be 4 characters and SchemeName length must be 4 characters or less.

	Issuer and Scheme Name must be an ISO registered Issuer and SchemeName.
CoexistenceNameAndAdressRule	During ISO 15022 – 20022 coexistence, the total of characters used in NameAndAddress must not be greater than 140.
CoexistencePartyProprietaryIdentificationRule	During ISO 15022 – 20022 coexistence, Party ProprietaryIdentification must be 34 characters or less. The field must not start or end with a slash '/' or contain two consecutive slashes '//'.
CoexistenceIdentificationRule	During ISO 15022 – 20022 coexistence, all transaction and document identifications or references must be 16 characters or less. The field must not start or end with a slash '/' or contain two consecutive slashes '//'.

13 ISO 15022 Message Examples

13.1 Payment Date – Earliest Payment Date – Value Date

If a credit payment falls on a weekend, the earliest payment date would likely be the first banking
day following. The value date could be either the first banking day after pay date (likely):

:16R:CASHMOVE
:22H::CRDB//CRED
:19B::ENTL//USD112569,75
:19B::GRSS//USD132435,
:19B::TAXR//USD19865,25
:19B::NETT//USD112569,75
:98A::PAYD//20110522 ---- falls on a Sunday
:98A::VALU//20110523 --- falls on Monday
:98A::EARL//20110523 --- actual date account credited on Monday
:92A::INTP//2,7
:92A::TAXR//15,
:16S:CASHMOVE

In a debit payment, same scenario can occur but value date would be the last banking day before pay date:

:16R:CASHMOVE
:22H::CRDB//DEBT
:19B::ENTL//USD112569,75
:19B::GRSS//USD132435,
:19B::TAXR//USD19865,25
:19B::NETT//USD112569,75
:98A::PAYD//20110522 ---- falls on a Sunday
:98A::VALU//20110520 --- falls on Friday

13.2 On The Usage Of Tax Free Information

Examples for dividends processing/mapping

The dividend is announced at 10 EUR per share

a) Fully taxable event (20% basis rate)
a1) Customer is taxed
:92J::GRSS//TXBL/EUR10, or :92F::GRSS//EUR10,
:92A::TAXR//20,
:92F::NETT//EUR8,
a2) Customer is not taxed (based on tax status)
:92J::GRSS//TXBL/EUR10, or :92F::GRSS//EUR10,
:92A::TAXR//0,
:92F::NETT//EUR10,

b) Partially taxable event (8 taxable, 2 non-taxable)
b1) Customer is taxed
:92J::GRSS//TXBL/EUR8,
:92J::GRSS//TXFR/EUR2,
:92A::TAXR//20,
:92F::NETT//EUR8,4
b1) Customer is not taxed (based on tax status) + 10% fees
:92J::GRSS//TXBL/EUR8,
:92J::GRSS//TXFR/EUR2,
:92A::TAXR//0,
:92A::CHAR//10,
:92F::NETT//EUR9,

13.3 On the Usage of the Movement Sequences in the MT 564

MT564 Tender offer with Early solicitation fee and Solicitation fee (consent fee)

:16R:GENL
:20C::CORP//123456789123456
:20C::SEME//11111111111111
:23G:RMDR
:22F::CAEV//TEND
:22F::CAMV//VOLU
:98C::PREP//20111112010343
:25D::PROC//COMP
:16S:GENL
:16R:USECU
:35B:ISIN XX
:16S:USECU
:16R:CAOPTN
:13A::CAON//001
:22F::CAOP//CASH
:17B::DFLT//N
:98A::EXPI//20111117
:98C::RDDT//20111102160000

:69A::PWAL//20111020/20111117
:16R:SECMOVE
:22H::CRDB//DEBT
:35B:ISIN XX
:98A::PAYD//20111107
:16S:SECMOVE
:16R:CASHMOVE
:22H::CRDB//CRED
:98A::PAYD//20111107
:90B::OFFR//ACTU/EUR0,59342
:16S:CASHMOVE
:16R:CASHMOVE
:22H::CRDB//CRED
:98A::PAYD//20111107
:92F::ESOF//EUR0,030 (early solicitation fee)
:16S:CASHMOVE
:16R:CASHMOVE
:22H::CRDB//CRED
:98A::PAYD//20111107
:92A::SOFE//EUR0,001 (consent fee)
:16S:CASHMOVE
:16S:CAOPTN
:16R:CAOPTN
:13A::CAON//002
:22F::CAOP//CASH
:17B::DFLT//N
:98C::RDDT//20111117160000
:98C::MKDT//20111119160000
:69A::PWAL//20111020/20111117
:16R:SECMOVE
:22H::CRDB//DEBT
:35B:ISIN XX
:98A::PAYD//20111107
:16S:SECMOVE
:16R:CASHMOVE
:22H::CRDB//CRED
:98A::PAYD//20111107
:90B::OFFR//ACTU/EUR0,56251

:16S:CASHMOVE
:16R:CASHMOVE
:22H::CRDB//CRED
:98A::PAYD//20111107
:92A::SOFE//EUR0,001 (consent fee)
:16S:CASHMOVE
:16S:CAOPTN

13.4 On the Usage of the "Quantity of Securities Instructed" in the MT 565

1. <u>Example of a rights issue:</u>

MT564
13A CAON//001
22F CAOP//EXER
13A CAON//002
22F CAOP//OVER
13A CAON//003
22F CAOP//LAPS

MT565 - To subscribe only:
13A CAON//001
22F CAOP// EXER
36B QINS//UNIT/ *Quantity of rights exercised*

MT565 - To oversubscribe:
13A CAON//002
22F CAOP// OVER
36B QINS//UNIT/ *Quantity of shares requested*

MT567- To subscribe
25D IPRC//PACK
13A CAON//001
22H CAOP//EXER
36B STAQ//UNIT/ *Quantity of rights exercised*

MT567 - To oversubscribe
25D IPRC//PACK
13A CAON//002

22H CAOP//OVER

36B STAQ//UNIT/ *Quantity of shares requested*

2. Example of a priority offer

MT564

13A CAON//001

22F CAOP//SECU

13A CAON//002

22F CAOP//NOAC

MT565

13A CAON//001

22F CAOP//SECU

36B QINS//UNIT/ *Quantity of shares requested*

MT567

25D IPRC//PACK

13A CAON//001

22H CAOP//SECU

36B STAQ//UNIT/ *Quantity of shares requested*

13.5 On the Usage of the Movement Sequences in the MT 566

MT566 Tender offer with Early solicitation fee and Solicitation fee (consent fee)

:16R:GENL

:20C::CORP//123456

:20C::SEME//444444444444

:23G:NEWM

:22F::CAEV//TEND

:98C::PREP//20111107000001

:16S:GENL

:16R:USECU

:97A::SAFE//123456

:35B:ISIN XX

93B::CONB//FAMT/3000,

:16S:USECU

:16R:CACONF

:13A::CAON//001

:22F::CAOP//CASH

:16R:CASHMOVE
:22H::CRDB//CRED
:97A::CASH//112233
:19B::PSTA//EUR1780.26
:98A::POST//20111107
:98A::VALU//20111107
90B::OFFR//ACTU/EUR0,59342
:16S:CASHMOVE
:16R:CASHMOVE
:22H::CRDB//CRED
:97A::CASH//112233
:19B::PSTA//EUR90
:98A::POST//20111107
:98A::VALU//20111107
:92F::ESOF//EUR0,030 (early solicitation fee)
:16S:CASHMOVE
:16R:CASHMOVE
:22H::CRDB//CRED
:97A::CASH//112233
:19B::PSTA//EUR 3
:98A::POST//20111107
:98A::VALU//20111107
:92A::SOFE//EUR0,001 (solicitation/consent fee)
:16S:CASHMOVE
:16S:CACONF

13.6 On the Usage of CA Option Type for Unknown Proceeds [PRUN]

A voluntary conversion where the holder's right to convert securities into common stock is subject to the company's right to elect to pay cash or a combination of both cash and stock for the notes.

In the MT564:

13A::CAON//001
:22F::CAOP//PRUN
:17B::DFLT//N
:98C::MKDT//20110127170000
:16R:SECMOVE
:22H::CRDB//DEBT
:35B:ISIN US635405AW30
:98B::PAYD//UKWN
:16S:SECMOVE
:16S:CAOPTN
:16R:CAOPTN
:13A::CAON//002

```
:22F::CAOP//NOAC
:17B::DFLT//Y
:16S:CAOPTN
```

Holder elects PRUN, in the MT565:

```
:16R: CAINST
:13A:: CAON//001
:22F:: CAOP//PRUN
:36B:: QINS//UNIT/2000,
:16S: CAINST
```

Instruction is accepted, MT567:

```
:16R: STAT
:25D:: IPRC//PACK
:16S: STAT
:16S: GENL
:16R: CADETL
:13A:: CAON//001
:22F:: CAOP//PRUN
:36B:: STAQ//UNIT/2000,
:16S: CADETL
```

Details of the proceeds are announced, MT564:

```
13A::CAON//001
:22F::CAOP//PRUN
:17B::DFLT//N
:98C::MKDT//20110127170000
:16R:SECMOVE
:22H::CRDB//DEBT
:35B:ISIN US635405AW30
:98B::PAYD//20110130
:16S:SECMOVE
:16R: SECMOVE
:22H:: CRDB//CRED
:35B: ISIN US0031544546
:92D:: NEWO//1,/40,
:98A:: PAYD//20110130
:16S: SECMOVE
:16S:CAOPTN
:16R:CAOPTN
:13A::CAON//002
:22F::CAOP//NOAC
:17B::DFLT//Y
:16S:CAOPTN
```

Payment is confirmed, MT566:

```
:16R: CACONF
:13A:: CAON//001
:22F:: CAOP//PRUN
:16R:SECMOVE
:22H::CRDB//DEBT
:35B:ISIN US635405AW30
:36B:: PSTA//UNIT/2000,
```

:98B::POST//20110130
:16S:SECMOVE
:16R: SECMOVE
:22H:: CRDB//CRED
:35B: ISIN US0031544546
:36B:: PSTA//UNIT/50,
:92D:: NEWO//1,/40,
:98A:: POST//20110130
:16S: SECMOVE

13.7 Usage of Country of Income Source

Brookfield Renewable is paying income to the securities holders from three different sources, from two different countries, the field :94C::COIN is used to identify the source country for each income portion in an MT566:

MT 566

:16R:GENL

:20C::CORP//CASR2015CR

:20C::SEME//2015CRCANADA

:23G:NEWM

:22F::CAEV//DVOP

:16R:LINK

:13A::LINK//564

:20C::PREV//2014CRCANADA

:16S:LINK

:16S:GENL

:16R:USECU

:97A::SAFE//123456

:35B:ISIN BMG162581083

BROOKFIELD RENEWABLE LP

:93B::ELIG//UNIT/2000,

:93B::CONB//UNIT/2000,

:16S:USECU

:16R:CADETL

:98A::XDTE//20131227

:98A::RDTE//20131231

:16S:CADETL

:16R:CACONF

:13A::CAON//001

:22F::CAOP//CASH

:11A::OPTN//USD

:16R:CASHMOVE [*Canadian sourced return of capital*]

:22H::CRDB//CRED

:22H::CONT//CONT

:**94C::COIN//CA**

:97A::CASH//1234567890

:19B::PSTA//USD159,8
:19B::GRSS//USD159,8
:19B::NETT//USD159,8
:98A::POST//20140224
:98A::VALU//20140224
:98A::PAYD//20140131
:92J::GRSS/CAPO/USD0,0799
:92A::TAXR//0,
:16S:CASHMOVE
:16R:CASHMOVE [*Canadian sourced Interest*]
:22H::CRDB//CRED
:22H::CONT//CONT
:94C::COIN//CA
:97A::CASH//1234567890
:19B::PSTA//USD95,22
:19B::TAXR//USD10,58
:19B::GRSS//USD105,8
:19B::NETT//USD95,22
:98A::POST//20140224
:98A::VALU//20140224
:98A::PAYD//20140131
:92J::GRSS/INTR/USD0,0529
:92A::TAXR//10,
:16S:CASHMOVE
:16R:CASHMOVE [*Bermudan sourced Income*]
:22H::CRDB//CRED
:22H::CONT//CONT
:97A::CASH//1234567890
:94C::COIN//BM
:19B::PSTA//USD459,4
:19B::GRSS//USD459,4
:19B::NETT//USD459,4
:98A::POST//20140224
:98A::VALU//20140224
:98A::PAYD//20140131
:92F::GRSS/INCO/USD0,2297
:92A::TAXR//0,
:16S:CASHMOVE
:16S:CACONF

13.8 Rights Issue - One Event

Sequence A

22F::CAEV//RHTS
22F::CAMV//CHOS

Sequence C is present

Sequence E contains the different options as per SLA
22F::CAOP//EXER
22F::CAOP//LAPS
22F::CAOP//OVER
22F::CAOP//NOAC

Sequence E may contain the following options from the account servicer:
22F::CAOP//SLLE
22F::CAOP//BUYA

13.9 Rights Issue - Two Events

1. **First event**

   Sequence A
   22F::CAEV//RHDI
   22F::CAMV//MAND

   Sequence C is NOT present

   Sequence D
   :22F::RHDI//EXRI

   Sequence E contains the different options as per SLA
   :22F::CAOP//SECU

2. **Second Event**

   Sequence A
   :22F::CAEV//EXRI
   :22F::CAMV//CHOS
   :20C::CORP// *-> this should be another event number than event One*
   :16R:LINK
   :20C::CORP// *-> this is to link this second event to the first event if applicable*
   :16S:LINK

Sequence C is NOT present

Sequence E may contain the following options from the issuer:

:22F::CAOP//EXER

:22F::CAOP//LAPS

:22F::CAOP//OVER

Sequence E may contain the following options from the account servicer:

:22F::CAOP//SLLE

:22F::CAOP//BUYA

13.10 Income Payment / Proceeds with Multiple Currencies

1) Case 1: MT 566 sample with one FX transaction

16R:CASHMOVE
:22H::CRDB//CRED
:97A::CASH//XXXXXXXXXXXXXXX
:19B::PSTA//GBPXXXXX,
:19B::RESU//GBPXXXXX,
:19B::TAXR//KRWXXXXX,
:19B::GRSS//KRWXXXXX,
:19B::NETT//KRWXXXXX,
:98A::POST//YYYYMMDD
:98A::VALU//YYYYMMDD
:98A::PAYD//YYYYMMDD
:92F::GRSS//KRWXXXX,
:92B::EXCH//KRW/GBP/XXXXXX
:92A::TAXR//XX,
:16S:CASHMOVE

2) Case 2: MT 566 sample with two FX transactions

16R:CASHMOVE
:22H::CRDB//CRED
:97A::CASH//XXXXXXXXXXXXXXX
:19B::PSTA//GBPXXXXX,
:19B::RESU//GBPXXXXX,
:19B::TAXR//ARSXXXXX,
:19B::GRSS//ARSXXXXX,
:19B::NETT//ARSXXXXX,

:98A::POST//YYYYMMDD

:98A::VALU//YYYYMMDD

:98A::PAYD//YYYYMMDD

:92F::GRSS//ARSXXXX,

:92B::EXCH//USD/GBP/XXXXXX

:92B::EXCH//USD/GBP/XXXXXX

:92A::TAXR//XX,

:16S:CASHMOVE

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