

Meeting Venue:

BVI
Bockenheimer Anlage 15
60322 Frankfurt
Germany
Dress Code: Business
casual

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GROUP



I. Meeting Global Agenda

Monday 8th of April

12:00 – 13:00	Arrival & Check-in at BVI Premises + Light Lunch
13:00	Plenary Session Opening
13:00 – 15:00	<ol style="list-style-type: none"> 1. SMPG Welcome Address (5' - Armin Borries, SMPG Chair, DE NMPG) 2. Welcome Address by BVI (5' – Rudolf Siebel, SMPG vice-Chair, DE NMPG) 3. Global Meeting Schedule (5' - Jacques Littré, SMPG General Secretary) 4. ISO 20022 Payment Migration – Evolution of Payment Landscape - ECB Planning (45' – Charles Boniver (SWIFT), René Beike (CB), David Weidner (ECB)) 5. SRD2 – SMPG Driving the Solution (10' - Jacques Littré) 6. Shareholder Rights Directive 2 Panel discussion (45' – Paola De Antoni (IT), Marko Niederheide (DB), Daniel Schaefer (DE), Rudolph Siebel (DE))
15:00 – 15:30	Transport to the Deutsche Bundesbank “Money Museum”
15:30 – 17:00	Visit of the “Money Museum”
17:15 – 18:00	<p>In the Deutsche Bundesbank premises:</p> <ol style="list-style-type: none"> 7. SMPG Steering Committee Elections (15') 8. EMEA Regional Updates - (EMEA Regional Directors) 9. APAC Regional Updates - (APAC Regional Directors)

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18:00 – 18:30	Transport to BVI
18:30	End of Plenary Session
	Free Evening

Tuesday 9th of April

8:30 – 9:00	Arrival & Check-in at BVI Premises
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Morning Session

09:00 – 10:45	Corporate Action WG	Investment Funds	Settlement and Reconciliation WG
10:45 – 11:00	Coffee Break		
11:00 – 12:30	Corporate Action WG	Investment Funds	Settlement and Reconciliation WG
12:30 – 13:30	Lunch		

Afternoon Session

13:30 – 15:30	Corporate Action WG	Investment Funds	Settlement and Reconciliation WG
15:30 – 16:00	Coffee Break		
16:00 – 17:00	Corporate Action WG	Investment Funds	Settlement and Reconciliation WG

Evening Session

17:15 – 22:00	<p style="color: red; margin: 0;">SMPG Networking Evening Event</p> <p style="margin: 0;">City Tour followed by dinner at restaurant: "Dauth-Schneider" Neuer Wall 5-7 - Klappergasse 39 - 60594 Frankfurt am Main Tel./Fax: +49 (0)69 613 533 http://www.dauth-schneider.de/?lang=en</p>		
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Wednesday 10th of April

8:30 – 9:00	Arrival & Check-in at BVI Premises
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Morning session

09:00 – 10:45	Corporate Action WG	Investment Funds	Settlement and Reconciliation WG
10:45 – 11:00	Coffee Break		
11:00 – 12:30	Corporate Action WG	Investment Funds	Settlement and Reconciliation WG
12:30 – 13:00	Light Lunch		

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Afternoon Session			
13:30 – 15:30	Corporate Action WG	Investment Funds	Settlement and Reconciliation WG
15:30 – 15:45	Coffee Break		
15:45 – 17:00	Corporate Action WG	Investment Funds	Settlement and Reconciliation WG
End of meeting			



II. SMPG Corporate Actions WG Detailed Agenda – April 8 - 10, 2019

Item No	Short Description	Description and Pending Actions	Owner	Comment
Tuesday April 9 / Wednesday April 10				
1	2019 Meeting dates	Schedule Conference calls for Q3 / Q4 2019	Christine/ Mari	
2	February meeting Minutes Approval	Comments / Approval of February 19 webex conf. call Minutes	Jacques	
3	Co-Chair Election 2019	Re-election of Mariangela Fumagalli	Jacques	
CA398	GMP1 – Full revamp of section 10 on Market Claim	<p>Most of the section needs to be rewritten as the recommendations seem sometime inconsistent or outdated.</p> <p>Actions: Remaining NMPG's to provide comments</p>	GMP1 SG	<p><u>Telco February 22, 2019:</u> DK Input: The Danish NMPG agrees on the new Market Practice however as previously noted the Danish CSD had implemented their interpretation on how to detect Market Claims. This implementation was done before there was an actual standard process for claims, meaning VP will not adjust in the near future as this would be very costly. We do agree that a standard on claims is a good thing as standards makes life easier.</p> <p>Discussion It is agreed to change the last sentence of the MP to soften the usage of “Claim Amount” and to remove the “Not recommended” statement on MKTC.</p> <p><u>Telco January 22, 2019:</u> The MP will be approved at next February meeting if no objections are raised in the meantime.</p> <p><u>Telco December 11, 2018:</u> Mike suggests in the updated MP to have the MKTC amount as optional and to link its usage to the presence of the ADDB//CLAI Indicator.</p> <p><u>Telco November 13, 2018:</u> Mike suggests in the updated MP to have the MKTC amount as optional and to link its usage to the presence of the ADDB//CLAI Indicator.</p> <p><u>Sydney - October 15 - 17, 2018:</u> No objections on Mari’s proposal received from NMPG’s. The section in GMP1 will be updated accordingly. Christine responded to the following question from ZA last July: “when a claim would result in both cash and securities entitlements, would the MP require 2 separate MT564 & MT566 or 1 MT564 and 2 MT566?” that the market claims confirmation should reflect the event confirmation. If the event has option CASE, the market claim is for CASE as well.</p>

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				<p>Regarding the issue concerning the absence of usage of the “MKTC” amount in the MT566 as raised by Mike at the last meeting, should we recommend that the market claim amount usage becomes optional and remove the qualifier MKTC later on?</p> <p>The WG agree to keep MKTC as the usage of the amount is not so low (as per the last figures provided by SWIFT) and decides to create a new open item to amend the current MP on MKTC.</p>
CA400	Scheme of Arrangement	<p>Creation of new event ?</p> <p>Action: The <u>UK&IE NMPG</u> will have a look at the Complex Events Tab for EXOF and revert. <u>Jacques</u> to integrate the MP in GMP1</p>	Jean-Paul	<p>Telco February 22, 2019: Sanjeev agrees with the proposed MP as written by Jean-Paul. It is proposed to remove the “TEND” event and leave only the EXOF and MRGR and rewrite the “example” sentence.</p> <p>Telco January 22, 2019: Jean-Paul’s updated document (see minutes). Jean-Paul did not get any feedback from Sanjeev. The MP will be approved at next February meeting if no objections are raised in the meantime.</p> <p>Telco December 11, 2018: Jean-Paul’s updated document (see minutes) Jean-Paul will contact Sanjeev off-line to discuss ZA comments on CA400. The topic will be addressed and hopefully closed at the January meeting. The UK & IE NMPG will discuss the issue related to the complex event tab on EXOF at their next meeting.</p> <p>Telco November 13, 2018: Jean-Paul has updated the document as per the comments received earlier (see document in minutes).</p> <p>Sydney - October 15 - 17, 2018: An amended version of Jean-Paul’ document had been received already from Mike in September and additional input from Sanjeev lately (see minutes). Since no new version of the document has been received from Jean-Paul, the item is postponed till next conference call. Looking at the Complex event tab, there is a possibility that the UK MP is in violation of the global MP regarding EXOF. Christine explains that as per the EIG+ Complex tab, the EXOF event is only valid when only 1 company (the issuer) is involved in the event. MRGR is when 2 companies are involved and a tender when a third party is involved.</p> <p>Telco Sept. 25, 2018: An amended version of Jean-Paul’ document has been received from Mike (see minutes). It seems clear that different event types are used and not only EXOF, like a MRGR in ZA or a TEND in the US.</p> <p>Decision: The WG decided that a new version be created, without specifying which event codes are allowed.</p>
CA391	Identify which line	We have a global custodian that	Alexander	<p>Please refer to related open item CA403 here below.</p> <p>Telco December 11, 2018:</p>

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	of Multi-listed Securities on a Notification	<p>for a multilisted security (ie same ISIN in several markets) are using the :94F::SAFE//NCSD/ CSD BIC To tell us where the securities is held, and that's fine.However they are then adding the PLIS, not for the listing we hold, but they state primary Stock Exchange from the Stock is field 94B:</p> <p>The justification for the case is due to the implementation of T2S (where is possible to hold foreign securities in Euronext markets), but that's fine for the holders of the XNYS stock however we hold another line.</p> <p>Is there a MP on the usage of SAFE and PLIS or combination of this to identify multilisted securities? The above process poses a problem with the multilisted in Crest and XDUB and XLON.</p> <p>And also what combinations not to use.</p>		<p>Feedback from DE (Daniel): From a German market perspective, these three following open items are linked. In CA391, the SMPG suggests “using the PLIS (Place of Listing) connected to where the securities is safe-kept” in a notification. In CA403, the request is to use the Place of Safekeeping in addition to the CORP, the SMPG does not seem supportive, while we explicitly support the request. In CA409, the SMPG is suggesting to remove a section on the Place of Safekeeping, which had actually allowed to use this as a distinguishing field, instead of using the COAF/CORP. The German NMPG explicitly supports the usage of the Place of Safekeeping to identify different safekeeping locations in connection with the notification and instruction throughout the chain of messages, starting with the notification, the instruction, instruction status and statement messages; especially in the context of T2S, where using a different COAF per investor CSD is not allowed. If a security is held in T2S by an account servicer with the issuer CSD and an investor CSD, the account servicer is supposed to use the same COAF. However, options and deadlines for voluntary events will differ. The place of safekeeping should then be used, as is already market practice, in connection with section 3.8.2. of GMP1 and as requested by Véronique. Therefore we suggest under all three points to use the Place of Safekeeping, rather than the Place of Listing or the COAF. A solution for CA391, CA403 and CA409 should be found that allows the usage of the Place of Safekeeping alongside the COAF and CORP at least in T2S markets. • Germany would also like that the GMP1 document clarifies when and how to use the “Place of Listing” element versus the “Place of Safekeeping” element. Telco November 13, 2018: Pending action item from GMP1 SG. Sydney - October 15 - 17, 2018: After a long discussion on Place of Safekeeping, issuer CSD vs. investor CSD, place of listing, and also issuance of multiple ISINs, the WG decides that the recommendation from Warsaw still stands i.e. using the PLIS (Place of Listing) connected to where the securities is safe-kept.</p>
CA392	Foreign Dividend Indicator in ZA	<p>Ho to make distinction between a local/domestic and a foreign dividend payment as there are different withholding tax implications</p> <p>Action: Sanjeev/ZA NMPG to propose amendment to GMP1.</p>	Sanjeev	<p>Sydney - October 15 - 17, 2018: Sanjeev explained the background of the need for a foreign dividend indicator, and their revised proposal for a change of COIN in GMP1. Jyi-Chen reiterated the counterproposal to use TAXR and WITL, and only use WITL for foreign tax when applicable. The problem is that, depending on the foreign country’s non-reclaimable tax rate (if it is 20% or higher), WITL may not be used since there will be no ZA tax withheld. Christine commented that it is important to not change COIN in a manner that prevents it from being used as it is currently. Narelle asked if conduit foreign income could be used instead. It does not reflect</p>

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				the country code, but otherwise should suit. Decision: The WG agrees that the issue and the various alternatives be discussed in the Tax SGs.
CA403	Multi-Deposited Securities and COAF / CORP / SAFE in the MT565	For multi-deposited securities (e.g. due to T2S, due to two sub custodians in the market), some institutions are reluctant to using CORP in the MT565. Some prefer sending MT565s with COAF and having “NONREF” in CORP, and use Place of Safekeeping (:97a::SAFE). <u>Action:</u> Veronique to prepare input for Frankfurt.	Veronique	<p><u>Telco February 22, 2019:</u> Comments were provided by ISITC (Paul via email): “The use of NONREF in place of a CORP creates an issue as there would be no differentiation with an unsolicited response. The solution suggested is not addressing the issue holistically. The entire market practice should be reviewed. Better solution could be to make the COAF mandatory (currently optional) on the MT565 and continue to require the CORP”. <u>Comments received from Jean-Paul and Charlotte/Randi</u> in the following documents: (see minutes) <u>Comments provided by Mike (CH):</u> As the use of the COAF is still very sparse, and a lot of markets and more intermediaries are not we propose to strike the 2nd. sentence and any reference to "NONREF". Current automation/STP processes for MT565 messages are largely built based on CORP and other key data, not COAF. To track (and perhaps promote) the use of COAF, we propose to add another sheet into the GMP2 file, titled COAF use (see minutes). <u>Discussion</u> The first paragraph above on the usage of NONREF has been there already for years and has not been amended in any way in this open item. In view of the comments received and of the discussion at the call, there is a lot of confusion about what is the issue we want to solve in that MP. The open item will be scheduled for the Frankfurt meeting. <u>Telco January 22, 2019:</u> Input document from Véronique (see minutes) The MP update will be approved at next February meeting if no objections are raised in the meantime. <u>Telco December 11, 2018:</u> Véronique confirms that Place Of Safekeeping should not be removed from the proposed paragraph in section 8.1.2.7 since it will allow to differentiate in the instruction between events having the same CORP similarly to the notification message. <u>Telco November 13, 2018:</u> Véronique input document amended at the Sydney meeting (see minutes). Véronique does not agree with the removal of the “Place of Safekeeping” in the last paragraph of the section 8.1.2.7 (see attached document) since CORP is sometime not present when COAF is used and therefore in that case, Place of safekeeping is necessary. However, in T2S, the COAF does not help since it will be identical for both events. UK: Still need to discuss it. FR & SE: agree with the proposed MP amendment DE: agree that CORP and Place of Safekeeping may be useful in that context. <u>Sydney - October 15 - 17, 2018:</u> The WG agrees with Véronique input with some amendments to the text as shown in the</p>

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				<p>resulting proposal document here below (see track changes in document minutes). Telco Sept. 25, 2018: Item postponed since Veronique did not attend the call. Telco July 31, 2018: No input yet received from Véronique. The item is postponed to next call. Telco June 19, 2018: Topic skipped due to lack of time. Warsaw - April 18 - 20, 2018: Question submitted by Véronique: For multi-deposited securities (e.g. due to T2S, due to two sub custodians in the market), some institutions are reluctant to using CORP in the MT565. Some prefer sending MT565s with COAF and having "NONREF" in CORP, and use Place of Safekeeping (:97a::SAFE). Can we add a new market practice in GMP1 to cover this case ? Decision: The group agrees to have a market practice added in GMP1 around that case and stating that in case of "split holdings" in T2S, when a COAF is unique, either the CORP & COAF can be used in the Instruction or the COAF & the Safekeeping place (as provided in the Statement of holdings) with NONREF in the CORP.</p>
CA405	New flag for securities being Blocked	Should there be an indicator at securities movement level that the securities will be blocked? Action: <u>MPGs</u> to provide input on their securities blocking scenario for the Frankfurt meeting.	Daniel	<p>Telco February 22, 2019: Note that this topic is also related to the request by the ECB in the CMH CA Harmonisation rules to add such a flag for blocking securities in the Collateral Management CA event processing context. <u>CR input on securities blocking flag from DE (see minutes)</u> The main purpose for the flag is to have a way to pre-advise about the blocking of the securities in the MT564 and not to change the blocking process itself. <u>Comments from DK</u> Question to SMPG: Can this have any legal implications? What if a company goes bankrupt? Would there be any complications when securities are blocked? We (The Danish Market) do not read the DE suggestions as one we have to apply, but more as a possibility to apply this and hence make instruction handling smoother. With regards to the newly sent Change Request, is there a specific reason as to why the option level needs a BLOK info.? Is it not sufficient to just indicate once that securities will/may be blocked if instructed upon? Should there not be a qualifier in the 567 to state how many shares have been blocked? And in the 564 should there not be a "smart" qualifier stating how much of the holding has now been blocked as well as we have pending holding etc.? <u>Comments from XS (Jean-Paul)</u> Having a blocking flag at two different levels seems complex to handle. How should we read the flag is there is only E - OPTF//BLOK but nothing at movement level? Does this mean that underlying is blocked but not proceeds? Daniel (DE) explains that the presence of the flag at option level is required when the underlying securities must be blocked but there are no following securities movements. LU is in favor of the CR.</p>

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				<p>BE would like first that we look at what is the problem we are trying to solve with this flag.</p> <p><u>Telco January 22, 2019:</u> This topic must be linked to the open item CA413 (CHM-TFCA Thread) since the CMH-TF also wants to request the creation of such a flag in the seev.031. Alexander (NO) notes that the usage of such a flag in an “Omnibus” market is not possible in any cases. Catarina (LU) argues that such flag is not an absolute necessity since the current process/rules in place takes blocking of securities into account already (when an instruction is received or when a record date is used). Daniel (DE) confirms on his side that a flag could be useful. Germany will submit a draft CR for review to add such a flag so as to be reviewed at the Frankfurt meeting.</p> <p><u>Telco December 11, 2018:</u> Not addressed due to lack of time.</p> <p><u>Sydney - October 15 - 17, 2018:</u> After an interesting and long discussion on various markets’ processing of instructions and CSD account structure, it seems difficult to be solved with a single flag as the conditions for blocking securities are so different per country and per type of intermediary. The creation of a flag for that could be misleading and prone to misinterpretation or misuse.</p> <p><u>Decision:</u> Leave item CA405 open.</p> <p><u>Telco Sept. 25, 2018:</u> It seems it is rather a common practice to block the securities for which an instruction to deliver them has been received. Nonetheless, it may be of value to the recipient to receive such information in the notification.</p>
CA406	Add MITI to the MT566?	For CA-related cash postings on a T2S DCA, only the MITI/T2S reference exists according to the information provided to Daniel. Should then the MITI be added to the MT 566? <u>Action:</u> Remaining NMPGs are requested to discuss the addition of MITI to the Mt 564 and revert by the next conference call.	Daniel	<p><u>Telco February 22, 2019:</u> <u>Comments from DK</u> The Danish Market agrees that MITI could be very useful. However, we do believe it would be very useful to have examples of the actual usage of MITI. Where exactly should it be used in the corporate action messages. Furthermore, it would be good to have actor models to visualize the complexity of the communication sent from various CSDs to various investors with T2S and link partners being in the big picture. Is that possible?</p> <p><u>Comments from XS:</u> Agree with the proposal to add MITI in the MT566 <u>Comment from FR:</u> The CSD in FR does not plan to use the MITI reference. What about the usage of PREV and RELA references ? <u>Comments from DE:</u> The main reason to reuse MITI in the 564 is to avoid any confusion with the other PREV/RELA references which are usually present in the message for other</p>

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				<p>purposes. DE will submit a change request for it and will have a draft CR ready to be reviewed in Frankfurt. <u>Telco January 22, 2019:</u> Jacques' colleagues expert in SnR recommended to use the PREV reference another alternative could be to use the Processing Reference in the MT566? Catarina (LU) suggests that this could be discussed in the frame of the CMH-TF standards for CA ? Daniel (DE) confirms that they would prefer to have the MITI reference added in the MT566/seev.036 so as to avoid any confusion with other Previous (PREV) or Related (RELA) references. <u>Telco December 11, 2018:</u> Jacques' colleagues expert in SnR recommended to use the PREV reference an other alternative could be to use the Processing Reference in the MT566 ? <u>Telco November 13, 2018:</u> FR, DE, LU, ES, UK, BE agree with the proposal. However, since MITI is an MI reference (to be used for T2S) and should not be used by CSDs, on might need to reuse another reference (PCTI ?) or create a new CSD reference for that. Is there a CSD reference that could be re-used from the SnR messages ? <u>Post Meeting Comments from Catarina (LU)</u> Would be the use of 20C::RELA for CREST reference number an option? <u>Sydney - October 15 - 17, 2018:</u> The MITI (Market Infrastructure Transaction Identification) reference is present in the cash posting/PFoD, but not the CORP (COAF). Including the CORP would not really help reconciliation, since there would often be multiple postings on the same event. Nonetheless, the CORP will soon be added to a number of settlement messages on T2S. The best option would be to add the MITI to the CA confirmation but it is not sure that CSDs would implement it.</p>
CA414	Usage of "CONT" Contractual Payment Indicator in 564 & 566	<p><u>CA MWG follow up on rejected UK CR 1434.</u> CA MWG - recommends that the SMPG carefully analyses the usage of that indicator and eventually create a new market practice to clarify it. <u>Action:</u> NMPGs to provide feedback on Christine's proposal</p>	Mike	<p><u>Sydney - October 15 - 17, 2018:</u> The WG discussed the usage of CONT and the input document and agreed that Mike's proposal could be summarized in a more concise MP like along the lines of "CONT should be used only when there is a contractual payment agreement on the account. If not, it should not be used." <u>Telco Sept. 25, 2018:</u> Mike has tried to document what was discussed and agreed at the MWG meeting, for possible inclusion in GMP1 in chapter 3 (see above document).</p>
CA416	Announcement of DVOP / DRIP on Rights	A data provider is informing the market about the cash dividend pay-out of the choice dividend on the intermediate rights ISIN, opposed to the "real" underlying	Mike	<p><u>Telco December 11, 2018:</u> Post meeting comments received from DE (Daniel) The Dividend should be announced using the rights as underlying security, linking back to the RHDI. Not addressed at the meeting due to lack of time. <u>Telco November 13, 2018:</u> No time left to address this item.</p>

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		securities. Action: Further NMPGs are requested to provide feedback on the proposal and revert.		<p>Sydney - October 15 - 17, 2018: How other data providers handle the information side and how other SMPG markets/banks process such events? No feedback was received. The European NMPGs represented either do not have DVOP/DRIP events using interim securities or do not have them at all.</p> <p>Telco Sept. 25, 2018: A data provider is informing the market about the cash dividend pay-out of the choice dividend on the intermediate rights ISIN, opposed to the "real" underlying securities. This started last year and goes on throughout 2018. Impacted markets and ISIN examples are in the Excel file above. Previously, the information about the cash dividend was received on the shares and thus allowed us to keep a history of the dividend payments in the systems. Most of our banks pay the cash dividend in a DRIP/DVOP scenario, whether it's announces as one RHTS event, or as two events with RHD1, on the underlying shares, as the clients are demanding to see the "permanent" shares and its ISIN on the advice and not some rights ISIN which changes for every event. I'd like to ask how other data providers handle the information side and how other SMPG markets/banks process such events?</p>
CA418	SR2019 GMP1-3 updates	<p>Actions:</p> <ul style="list-style-type: none"> • Steve: to provide US EIG+ Country Column updates for TNDP event for next call and to investigate what would be the impact on the US market of removing PRII. • Mari, Veronique and other global custodians from the CA WG to get feedback on the current usage of PRII. 	Jacques / Christine	<p>Telco February 22, 2019: Current Status a) EIG GG, CC, (GMP Part 2) Narelle has provided updates for the AU country column and for TNDP. b) Remove PRII event in SR2020 ? Steve confirms that PRII is still used in the US in some cases. Same in NZ Narelle confirms. PRII is not used in RU.</p> <p>Telco January 22, 2019: Current Status a) SR2019 MP Changes: provided by Christine and updated by Jacques here below for review: (see minutes) Note that the open items listed in the document in Italics characters are provisional as the related MPs are not finalised yet. Note that the draft MP Changes document will be published end January or beginning of February without the open items in Italics. b) EIG GG, CC, (GMP Part 2) & Templates updates The table below summarises the status of the feedback received from the NMPGs by Jacques on Jan. 23: (see minutes) The updates proposed by Christine for the EIG Global Grid are reviewed: 1. Adding TNDP MAND to the GG as "n/a" Approved but AU and US should also provide input on TNDP (DPRP Key data) for their country column for next week. 2. Remove AVAL[O] date from MRGR MAND ? Approved since AVAL is rather generic and does not appear in any other event as</p>

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				<p>key data.</p> <p>3. Remove PR11 event in SR2020 ? Steve will get back to ISITC to confirm whether PR11 can be removed from the ISO Standards in SR2020. If positive, the SMPG and/or ISITC will write a CR to remove it. In meantime leave it in the MP.</p> <p>4. Remove comments from the SHPR MAND event in GG The comment does not seem relevant as CASH is anyway the only option. The group agrees to remove it.</p> <p>5. Add "n/a" to DECR CHOS in GG Approved. The "n/a" is missing since not a GG MP.</p> <p>c) GMP Part 3 (Status Reason Codes) Jacques has updated the GMP Part 3 to take into account the 4 new Rejection Reason codes (SHAR, IRDQ, DQBI, DQBV) created for SR2019 for the Instruction Status message (MT567 – IPRC).</p>
CA419	SR2019 MWG actions for the SMPG	Action: ISITC to draft a proposal for the SMPG to review on Definitions of Instructed and Uninstructed balances	Jacques/Christine	<p>Sydney - October 15 - 17, 2018:</p> <p>a) CR1434, Contractual payment indicator See Open Item CA414 above which cover this point.</p> <p>b) CR1482, CA instruction statement report Definitions of Instructed and Uninstructed balances: The MWG recommends to the SMPG to review those codes and definitions and to raise a CR for next release if these elements/definitions need to be amended.</p>
CA415	ISO 20022 CAST message	Follow up from MWG Meeting recommendations for SMPG - CAST message – usage of the "Missing instruction" code and instructed and uninstructed balances.	Steve	See if similar to the CA 419 ? (Jacques)
CA423	Usage of ADDB//ATFX	<p>Create a MP to clarify the meaning and usage of the :22F::ADDB//ATXF ("Subject to Transformation") code in the 564 seq.D.</p> <p>Which of the following interpretations is correct ?</p> <p>1. "the ATXF qualifier is explaining the transformation process at event level, without checking any pending settlement instructions. If pending instructions are present at</p>	Mari	<p>Telco February 22, 2019: <u>Comments from DK</u> The Danish NMPG agrees on the Market Practice however as previously noted the Danish CSD had implemented their interpretation on how to detect Market Claims. This implementation was done before there was an actual standard process for claims, meaning VP will not adjust in the near future as this would be very costly. We do agree that a standard on claims is a good thing as standards makes life easier.</p> <p>XS, DE, SE, CH, UK&IE, ES, HK agree with the MP proposal from Mari. FR will revert at the next call.</p> <p>Telco January 22, 2019: Mari has submitted the following draft MP for review.(see minutes)</p> <p>Telco December 11, 2018:</p>

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		<p>Record date, then unsettled instructions will subsequently be cancelled and replaced by settlement Instructions reflecting the CA Proceeds and Cash consideration on the original (now cancelled) settlement instruction”</p> <p>2. “ATXF is considered as unexpected field in Corporate Action entity. It leads to the non capture of the message by Corporate Action tool. Such messages are considered as advices of transformations following the launch of T2S. Notifications (i.e. without ATXF qualifier) are also expected to announce the Income events”.</p> <p>Action: Remaining <u>NMPGs</u> to review and revert for next call.</p>		<p>Mari suggests that the ATFX indicator means that the event is a reorganisation and that the transformation process will be automatically done.</p>
<p>CA425</p>	<p>Usage of Index Factor for INT and Redemptions</p>	<p>Clarify in GMP 1 for Index bonds how to inform about the index that is used for payment.</p> <p>Actions: Jean- Paul to make a draft MP for next call.</p>	<p>Alexander</p>	<p><u>Telco February 22, 2019:</u> Skipped due to lack of time. <u>Telco January 22, 2019:</u> Jean-Paul recommends that the index should be taken into account directly into the INTP rate.</p>
<p>CA427</p>	<p>Create new MP to use 94C::COIN//XF in order to declare a foreign income in regard of the (tax?)domicile of the event's underlying security.</p>	<p>COIN was created, because for many payments/distributions, the important/available information in a lot of cases is, that the income/revenue was NOT generated in a certain country but abroad, e.g. non-US, non-FR, etc.... (Australia resolved this with SR2018's CDFI, but others have no such qualifiers/codes available.) Thus the proposition would be to set up a MP to use XF as meaning eXternal/Foreign when</p>	<p>Mike</p>	<p><u>Telco February 22, 2019:</u> Skipped due to lack of time. <u>Telco January 22, 2019:</u> No time left. Will be rescheduled for next call.</p>

Item No	Short Description	Description and Pending Actions	Owner	Comment
		used with COIN.		
CA430	EXPI Usage for DRIP CHOS ?	Comparing the EIG+ and the templates I found that EXPI is indicated in the EIG for EXWA but is not shown in the EXWA templates and EXPI is shown in the DRIP CHOS templates and is not present in the EIG for DRIP ? So I suspect this might be a problem for DRIP template and EXPI should be removed ?	Jacques	NEW
CA431	Market Deadline in local time. Review of 3.11.6	Clarify and update in section 3.11.6.1 that Market Deadline is in the issuer / market local time zone.	Jacques/Mari	NEW - Mari suggests to add this sentence to 3.11.6 The market deadline reported by account servicers is the one announced by the issuer or issuer's agent, expressed in the local time zone of the issuer or issuer agent. The wording in 3.11.6.2 for the buyer protection deadline and in 3.11.7 and I think they need to be clarified adding a sentence about the time zone. Also, didn't we add a new deadline called election to counterparty response deadline? I noticed it's not mentioned and we should add it for completeness.
CA408	Corporate Action on sukuk bonds/certificates	CA notifications/advices on sukuk bonds: which qualifiers and codes to use ? Based on the current definition of sukuk (http://lexicon.ft.com/Term?term=sukuk-(islamic-bonds)), the use of "interest" in those products is strictly prohibited. Terms used are (amongst others): <ul style="list-style-type: none"> • Periodic Distributions • Periodic Distribution Dates • Profit • Profit Rate • Profit Rate Reset Date • (accrued) Periodic Distribution Amounts SMPG might be asked to come	Mike	Telco November 13, 2018: Basically 2 options stand out for a solution: a) Change the definition of INTR event and enlarge the scope to "profit sharing"; b) Create a new specific event for that. Jyi-Chen has investigated the case in APAC with an advisory group on Islamic finance. Jyi-Chen will try to get feedback on the above proposal first via the advisory group contacted. Side questions: Q. Would a local market practice change amending the INTR definition be enough in the interim period before a CR is approved and implemented? Sydney - October 15 - 17, 2018: Jyi-Chen summarised the status in APAC for Sukuk bonds processing. The SMPG CA WG has not the right expertise on this. We do not know what is required to be compliant, or how many events there may be. We should see whether a workshop with representatives from Islamic finance/markets could be set-up and driven by the SMPG ? Telco Sept. 25, 2018: Jacques has contacted his colleagues in APAC to get some feedback on the event processing of Sukuk bond. At first sight, it seems that there would not be any existing market practices defined in APAC for sukuk bonds.

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		up with recommendations on how to handle sukuk bonds and certs. Action: Jyi-Chen will follow up on the discussion / decision of the Advisory Group.		Jyi-Chen confirmed that it is usually processed outside of SWIFT messages. A potential solution could be to introduce a CR to amend the definition of the INTR event to avoid the term “interest” or to create a new specific event and qualifiers/codes for this. We should first check whether there are sufficient business cases to justify a change in the Standards. Telco July 31, 2018: Mike has not yet sent an input document. Mari commented that the UK&IE NMPG in 2015 thought that the volumes were still quit limited and hence OTHR could be used as event code. This may have changed by now. Christine remarked that there are several NMPGs from majority or minority Muslim countries in APAC; perhaps they have input to provide? To be discussed at the next call and/or in Sydney.
CA413	CMH-TF CA Thread	Progress Update	Jean-Paul/Veronique/Mari /Paola	Telco February 22, 2019: An SMPG CA WG task force (TF) has been set up for this topic back in November 2018 with Christine, Paola, Catarina, Veronique, Mariangela, Jean-Paul and Jacques. The TF has had several calls and one physical meeting with the CMH CA Thread co-Chairs of the ECB. There is now an official market/Industry review period that has started beginning of February and last until March 8. However, the SMPG has negotiated an extension of the review period for them until end of March. The Task Force is busy revising the ECB document and will consolidate the comments in the weeks to come. If you want to have more information about this topic, you can contact any of the TF members. deadline for review to February 2019.
CA422	Shareholder Rights Directive – ISO Messages and MP Task Force	Progress Update	Mari / Christine / Jacques	
NEW	Remove DSLT ACTV SUSP events from CA ISO 15022 & 20022 messages ?		Mari/Christine	
NEW	CR to get rid of the CANA message?		Mari/Christine	

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NEW	Remove BMET from CA message		Mari/Christine	
NEW	Remove Meeting instruction related options type sin the CANO (seev.031) message (like SPLI, ABST, PROX, AMGTR, MNGT) ISO 20022 only		Mari/Christine	
NEW	usage of MT565 messages for tax breakdown	in the BENODET sequence there is no way to put the tax rate at which you are requesting the beneficial owner to be paid which, as far as I know, it's mandatory in most countries	Mari	
NEW	Tax Subgroup Update		Jean-Pierre/Jyi-Chen	
NEW	Auto-FX - Update of GMP1 section 8.6		Mari/Vero nique	
NEW	Change definition of CDFI rate and Amount	Change as follows the Rate Type Code and amount "CDFI = Conduit Foreign Income = Rate relating to a conduit foreign income type such as conduit foreign income." To resolve ZA issue with TAXR/WITL iso using COIN.	Sanjeev	
NEW	Deadlines		Mari	
NEW	Change GMP1 where in section 3.14	We should recommend to use different movements if we have different income and tax rates	Mari/Vero nique	

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		and maybe provide an example as the one in 13.3 is for a TEND and doesn't really carry any tax information.		
NEW	The second event after a RHDI should have the ISIN of the Interim as the underlying instrument.	Section 9.1.2 does not explicitly clearly say what should be underlying instrument of the second event following the distribution of rights. The GMP1 only refers to the templates.	Jacques	

Shareholder Rights Directive 2 Task Force Meeting on April 11

Please note that the SMPG SRD2 (Shareholder Rights Directive 2) Task Force will meet on Thursday April 11, 2019 from 10:00 AM to 5:00 PM at the same BVI premises. A separate invitation has been sent to the SRD2 TF members already.

If you want to attend this SRD 2 Task Force meeting, please contact first Jacques.littre@swift.com