# Amsterdam
# Global SMPG Meeting
## October 5 – 7, 2022

**SMPG**
Securities Market Practice Group
*Your Gateway to Securities Standards !*

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| **Meeting Venue:**<br>ABN AMRO<br>Circl, Gustav Mahlerplein 1B,<br>1082 MS Amsterdam<br>The Netherlands<br><br>**Dress Code:** Business casual | **Sponsored by:**<br>ABN·AMRO Clearing<br>DACSI |

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## I.  Meeting Global Agenda

| **Wednesday 5ᵗʰ of October** | | | |
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| **08:30 – 09:00** | Arrival & Check-in at Meeting Premises (Gustav Mahlerplein 1B) | | |
| **Morning Session** | | | |
| **09:00 – 10:45** | Corporate Action WG | Investment Funds WG | Settlement and Reconciliation WG |
| **10:45 – 11:00** | **Coffee Break** | | |
| **11:00 – 12:00** | Corporate Action WG | Investment Funds WG | Settlement and Reconciliation WG |
| **12:00 – 12:45** | **Lunch** | | |
| **Afternoon Plenary Session (with public virtual access via TEAMS)** | | | |
| **13:00 – 17:00** | 1. **Welcome by Host (ABN AMRO Clearing)**<br>2. **Welcome address** *(Armin Borries – SMPG Chair – Clearstream)*<br>3. **Global and Plenary session agenda** *(Jacques Littré / Charles Boniver - SWIFT)*<br>4. **ABN AMRO Clearing - ROSS and Fractions** *(Ewout Huizingh – ABN AMRO Clearing)*<br>5. **DACSI Pivot in Dutch Post-Trade** *(Henk Bruggeman – DACSI Managing Director)*<br>6. **ECMS Project and SCoRE Initiative Update** *(George Kalogeropoulos – ECB – Div. MI Dev. Deputy Head)*<br>7. **Coffee break**<br>8. *LEI Update and LEI Digital Strategy* *(Karla Mc Kenna – GLEIF – Head of Standards)*<br>9. **T+1 Migration in the US in 2024**<br>Moderator:<br>• *Aundie Jarvis, BBH - co-chair of the SMPG S&R working group* | | |

Panelists:
- *Tom Johnson, BBH - VP - Head of Custody Settlements*
- *Robert Cavallo, DTCC - Director - Clearance and Settlement Product Management*
- *Anthony Macchiarulo, SIFMA - Senior Associate, Financial Services Operations*

**10. SWIFT Securities Strategy Update** *(Didier Hermans - SWIFT)*

**Closing** *(Armin Borries – SMPG Chair)*

| Evening | |
|---------|---|
| | **Free** |

## Thursday 6ᵗʰ of October

| 8:30 – 9:00 | Arrival & Check-in at Meeting premises **(at Gustav Mahlerlaan 10)** | | |
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| **Morning Session** | | | |
| **09:00 – 10:45** | Corporate Action WG | Investment Funds WG | Settlement and Reconciliation WG |
| **10:45 – 11:00** | **Coffee Break** | | |
| **11:00 – 12:30** | Corporate Action WG | Investment Funds WG | Settlement and Reconciliation WG |
| **12:30 – 13:30** | **Lunch** | | |
| **Afternoon Session** | | | |
| **13:30 – 15:30** | Corporate Action WG | Investment Funds WG | Settlement and Reconciliation WG |
| **15:30 – 16:00** | **Coffee Break** | | |
| **16:00 – 17:30** | Corporate Action WG | Investment Funds WG | Settlement and Reconciliation WG |
| **Evening** | | | |
| | **Free** | | |

## Friday 7ʰ of October

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|---|---|
| **8:30 – 9:00** | Arrival & Check-in at meeting Premises **(at Gustav Mahlerplein 1B)** |

### Morning session

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

### Afternoon Session

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| | **See detailed agenda of each working group for the afternoon** | | |
| **13:00 – ??:??** | Corporate Action WG | Investment Funds WG | Settlement and Reconciliation WG |

### End of meeting

# Summary of CA WG Meeting Agenda – 5 to 7 October 2022

| | | **General Meeting** |
|---|---|---|
| 1 | **CA473** | GM - GoR TF GM template review (Action: Mari/Christine/Jacques) |
| 2 | **CA494** | GM - Request of a seev.007 outside the original seev.004 (Action: NMPGs) |
| 3 | **CA509** | CA/GM - CMH-TF ASEG New Meeting Event (Action: Mari) |
| 4 | **CA523** | GM - seev.004 & seev.001 pagination MP (Action: NMPGs) |
| 5 | **CA533** | GM - Update GM MP for SR2022 (Action: Mari) |
| 6 | **CA537** | GM - Voting with "Board of Directors" for Meeting resolutions (Action: Mari/Alexander) |
| 7 | **CA539** | GM - Status for Instructions received before record date? (Alexander) |
| | | **Corporate Actions** |
| 8 | **CA469** | CA - Managing CA instructions in scope of CSDR when partial settlement are implemented (Action: Mari) |
| 9 | **CA493** | CA - Repetitive Place of Safekeeping (SAFE) in MT564, MT 535 (Action: Mike) |
| 10 | **CA501** | CA - Amend scope of Tax on Non Distributed Proceeds Indicator (Action: NMPGs) |
| 11 | **CA502** | CA - Add new First and Last Bid Increment Price to CA Details and Option Level for TEND and DTCH events (Action: NMPGs) |
| 12 | **CA504** | CA - Add new OFFE Indicator code when Dissenters Rights are Not Applicable (Action: NMPGs) |
| 13 | **CA506** | CA - Add new Status Reason Code for Rejections by Agent and Invalid Paperwork (Action: Steve) |
| 14 | **CA507** | CA - Add New Protect Balance to Instruction Status (Action: NMPGs) |
| 15 | **CA511** | CA - Consistency between 22F::CAOP//SLLE & 69A::PWAL (Action: NMPGs) |
| 16 | **CA512** | CA - Review DRIP CHOS with Interim template (Action: Jean-Paul) |
| 17 | **CA513** | CA - Reversal / repayment process in ISO20022 (Action: Christine/NMPGs) |
| 18 | **CA515** | CA - Withdrawal / Change / Revocability MP (Action: NMPGs) |
| 19 | **CA519** | CA - Handling of Instructions after DTCH event (Action: NMPGs) |
| 20 | **CA520** | CA - CAPS Message Flow Description (Action: Mari/Christine) |
| 21 | **CA526** | CA - Review GMP1 section 3.14 and 6.11 (movement sequences) (Action: NMPGs) |
| 22 | **CA530** | CA - Interest coupon paying in kind and cash (Action: NMPGs) |
| 23 | **CA470** | CA Tax - DVOP - how to best reflect tax and CINL on DVOP (Mari/Jacques) |
| 24 | **CA542** | CA SCoRE Questions (New - Mari) |
| | | **CA Events for Funds** |
| 25 | **CA476** | CA - Events for Funds (Common Session CA / IF WG) – **Thursday 6 Oct. PM** |
| | | **SID Open Items** |
| 26 | **CA538** | SID - Amend definition of AccountOwnershipType5Code (Hendrik) |
| 27 | **CA540** | SID - Reporting of below threshold quantity (Michal) |
| | | **Market Claims Open Items** |
| 28 | **CA466** | MC - Handling MCs in the Cash Penalties and ECMS Context |
| | | **Tax SG Open Items** |
| 29 | **CA500** | CA Tax - Add new Event Type for Tax Classification (SR2022 CR 001796) |
| 30 | **CA505** | CA Tax - Add new Other Type of Income Qualifier in Movements Sequences (SR2022 CR 001791) |
| 31 | **CA541** | CA Tax - Harmonisation of the DSS usage for tax related indicators (TNDP/ETYP/ITYP/OTYP) |

# II. Corporate Action Detailed WG - Agenda

| Item No | Short Description | Description and Pending Actions | Comment |
|---------|------------------|--------------------------------|---------|
| | 2023 Q1 & Q2 Meeting dates | | |
| | September 13 Minutes Approval | | |
| **General Meeting Open Items** | | | |
| 1 | **CA473** | GM - GoR TF GM template review | **Action:** Mari, Christine & Jacques to contact the previous co-chair of GOR task force to understand next steps, especially vis-à-vis maintenance of the templates. | **Telco May 25, 2022:**<br>Action item not completed. To be rescheduled for next call.<br>**Telco February 22, 2022:**<br>We need to further investigate who is responsible for the maintenance of the template and where exactly they are published.<br>**Virtual Meeting - Oct 4 - 8, 2021:**<br>As per Jean-Paul, the CA GoR templates would likely have been passed to the CEG for follow up.<br>The risk is that these GoR CA templates are not maintained in line with the successive standards releases (like the SMPG templates are) and that there is a total disconnect between both.<br>**Telco Sep. 14, 2021:**<br>Catarina will further discuss this with Jean-Paul and an update will be provided at the next call.<br>**Telco July 20, 2021:**<br>The main point is to understand what is the status of the CA and GM templates that were under preparation by the GOR task force in terms of what events are covered, where are there stored and how they will be maintained? |
| 2 | **CA494** | GM - Request of a seev.007 outside the original seev.004 | regarding the seev.004 instruction and the connection with seev.007 where you actually have to instruct in the seev.004 despite the fact that you are able to require the seev.007 even after the AGM has been held. **Action:** NMPGs to review the input and provide comments. | **Telco Sep. 13, 2022:**<br>Input from Mari: see minutes - Not discussed yet at the call.<br>**Telco July 19, 2022:**<br>Wording agreed by the SRDII subgroup in April has not yet been added in GM MP.<br>Next call of the GM subgroup is scheduled on August 2.<br>**Telco June 21, 2022:**<br>Wording agreed by the SRDII subgroup in April has not yet been added in GM MP.<br>A call to review the updated draft GM MP for SR2022 has been held in the morning of June 21.<br>**Virtual Meeting - Apr 25 - 28, 2022:**<br>A specific MP for the GM has not yet been prepared at this time. It should be done at the same time we update the GM MP document for SR2022.<br>**SRDII Subgroup April 5:**<br>**Decision**: agreed to not create new messages but create a market practice recommending to request the execution confirmation in the instruction for STP. |

| | Item No | Short Description | Description and Pending Actions | Comment |
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| | | | | <span style="color:green">After the instruction has been sent, use alternative mode (email, phone call,..) or cancel and re-instruct if possible. never resend the instruction without cancelling first.</span> |
| 3 | CA509 | CA/GM - CMH-TF ASEG New Meeting Event | New Requirements on GM message to handle meeting fees Actions: Mari to write to Gary/Benjamin at the ECB to inform them about this rejection so that the SCoRE Standard can be amended. - DONE | **Telco Sep. 13, 2022:** The change request for the creation of a new CA Event for the Payment of Meeting Events' Incentive Fees (CR1847) has been rejected at the CA Maintenance WG meeting. Therefore the AMI SeCo SCoRE Standards #12 must be amended accordingly. |
| 4 | CA523 | GM - seev.004 & seev.001 pagination MP | When using the repetition of the <RghtsHldr> element (in the AccountDetails sequence) up to 250 items in the seev.004, Broadridge has some cases where it goes over the 100KB of the network limit. Workaround ? CR ? A pagination MP for the seev.001 is missing. **<span style="color:red">Action</span>**: <u>Remaining NMPG's</u> to review the pagination MP for the seev.001 for next call. | **Telco Sep. 13, 2022:** No further NMPG comments. **Telco July 19, 2022:** No further NMPG comments. **Telco June 21, 2022:** Updated input from Jacques –Pagination MP (see minutes) MP for seev.001 approved by: DE, DK, FR. . |
| 5 | CA533 | GM - Update GM MP for SR2022 | Actions: 1) Mari to arrange another call to discuss CR1032 (Account Servicer Support for Participation Method and Associated Deadline). 2) Mari check that the latest version to ensure all feedback has been included. | **Telco Sep. 13, 2022:** Input: GM Final Draft MP for SR2022 (see minutes). **Telco July 19, 2022:** Next call for SMPG GM subgroup is scheduled by Mari on August 2. **Telco June 21, 2022:** The GM subgroup met this morning on June 21 to review the propose draft GM MP update prepared by Mari as follows (see minutes). |
| 6 | CA537 | GM - Voting with "Board of Directors" for | if a shareholder wishes to vote for an item, it is possible to fill out a form (physical reply form) This form has a note stating that if a | **Telco Sep. 13, 2022:** It is not clear in the MP how to technically vote for new resolutions introduced at the GM. |

| | Item No | Short Description | Description and Pending Actions | Comment |
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| | | Meeting resolutions | resolution changes or new resolutions arise at the actual meeting, the shareholder can appoint/will appoint the board of directors to vote on their behalf. This is not currently a possibility in the seev.001 – to indicate, that it is possible for board of directors to act on behalf of a shareholders who has submitted his vote through ISO message, but the resolution changes or a new resolution arises at the meeting.<br><br>This means that at a general meeting where 6000 shareholders (of maybe 100000 shareholders) attend the physical meeting /or have cast their vote via the physical form, will have a clear advantage compared to the ones who are not there. What could we do in terms of a change request ?<br><br>Action:Mari/alexander to update the MP to recommend to use "VoteInstructionForMeetingResolution" to vote on resolutions raised at the meeting. | |
| 7 | CA539 (Alexander) | GM - Status for Instructions received before record date? | If we receive a seev.004 before record date ( as is possible pr business flow), the right to vote has not been established ( this will first happen on record date). There are multiple scenarios that may happen in this case, the most concerning one is that the holding is traded away before record date.<br>My question is; | **Telco Sep. 13, 2022:**<br>Not discussed. Carried forward to next call. |

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| | | | 1) Is sufficient as last intermediary to send the PACK for messages received before Record date ( given that all other validations are passed), then when the right to vote has been establish by the record date position and the vote is passed on to the Issuer (agent/registrar) the instruction status is updated with RCIS? or 2) The alternative was is to tell back through the chain that the instruction is on hold with the account services ( pending the establishment of the voting right) until record date position has been confirmed. Then when the right to vote has been establish by the record date position and the vote is passed on to the Issuer (agent/registrar) the instruction status is updated with RCIS? This should also be updated to the GMP for general meetings in the circumstance that the status PEND is chosen solution. As in general additional messages are not welcomed by the recipience. | |
| | **Corporate Action Open Items** | | | |
| 8 | CA469 | CA - Managing CA instructions in scope of CSDR when partial settlement are implemented | If the client instructs on the total PENR position expecting the trade to fully settle, but on the deadline the PENR has only partially settled, then the Corporate Action instruction from the client can only be partially accepted against the partially settled portion. If at this stage the Custodian rejects the clients Corporate Action instruction, which was for the full PENR position, then they would be putting at risk the acceptance of the part of the | **Telco Sep. 13, 2022:** Input from Mari: see minutes. MP approved by: FR, UK Not yet clear whether the MP should refer to the PEND/PENR balances. **Telco July 19, 2022:** Still on review by DE and LU NMPGs. **Telco June 21, 2022:** MP approved by: FR, UK JP: Only accepts instructions on actual settlement basis; thus, no concept of PENR / PEND. SE and DK requested a change to the proposed MP to remove the reference to eligible balance (ELIG) position. It is proposed to update the MP as follows (input from Mari) - se minutes |

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| | | | PENR that has settled from participating on the Corporate Action, as the client would then have to re-instruct for the part of the PENR position that has settled, which would be after the Corporate Action deadline. What we are trying to understand is if there is any thought around how this should be handled from a SWIFT perspective, given SWIFT protocol is to cancel the instruction in full and/or whether a partial cancellation of a Corporate Action instruction has been considered. **Action:** Mari to update the MP. | |
| 9 | CA493 | CA - Repetitive Place of Safekeeping (SAFE) in MT564, MT 535 | Target the ever more complex scenario of clients using investor CSDs and still wanting to know where the assets are held. As an example, as a global custodian I safe-keep some Banco Santander shares for my client in Germany with my German sub-custodian which has them deposited with Clearstream Frankfurt which has them sub-deposited with Clearstream Banking Lux.<br><br>In our current scenario, I can only report the BIC of my German sub-custodian as place of safekeeping but this is not enough for my client to | **Telco July 19, 2022:**<br>Mike will work on a proposal for October meeting.<br>**Telco June 21, 2022:**<br>Input from Mari/Mike - see minutes.<br>Item not covered due to lack of time.<br>**Telco May 25, 2022:** Item not covered due to lack of time.<br>Virtual Meeting - Apr 25 - 28, 2022:<br>Input from Mari/Mike (see minutes)<br>The WG agrees that there is a business case to make some changes in the messages to have :94a::SAFE repeatable but it's probably better to have a change in the MT535 than in the MT564 alone. As such, the matter should be re-discussed with S&R. |

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| | | | understand that the shares are actually in CBL. By making SAFE repetitive, we could provide a better reporting. <br>**Action:** Mike to put forward an update to the business need/case for distribution to NMPGs to 1) confirm they agree with the business and 2) assess if there is any appetite to make any change | |
| 10 | CA501 | CA - Amend scope of Tax on Non Distributed Proceeds Indicator (SR2022 CR 001794) | The SMPG CA WG to adapt the existing TNDP market practice accordingly with the approved CR. <br>**Action:** <br>1) Remaining NMPGs to review and comment for next call. <br>2) Jacques to create new Open Item to look at the harmonisation of the DSS for tax related indicators | **Telco Sep. 13, 2022:** <br>Input from Jacques (see minutes). <br>MP approved by: FR, UK, DK <br>DE mentions that the TNDP indicator is not used in Germany since the local ISIN is enough. The question is raised as to whether we should try to harmonise the usage of DSS for tax related indicators like ETYP, ITYP, OTYP and TNDP ? <br>For TNDP, the MP recommend the usage of the "SMPG" for the DSS whilst for ETY/ITYP, specific DSS is used like "IRSX" for the US. <br>It is proposed that the Tax SG look at that question. <br>**Telco July 19, 2022:** <br>MP approved by: FR, UK <br>The NMPGs should also review if the MP text should be moved to another section of the MP document for instance in a section more specific for taxes. |
| 11 | CA502 | CA - Add new First and Last Bid Increment Price to CA Details and Option Level for TEND and DTCH events (SR2022 CR 001789) | The SMPG to create a strong market practice in order to restrict the usage of these fields (for instance for the TEND, DTCH and BIDS events only). <br>**Action:** NMPGs to review and comment for next call. | **Telco Sep. 13, 2022:** <br>MP Approved by: UK <br>The current MP does not seem to be clear enough for some NMPGs since usually one option is sent per bid price. This MP seems to be very much US specific. Should we recommend rather to have an US/ISITC local MP and not include a MP in the GMP document ? <br>To be further discussed in Amsterdam… <br>**Telco July 19, 2022:** <br>MP proposal from Steve: <br>"For Bid Tender or Dutch Auction events, the First Bid Increment Price helps to define what the first allowable bid price will be after the minimum price when there are irregular bid ranges. The Last Bid Increment Price is the last allowable bid price before the maximum price. For example, event had a minimum bid price of 10.22 and a maximum bid price of 10.62 and the Bid Interval Rate is .10. In this event, the allowable bid prices are (10.22, 10.30, 10.40, 10.50 10.60 and 10.62). The First Bid Increment Price would be 10.30. In the same example the |

| | Item No | Short Description | Description and Pending Actions | Comment |
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| | | | | last bid increment price would be 10.60.<br>Please note that both the First and Last Bid Increment price should be supplied on all Bid Tender or Dutch Auction events whenever possible. " |
| 12 | CA504 | CA - Add new OFFE Indicator code when Dissenters Rights are Not Applicable (SR2022 CR 001793) | The SMPG creates a specific market practice for its usage.<br>**Action:** NMPGs to review and comment for next call. | **Telco Sep. 13, 2022:**<br>MP Approved by: UK<br>**Telco July 19, 2022:**<br>MP proposal from Steve:<br>"Dissenters Rights Not Applicable (NDIS) Offer Type Code 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." |
| 13 | CA506 | CA - Add new Status Reason Code for Rejections by Agent and Invalid Paperwork (SR2022 CR 001795) | The SMPG to create a market practice for the usage of the new reason codes and review globally the rejection and cancellation reason codes usage and review the presence of pending reason codes in the seev.042.<br>**Action:** Steve/ISITC to revert whether a reason codes review is needed in the CAST as well for a possible CR for SR2023. | **Telco July 19, 2022:**<br>Item not covered due to lack of time.<br>No input from Steve received yet. |
| 14 | CA507 | CA - Add New Protect Balance to Instruction Status (SR2022 CR 001792) | The SMPG to create a strong new market practice to cover the usage of this new balance.<br>**Action:** NMPGs to review and comment for next call. | **Telco Sep. 13, 2022:**<br>Input from Mari/Christine (see minutes). |
| 15 | CA511 | CA - Consistency between 22F::CAOP//SLLE & 69A::PWAL | consistency between the presence of 22F::SELL indicator and the presence (or rather not) of 69A::TRDP in the same sequences as 22F::SELL<br>**Action:** Remaining NMPGs to review the updated MP and comment for next call. | **Telco Sep. 13, 2022:**<br>No additional feedback received.<br>**Telco June 21, 2022:**<br>Updated input from Christine (see minutes).<br>MP approved by: SE, FR, JP (although not applicable in JP).<br>**Telco May 25, 2022:**<br>Updated input from Christine (see minutes). Item not covered due to lack of time.<br>**Virtual Meeting - Apr 25 - 28, 2022:**<br>Input from Christine (see minutes)<br>**Decision**: The proposed MP should be amended to record three scenarios: |

| | Item No | Short Description | Description and Pending Actions | Comment |
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| | | | | a) When the option is issuer driven, then the end of PWAL is equal to the market deadline, <br> b) When the option is driven by the account servicer and there isn't another deadline in the market, then PWAL is equal to RDDT (eg. for a currency option) <br> c) When the option is driven by the account servicer and there is a deadline in the market (eg. last trading date for a SLLE option), then PWAL = such deadline |
| 16 | CA512 | CA - Review DRIP CHOS with Interim template | Inconsistency between the DRIP CHOS without Interim and with interim templates. The DRIP CHOS with Interim does not follow the global MP in GMP1 <br><br> **Action:** <br> 1. Jean-Paul to Follow Up with DACSI. <br> 2. Jacques to update the DRIP CHOS with interim template when finalised | **Telco Sep. 13, 2022:** <br> No further input. Carried forward. <br> **Telco July 19, 2022:** <br> Jean-Paul has discussed this with Euroclear NL. The issue will be escalated to DACSI which should provide a MP. <br> **Virtual Meeting - Apr 25 - 28, 2022:** <br> Section 8.28 in GMP1 states that any re-investment price should be reported in PRPP. Jean-Paul checked the matter with Euroclear NL and they confirmed that, in line with EIG+, they prefer to report NEWO and have the price in the narratives to avoid triggering any processing based on the price. However, since PRPP is in the SECMOVE, it should not trigger any processing and only report it to meet MiFIDII requirements. <br> **Telco March 22, 2022:** <br> Feedback from NMPG: <br> No such domestic event: DK, SE <br> DK this does not solve the DK issue with CINL. <br> LU: no added value for our market – EIG+ DRIP extract below confirms the use of NEWO, not PRPP, and the CHAR is always standard so no added value to introduce it, <br> Jean-Paul will review the input for ESES. |
| 17 | CA513 | CA - Reversal / repayment process in ISO20022 | Clarify the ISO 20022 sequence of messages <br><br> **Action**: <br> 1) Christine to check if any amendment to GMP1 is needed to reflect what agreed on this topic. <br> 2) NMPGs to provide feedback on the question | **Telco Sep. 13, 2022:** <br> The reversal reason codes entered in the ISO 20022/MX messages are not (yet?) reversed engineered in ISO 15022. Do we need to keep them in synch ? <br> **Telco July 19, 2022:** <br> Not clear if there is no pending actions and if we can close the item ? <br> **Telco May 25, 2022:** <br> CR input from Mari (see minutes). The CR request to amend the name and definition of the IRED code to "Incorrect Entitlement Date" so that it can be applied both in a scenario of incorrect record date or incorrect ex-date. <br> **Virtual Meeting - Apr 25 - 28, 2022:** <br> Input (see minutes) <br> The NMPGs agreed that in case of a change of entitlement date (i.e. a change of record date or ex-date), the payments should all be reversed and a new event created for the payment. The reason for the reversal must be indicated in the Preliminary Advice (seev.035) and ReversalAdvice (seev.037) messages via the IRED (Incorrect Record Date) reason code. A reason code should also be able to indicate an incorrect Ex-Date. <br> **Decision**: Therefore, the proposal is to issue a change request to amend the name and definition of the IRED code to "Incorrect Entitlement Date" so that it can be applied both in a |

| Item No | Short Description | Description and Pending Actions | Comment |
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| | | | scenario of incorrect record date or incorrect ex-date. |
| | | | **Telco March 22, 2022:** |
| | | | NMPGs Approval: FI, DE |
| | | | Most NMPGs agree that if the terms of the event change to the point they impact the eligibility (e.g. change of event type, ex date, record date), the payments should be reversed, the event should be cancelled, a new event should be created and new payments processed under the new event. |
| | | | If we only have a change of pay date/dividend rate, the reversal and new payments should be processed under the existing event. |
| | | | NMPGs to confirm if they agree with this approach. |
| | | | A new item should be opened to address the processing of tax adjustment and other "reversals" associated to the account servicer (reversal of contractual payment). |
| | | | **LU Feedback:** |
| | | | New item: create a new rection code "Incorrect Ex-date" as per |
| | | | 0) seev.035 ADDB//REVR must be sent to indicate entitlement reversal add also the reason codes for reversal |
| | | | 1) seev.036 has been sent to confirm the original payment |
| | | | 2) seev.35 with reversal reason / ADDB//REVR to indicate entitlement reversal |
| | | | 3) seev.037 to confirm the reversal of the original payment once booked |
| | | | 4) seev.031 REPL to notify the update of the event (e.g. with the new rate) |
| | | | 5) seev.035 CAPA REPL to report the new entitlement (e.g. based on the new rate) |
| | | | 6) seev.036 to confirm the new payment (based on the new rate) once booked |
| | | | NOTES |
| | | | 1. It is understood that the reversal and repayment takes place on the same event (single) and will not generate a 2nd event (with potentially different CORP) leading to reconciliation issues |
| | | | 2. Expectation: market claim process follows the same logic (tbc by the MC WG). |
| 18 | CA515 | CA - Withdrawal / Change / Revocability MP | Clarify the existing market practice<br>**Action:** The NMPGs to review the proposed MP and check number of cases for which different action periods are needed for both changes and withdrawals. | **Telco Sep. 13, 2022:**<br>No further NMPG input provided.<br>**Telco July 19, 2022:**<br>No further NMPG input provided.<br>This is now a fact-finding exercise: in markets where there is revocability, is there different deadlines/periods for cancellation of a submitted instruction versus change (of option/outturn) of a submitted instruction, hence possibly requiring a CR for an additional period?<br>**Telco June 21, 2022:**<br>Item not covered due to lack of time.<br>JP: Revocability Period not used in JP.<br>**Telco May 25, 2022:** Item not covered due to lack of time.<br>**Virtual Meeting - Apr 25 - 28, 2022:**<br>Revocability period is used by issuers and it's included in the SCoRE standards. We need to agree on how best convey the information in the MT564.<br>Do we need to have a CR to create an additional revocability period to cover both the action |

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| | | | | periods for change and withdrawal ?<br>**Decision**: Create first a MP and see if enough to cover the number of cases. If not, create a CR.<br>The proposed MP is defined as follows:<br>• If the revocability period is populated (sequence E), the change or withdrawal flag (or both) should be set to YES.<br>• 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).<br>• If both flags are set to YES, then the revocability period is applicable to both.<br>• If the change and withdrawal have different action periods, the revocability period should be applicable to the withdrawal flag.<br>• If the change flag has a separate action period, then it should be reported in the narratives.<br>Telco March 22, 2022:<br>Feedback from NMPGs:<br>• no use of the "revocability periods" or "asset servicing revocability period": UK, SE, HK<br>• Instructions are revocable, "revocability periods" or "asset servicing revocability period" are not used: CH, DK (revocability on the same day of instructions).<br>• Only indicator/flag is used: DE, FR<br>• Revocability period will be used: PL<br>LU Feedback: Current configuration:<br>GM: currently revocability defined by issuer for meeting events (~ xxdays),<br>Offers: revocability on offers=PWAL.<br>Ideally this revocability should be removed but the trigger is the issuer.<br>The difference b/n withdrawal and change should be revised and clarified – in definition and application<br>SMPG should ensure that the upcoming recommendation allows both indicators (as currently in production) and the qualifiers current reflect that the revocability applies (flag: YES) but it remains unclear if to one or the other: withdrawal and? or? And/or? modification ?- having the qualifier present only with "YES" creates confusion.<br>Application: If the Revocability Period is not present in a CA notification message, then it is not possible to revoke, withdraw or change a CA instruction, sent for the respective corporate event. If only the Revocability Period (but not the Change Allowed Indicator) is present, then it identifies the period during which an instruction can be revoked, withdrawn, or changed. If Change Allowed Indicator is present, then the Revocability Period must also be present and it shows the period during which an instruction can be changed. |
| 19 | CA519 | CA - Handling of Instructions after DTCH event | In case an account owner instructed for a DTCH but, after the outcome is announced, its instruction doesn't meet the conditions/price for acceptance, | **Telco Sep. 13, 2022:**<br>Updated MP input from UK/Mari (see minutes).<br>**Telco July 19, 2022:**<br>MP proposal approved by: SE<br>**Telco June 21, 2022:** |

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| | | | how should the instructions (previously accepted) be handled? Reject or cancel or disregard them ?<br>**Action**: Remaining NMPGs to review the proposed MP and comment for next call. | FR preference would be to get an MT 567 providing the final status of the instruction.<br>Since the MT 567 does not seem to be an acceptable solution, FR and CH requested a change to the proposed MP to make it clear that clients are informed via MT564 of the fact their shares won't be tendered.<br>JP: DTCH event not used in JP.<br>Updated MP input from UK/Mari (see minutes). |
| 20 | CA520 | CA - CAPS Message Flow Description | CAPS message flow is not described in the CA MP whilst it is needed for SCoRE.<br>**Action**: Mari / Christine to draft some wording to be added to GMP1 to cover scenario A. | **Telco July 19, 2022:**<br>Input from Mari/Christine not yet provided.<br>**Telco May 25, 2022:**<br>Input from Michal (see minutes). Item not covered due to lack of time.<br>**Virtual Meeting - Apr 25 - 28, 2022:**<br>Input from Michal (see minutes)<br>For scenario A, the WG agreed to recommend the usage of CAPS followed by a CACO. However, people can bilaterally agree to issue a CAPS with status code "Complete".<br>For scenario B, the WG agrees that an updated CANO message reflecting the payment in 2 parts (2 cash moves) will also be required to be sent by the CSD, prior to issuing the CAPA message.<br>**Telco March 22, 2022:**<br>Item skipped and carried forward for next call.<br>LU: Ok for scenario 1, not ok for scenario 2: there cannot be any partial payment. |
| 21 | CA526 | CA - Review GMP1 section 3.14 and 6.11 (movement sequences) | **Actions**: Remaining NMPGs to review and comment on the proposed updated market practice and examples for next call. | **Telco Sep. 13, 2022:**<br>Mike suggested some changes in GMP1 section 3.14 as follows (see minutes).<br>**Telco July 19, 2022:**<br>Mike suggests some changes in GMP1 section 3.14.<br>**Telco June 21, 2022:**<br>Input from Mari / Jean-Pierre (see minutes).<br>MP approved by: SE, DK, FR.<br>CH (Mike): No problems with US events and multiple CASHMOVE, as the tax relevant tags ITYP, ETYP (and soon OTYP) are not repeatable in MT564 (and MT566) and there is no other way to report that the purchase/tender price is not taxable/reportable but that the early tender-premium is. Apart from the above case, I've never seen OFFR and ESOF (or SOFE or any other) populated in different CASHMOVE sequences.<br>MDPUG: Examples of events provided by Laura (SIX) where OFFR and SOFE are in different cash movement sequences as per GMP MP section 3.14 (see minutes).<br>**Telco May 25, 2022:**<br>Input from Mari / Jean-Pierre (see minutes). Item not covered due to lack of time.<br>**Virtual Meeting - Apr 25 - 28, 2022:**<br>Input from Mari / Jean-Pierre (see minutes) |

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| 22 | CA530 | CA - Interest coupon paying in kind and cash | Is there a process when there is a FRN bond paying in kind and in cash for the same coupon period?<br>The coupon will have one CORP ref, then there is an issue with the event payment that will be divided into a INTR (paying CASH) and PINK (paying in kind)<br>Also some additional info;<br>• It`s not necessarily known at the coupon start if the payment will be in kind or cash or a mix.<br>• It can be predefined that for the coupon 8,5pct, cash will be 3,5pct and in kind will be 5 pct.<br>• Later (based on the bond agreement) this can change to only cash 8,5 pct.<br>Issue: There is only one coupon interest rate, this is then divided into two payments (INTR and PINK) based on the aggregated interest rate for the coupon.<br>**Action**: NMPGs to review the topic for next call. | **Telco Sep. 13, 2022:**<br>Item not covered.<br>UK: event not covered.<br>**Telco June 21, 2022:**<br>Item not covered due to lack of time.<br>JP: no such event in JP.<br>**Virtual Meeting - Apr 25 - 28, 2022:**<br>Alexander presented the topic/question. |
| 23 | CA470 | CA Tax - DVOP - how to best reflect tax and CINL on DVOP | See Randi's input in minutes.<br>**Action:**<br>1. Jacques to submit the CR to SWIFT on behalf of SMPG and close item. - DONE<br>2. Jacques to finalise and publish new MP on DVOP Tax | **Telco May 25, 2022:** Input from Mari/Randi/JP (see minutes). The WG agrees with the CR contents.<br>**Virtual Meeting - Apr 25 - 28, 2022:**<br>Input from Mari/Randi/JP (se minutes).<br>Mari presents the updated input document to the WG.<br>The WG agrees to submit a CR to add a TAXR qualifier as rate and amount (and a CAVA amount?) in the SECMOVE sequence of the MT 566.<br>The WG also agrees to slightly amend in the EIG+, the DVOP CHOS without intermediate securities comment in the K61 cell of the excel sheet as follows: "When issuer announces GRSS and PRPP for SECU instead of ADEX, include PRPP in E1. ADEX becomes optional." |

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| | | | Breakdown - TO BE MERGED WITH DVCA Tax MP - DONE | **Telco November 16, 2021:** <br> It was agreed that it will be included in the review of the tax breakdown MP for DVOP/DRIP. <br> **Virtual Meeting - Oct 4 - 8, 2021:** <br> It was agreed that it will be included in the review of the tax breakdown MP for DVOP/DRIP. <br> **Telco June 22, 2021:** <br> Postponed to next call. <br> Questions from Randi (see doc in Minutes). <br> Updated Tax Breakdown MP for SR2021 by Mari/Christine/Jacques (ISO 20022 enabled) (see doc in Minutes). <br> DE agrees with the amended MP. |
| 24 | CA542 | CA – Questions on SCoRE | New | |
| | **CA Events for Funds** | | | |
| 25 | CA476 | CA - Events for Funds | Proposal by the FUNDS WG to create a temporary joint special TF with the CA WG. <br> **Action:** NMPGs to check if such events exist in their markets and how they are handled | **Telco Sep. 13, 2022** <br> Caleb Lanfear, Krister Lindgren and Gregory Mesdag from the SMPG IF WG have joined the call to present the set of slides here below which focus on the distribution of income from the fund (open ended funds not traded on exchanges) - see minutes. <br> The distribution of income is done either in cash or to be re-invested. <br> These events are managed in a slightly different way in funds because the choice between cash and re-investment is defined at the time of account opening with the transfer agent and it cannot be changed per event. <br> The "re-investment date", intended as the date the income is re-invested in the fund should also be looked at in the DVSE scenario where the fund only allow a re-investment option. <br> **Virtual Meeting - Oct 4 - 8, 2021:** <br> Input (see minutes) <br> We agreed that the Investment Fund WG will work on their problem statement for two main topics: <br> - Management of CA impacting the assets held in the fund <br> - Management of CA impacting the fund <br> Once they believe they have a document for each topic ready to be shared, they will contact us to agree on a workshop. |
| | **SID Open Items** | | | |
| 26 | CA538 | SID - Amend definition of AccountOwnership Type5Code | Amend definition of AccountOwnershipType5Code as follows: "Specifies the type of asset ownership" iso "specifies the type of account ownership". | - |

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| **27** | **CA540** | SID - Reporting of below threshold quantity | Usage of <AcctSubLvl> section and reporting below threshold quantity as <BlwThrshldShrhldgQty>. | |
| | **Market Claim Open Items** | | | |
| **28** | **CA466** | MC - Handling MCs in the Cash Penalties and ECMS Context (SR2021 CR 001649) | what changes, if any, are needed in ISO 15022 once the ISO 20022 messages have been developed? **Action:** 1. NMPGs to email Mari or Christine if you would like to participate to the sub-group. Current group members: Mari, Christine, Matt Schill, Jean-Paul, Véronique, Frank Fuerbeth (DE) Patrick Bertram (DE), Jacques 2. Mari/Christine to put up some proposal for January's call. | **Virtual Meeting - Apr 25 - 28, 2022:** No input received yet. Decision: Park the item for now. **Virtual Meeting - Oct 4 - 8, 2021:** The MP for market claims should be finalised by Q1/2 2022. NMPGs to also consider whether there is any appetite to reverse engineer them in 15022 via the MT567 solution proposed in 2020. **Virtual Meeting - April 12 - 16, 2021:** No work performed yet. Mari and Christine will try to prioritise this and start the market practice work in May. **Telco Feb. 9, 2021:** Alexander will also participate to the sub-group. **Telco Jan. 12, 2021:** The new ISO 20022 MC messages are published on MyStandards and it will be published on the ISO website at end of January. A market practice for the new MC messages needs also to be created. Catarina's earlier comment about if ECMS mandate use of the MC messages, will be there a need for translation to ISO 15022? This needs to be discussed further; no action at this time. Jean-Paul does not believe though that having MPs in the context of ECMS is really necessary. A sub-group will be created to work on MC MPs: Mari, Christine, Matt Schill (Steve will ask him), Jean-Paul, Véronique, Daniel or another DE representative, Jacques volunteered. Work should start hopefully in February. |
| | **TAX SG Open Items** | | | |
| **29** | **CA500** | CA Tax - Add new Event Type for Tax Classification (SR2022 CR 001796) | the SMPG CA WG (Tax Subgroup) to further investigate the US business case, the information sent in OTHR event today and look at what solutions exist in other countries that could be the object of a new change request to solve this case in 2023. | **Virtual Meeting - Apr 25 - 28, 2022:** No Input received. Steve will assess with US market if the topic is still relevant. **Virtual Meeting - Oct 4 - 8, 2021:** New item to be covered in the Tax Subgroup. |

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| | | | **Action**: The Tax Subgroup to follow up. | |
| 30 | CA505 | CA Tax - Add new Other Type of Income Qualifier in Movements Sequences (SR2022 CR 001791) | The SMPG to create a new strong market practice on the usage of this new qualifier. **Action:** The Tax SG to propose new MP for the usage of the new OTYP qualifier. | **Virtual Meeting - Oct 4 - 8, 2021:** see action. |
| 31 | CA541 | CA Tax - Harmonisation of the DSS usage for tax related indicators (TNDP/ETYP/ITYP/OTYP) | For TNDP, the MP recommend the usage of the "SMPG" for the DSS whilst for ETY/ITYP, specific DSS is used like "IRSX" for the US. | |
| | | AOB | | |