SMPG - Corporate Action

Telephone Conference Minutes

28 March 2012

Draft Version v1.0 – April XX, 2012

Table of Contents

[1. Approval / comments of February 29 minutes 4](#_Toc320722061)

[2. CA 203 - EIG+ and SMPG template Remaining issues 4](#_Toc320722062)

[3. CA 167 – US Consent Events /+ Schemes - Clarify business flows 4](#_Toc320722063)

[4. CA 194/202 - Reinvestment of Fund Cash Distribution (REIN) Code 5](#_Toc320722064)

[5. CA 223 - MT 56X - New Event Type for Partial Redemption in Pro-Rata 5](#_Toc320722065)

[6. CA 224 - MT 56X - New Event Type  INFO & new INFO Indicator 5](#_Toc320722066)

[7. CA 225 - MT 565 - Add Option Features, Rates and Narrative & Remove OFFR 6](#_Toc320722067)

[8. CA 226 - Disclosure (DSCL) event - Clarify usage / market practice 6](#_Toc320722068)

[9. CA 231 - Interim and Final Dividend 7](#_Toc320722069)

[10. Tax Subgroup Update 7](#_Toc320722070)

[11. PV Subgroup Update 7](#_Toc320722071)

[12. AOB 7](#_Toc320722072)

[13. Next Meeting 7](#_Toc320722073)

Attendees

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Country** | **First Name** | **Last Name** | **Institution** |
|  | CH | Michael | Blumer | Credit Suisse |
|  | DE | Daniel | Schäfer | HSBC |
|  | DK | Charlotte | Ravn | VP Securities |
|  | FR | Kimchi | Phungtran | BNP Paribas |
|  | JP | Ichiro | Yamamoto | Mizuho |
| Co-chair | LU | Bernard  | Lenelle | Clearstream Banking |
|  | MDPUG | Laura | Fuller | Telekurs |
|  | MDPUG | Peter | Hinds | Interactive Data |
| Co-chair | SE | Christine  | Strandberg | SEB |
|  | UK & IE | Mariangela | Fumagalli | BNP Paribas |
|  | UK & IE | Matthew  | Middleton | LSE |
|  | XS | Delphine  | Haillez | Euroclear |
| Facilitator | - | Jacques  | Littré | SWIFT Standards |

Apologies

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Country** | **First Name** | **Last Name** | **Institution** |
|  | US | Sonda | Pimental | BBH |
|  | NO | Grethe | Pedersen | DNB NOR |

Meeting Agenda

0. Comments on Feb. 29 minutes

1. CA203     EIG+ and SMPG template Remaining issues (Jacques)

2. CA167    Consent Events /+ Schemes - Clarify business flows (Sonda)

3. CA194/202        Reinvestment of Fund Cash Distribution (REIN) Code (Mari)

4. CA223    MT 56X - New Event Type for Partial Redemption in Pro-Rata (Bernard)

5. CA224    MT 56X - New Event Type  INFO & new INFO Indicator (Sonda/Delphine/Bernard)

6. CA225    MT 565 - Add Option Features, Rates and Narrative – joint UK/ISITC meeting feedback (Sonda/Mari/Matthew)

7. CA226    Disclosure (DSCL) event - Clarify usage / market practice (Bernard / Delphine)

8. CA231    Interim and Final Dividend (Sonda)

9. Tax Subgroup update (Kimchi)

10. PV Subgroup update (Christine)

# Approval / comments of February 29 minutes

The minutes were approved without comments.

# CA 203 - EIG+ and SMPG template Remaining issues



A consolidated document with all EIG+ global grid, country columns and SMPG templates issues has been distributed with the minutes of the Feb. 29 conference call.

The country column issues (i.e. US, CH, UK&IE, JP, DE, RU, refer to the second table in the document) should ideally be responded to in advance of the Athens meeting as we will discuss the questions for EIG+ GG and templates during the meeting.

Bernard questioned the format of the document and suggest to transfer it to Excel so that each country can add its feedback/comments in a different column and the comparison will be easier.

**Action**:

* Jacques to transfer the input document in Excel and send it back to the countries for comments/feedback (see attached above)
* Japan should check the presence of POST date in 6 of the issue items and confirm whether this is MT564 seq. C date or POST date in the MT566 instead as having POST in sequence C does not make sense in some of the events listed.
* NMPG’s to provide RDTE usage input in the “Record Date Tracking” table in GMP Part 2.
* Kim to send SOFF CHOS sample

# CA 167 – US Consent Events /+ Schemes - Clarify business flows



Sonda, Bernard and Delphine have a call scheduled next week to discuss the remaining questions in the the attached document. They will provide an updated document as input to the Athens meeting.

Actions:

* Sonda / Bernard / Delphine to progress in March on the finalisation of the paper on consent so as to distribute it befopre Athens meeting.
* Proxy Voting subgroup to look at item 10 (Should a vote be handled as a proxy or consent event).

# CA 194/202 - Reinvestment of Fund Cash Distribution (REIN) Code



Mari could not update / complete the document in time for this call, she will try to do so in time for Athens.

**Actions items:**

* Mari to add an introduction to the document to provide the business context and explain the group 1 and group 2 concept. equalization and incorporate comments provided at the conference call. To be provided for the Athens meeting.
* Jacques to draw attention of Germany and Australia on this item as they might have the same kind of events/ needs.

# CA 223 - MT 56X - New Event Type for Partial Redemption in Pro-Rata



No input provided. Discussion postponed to Athens meeting.

Action: Jacques to extract the input from the SR2012 MWG minutes CR 000210 and distribute before next conference call (See document attached).

# CA 224 - MT 56X - New Event Type  INFO & new INFO Indicator



Additional feedback provided by countries:

NO: no objections to create a new INFO indicator different from 25D:::PROC/INFO, as long as INFO does not become a CAEV code.

SE: Same as NO above.

CH: No objections to either INFO as a new indicator or as a CAEV code.

UK: see little need for INFO as CAEV code, except for conference calls. Have not yet discussed INFO as a new indicator; will revert at the Athens meeting.

FR: Do not see need for INFO as CAEV code. Have not yet discussed INFO as a new indicator; will revert at Athens meeting.

DE: Do not see a need for INFO as either a CAEV code or a new indicator.

All agree that there is a need to separate unspecified events with (possible) movements/processing from unspecified events being simply for information (without processing). It is mentioned also that using an INFO event would facilitate eventually the routing compared to an INFO indicator !

Action: The NMPGs to review this new proposal (either a new INFO event or a new INFO indicator) and revert.

# CA 225 - MT 565 - Add Option Features, Rates and Narrative & Remove OFFR

A joint call has been held between ISITC and UK&IE NMPG on March 2 on this topic with IM’s present with the purpose of exchanging views on the new ISITC MP on options features. UK plans to revert to ISITC with its comments on the draft minutes by end of this week. Feedback from the joint meeting will be provided for the Athens meeting.

Bernard mentioned the Greek restructuring events a few weeks ago, which would have been very difficult to process if the issuer had not provided options numbers to the market. Jacques requested Bernard to email a sample notification for one of these events so as to have a concrete example.

Actions:

1. Bernard to provide an example of Grece debt restructuring event notification.

2. Mari/Matthew to provide feedback on the UK&IE / ISITC joint meeting for Athens

3. NMPGs are requested to provide their feedback at the Athens meeting in April on this topic and answer the following question:

*Do they agree to address the issue with an alternative algorithm / logic approach still to be found knowing that we will never be able to create something that will work for all events, at all levels of the intermediary chain.*

# CA 226 - Disclosure (DSCL) event - Clarify usage / market practice

Input from Bernard:

There needs to be a differentiation between different types of disclosures.

There are two main types and subtypes to distinguish from as follows::

1. Disclosures completely unrelated to a CA event;

For the first type, there are four subtypes: a) threshold reached (regulatory nature); b) voluntary; c) mandatory at the CSD level; d) mandatory down to the end-investor level.

2. Disclosures in relation to a CA event.

For the second type, there are two subtypes: a) if you would like to participate in an elective event for a specific option, you must disclose; b) disclosure in a mandatory event, without which you will not get the entitlement.

Bernard will include this input in a table, for discussion at the Athens meeting.

Question: When and how should we use CA messages for each of the subtypes?

More feedback from countries on the usage of this event is still required.

Action:

1. Bernard to provide input table for this topic for Athens

2. NMPGs are requested to provide their feedback on this topic at the Athens meeting.

# CA 231 - Interim and Final Dividend

Postponed, since Sonda has not provided a response to Bernard’s question sent via email as to whether the objective is to have 1 or 2 events for the interim and final dividend.

Action: Sonda to provide input to Bernard’s question.

# Tax Subgroup Update

The last conf call was on March 12, the next meeting to be held during the SMPG meeting in Athens.

The group is reviewing the content of some key messages. The issue with the highest probable impact is the possible inclusion of tax reclaims in the message flow for the underlying event (similar to disclosure and consent, which can also be processed as part of an event or as a separate event).

The tax certification process and the different tax qualifiers are also reviewed.

# PV Subgroup Update

Christine has emailed the PV subgroup members to ask for a new chair. Candidates to email Jacques/Christine by April 13. If no chair, the subgroup will be closed. The member from Broadridge requested in what consisted the role of chair. Christine will revert to them..

# AOB

Delphine asked when the agenda for Athens will be sent. Answer: Jacques will send it before the end of the week.

Bernard insisted on the fact that it is crucial that the SMPG can provide clear recommendations / MPs regarding the disclosure, certification and consent processes (on-going open items).

# Next Meeting

Athens, April 24 to 26, 2012

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