

SMPG - Corporate Action

Telephone Conference Minutes

29 August 2013

Final Version v1.0 – September 16, 2013

Table of Contents

[1. Comments / Approval of June 27 Minutes 3](#_Toc367699130)

[2. Reminder Johannesburg Meeting Registration 3](#_Toc367699131)

[3. CA167 - Consent Events MP – CR 2014 (Bernard) 3](#_Toc367699132)

[4. CA210 - Overelection/Subscription MP (Véronique) 4](#_Toc367699133)

[5. CA226 - Disclosure (DSCL) event - Clarify usage / market practice (Bernard) 4](#_Toc367699134)

[6. CA239 – SR2013 Maintenance WG follow up items (Jacques) 5](#_Toc367699135)

[7. CA247 – New Date Code when Ex date is not announced (Bernard) 6](#_Toc367699136)

[8. CA258 - Question - MT567 Rejection Code (Mari) 6](#_Toc367699137)

[9. CA253 - Use of MT566 with posting amount = 0 (Bernard) 6](#_Toc367699138)

[10. CA254 - use of MT564 CANC for Elig = 0 (Bernard) 6](#_Toc367699139)

[11. CA257 - Clarification of the definition DISF – CR (Jacques / Kim / Sonda) 6](#_Toc367699140)

[12. CA 258  MT567 Rejection Code  - Mari 6](#_Toc367699141)

[13. CA 260  Residual value in EXWA  for Turbo Warrant ? – Laura 6](#_Toc367699142)

Attendees

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **NMPG** |  | **First Name** | **Last Name** | **Institution** | **🗸 = Present** |
|  | AT | Mr. | Stefan | Ribisch | Unicredit |  |
|  | AT | Mrs. | Karin  | Wachter | Unicredit | **Excused** |
|   | BE | Mrs. | Veronique | Peeters | BNY Mellon | **Excused** |
|  | CH | Mr. | Michael | Blumer | Credit Suisse | **🗸** |
|   | DE | Ms  | Pileri  | Andreana  | Commerzbank AG  |  |
|  | DE | Mr. | Schaefer | Daniel | HSBC |  |
|   | DK | Ms  | Ravn  | Charlotte  | VP Securities A/S  | **🗸** |
|  | ES | Mr  | Steimann  | Thomas  | Deutsche Bank SAE  |  |
|   | FI | Ms  | Rask  | Sari | Nordea Bank Plc  | **Excused** |
|  | FR | Mrs.  | Kimchi | Phungtran | BNP Paribas | **🗸** |
|   | HK | Ms  | Yu  | Yek Ling  | HSBC  | **🗸** |
|   | IT | Ms  | Deantoni  | Paola  | SGSS spa |  |
|   | JP | Mr. | Ichiro | Yamamoto | Mizuho Corporate Bank | **🗸** |
|   | JP | Mr  | Oga  | Yasuo  | Mizuho Corporate Bank | **🗸** |
| Co-Chair | LU | Mr. | Bernard | Lenelle | Clearstream | **🗸** |
|   | MDPUG | Mr. | Peter | Hinds | MDPUG / Interactive Data | **🗸** |
|  | MDPUG | Mrs. | Laura | Fuller | Telekurs |  |
|  | NL | Mr  | van der Velpen  | Ben  | ING Bank N.V. |  |
|  | NO | Mr. | Hans Martin | Aulie | DNB Bank | **🗸** |
|  | NO | Mr.  | Alexander | Wathne | Nordea | **🗸** |
|  | RU | Mrs | Elena | Solovyeva | NSD | **🗸** |
|  | RU  | Mrs | Sofia | Prokofeva | Rosbank | **🗸** |
| Co-Chair | SE | Mrs. | Christine | Strandberg | SEB | **Excused** |
|   | UK & IE | Mrs. | Mariangela | Fumagalli | BNP Paribas | **🗸** |
|  | UK & IE | Mr. | Matthew | Middleton | LSE |  |
|  | US ISITC | Mrs. | Sonda | Pimental | BBH | **Excused** |
|   | XS | Ms  | Haillez  | Delphine  | Euroclear  | **🗸** |
|  | ZA | Mr. | Sanjeev | Jayram | First National Bank | **Excused** |
| Facilitator | SWIFT | Mr. | Jacques | Littré | SWIFT | **🗸** |

# Comments / Approval of June 27 Minutes

No comments received. The minutes are approved without any changes.

# Reminder Johannesburg Meeting Registration

Deadline for registering is **set to September 20**. So, time to act.

The registration can be done electronically directly from the home page of the [www.SMPG.info](http://www.SMPG.info) site.

# CA167 - Consent Events MP – CR 2014 (Bernard)

There were still two small comments from Korea that needed to be discussed with Korea regarding the paragraph 1.d and the Korean line in the table. The final amended version has now been approved by Bernard; see document attached below:



**Actions**: Jacques to add the document to GMP Part 1

# CA210 - Overelection/Subscription MP (Véronique)



Comments received from Yek Ling:

*“Re. the proposal for use of qualifier code QOVE (instead of QINS) to denote quantity of shares requested (to receive) via oversubscription for a rights exercise event and offer event.   I wish to advise below the current practice in APAC markets.
No oversubscription for a rights issues in India, Japan, China, Korea & Vietnam so far.  In China, for  'additional offering" such as  Preferential offering, On-net or off-net subscription, investor may submit application form to underwriter and quote ' quantity of shares to oversubscribe'.
Thailand, Indonesia, Philippines - To input the new shares to be oversubscribed/quantity of the resulting share
Singapore, Malaysia, Australia - Input in the format according to CDP or form, quantity to oversubscribe.  For priority offers in Australia,  the company will generally indicate a minimum and a maximum number of shares that you can apply for.
Hong Kong -   both options are provided and available in CCASS terminal (quantity of securities instructed to oversubscribe and quantity to receive) but the current practice is to input the quantity of securities to oversubscribe according to our client's instruction
Taiwan -  the foreign investors can act as the 'designated person' to subscribe the portion of rights issue that is given up by the existing shareholders or employees of the company after the subscription period. To obtain the excess rights, the investor has to approach the issuer or underwriter on a case-by-case basis.  Per our past experience, the foreign investors may be filled form with instructed quantity to oversubscribe or quantity to receive.  It depends on underwriter's discretion.

We believe the need to retain and continuing use of QINS in the MT565 and STAQ for the MT567 for the oversubscription and offer events this case. At the present time, we are not using QOVE and/or QREC in all our outward or/and inward messaging from/to our clients”*

Since Veronique is not present at the call, the topic is postponed to next call.

**Action:**

* NMPGs to review/comment on the above document for the next call at the latest. Comments to be sent to Veronique / Christine / Jacques.

# CA226 - Disclosure (DSCL) event - Clarify usage / market practice (Bernard)



The above table is discussed at the call:

* Scenario 1 corresponds to the T2S disclosure scenario that was submitted at an SR2012 CR to CA. This is for a regular, systematic and high volume disclosure request to be handled outside of CA messaging or via a new dedicated ISO20022 message that would need to be created.
* In general even if the disclosure requests are forwarded through the custody chain, the responses are not and are rather sent directly to the issuer.
* For scenario 3, UK does not see how the DSCL event could be used by the Issuer. Furthermore, those disclosure requests messages in UK are not forwarded through the custody chain at all, but the issuer is following the custody chain by itself.
	+ To distinguish this UK specific case with the rest, it is agreed to create a new column in the table that specifies whether the “request is going through the custody chain” or not. Remove the UK from scenario 3 and add new line for UK.
* Norway should be moved to scenario 4 (with Nominee).
* JP is OK with scenario 4
* Russia: does not fully agree with the current proposal. Several scenario arte covered in RU. See following written comments sent by Elena to summarize the Russian situation re. disclosures:



**Action:** Bernard to update the table as per the comments received above and contact Elena to discuss the RU scenarios.

# CA239 – SR2013 Maintenance WG follow up items (Jacques)

Status of the remaining action items following up SR2013 MWG:

*1. CR393 - FRAQ - Sonda to ensure that the ISITC MP is updated to document the differences regarding usage of CONB / ELIG / Affected Balances (AFFB) in lottery events (DRAW) in the MT566*.

-> The US NMPG will discuss its market practice changes during the summer and will revert at the next call.

Action: Sonda to revert at the next call.

*2. CR421 - Mari to send ACCU MP to the group as soon as available*.

The UK ACCU MP has been published during the summer on the SMPG web site in the Local MP folder.

*3. CR 383 - Sonda’s ISITC to reach out to the Canadian NMPG for the Letter of Guarantee indicator MP*

Sonda has been in contact with Cairbre (from the CA NMPG) who was to revert with their feedback. Sonda will check with Cairbre and Stephen Nagy on their progress.

Action: Sonda to revert at the next call.

*4. CR 411 - DE to report at next meeting about their MP on the new Rate Type Code For Real Estate Property Income.*

Postponed, no one from DE present.

Action: DE to revert at the next call.

*5. CR 386 - Sonda to reach out to the Canadian NMPG for their rejected CR regarding special warrants.*

Sonda has been in contact with Cairbre (from the CA NMPG) who was to revert with their feedback. Sonda will check with Cairbre and Stephen Nagy on their progress.

Action: Sonda to revert at the next call.

*6. CR 439 Mari/Matthew to revert on an alternative solution to their rejected CR regarding capital returns.*

Currently using OTHR. A new proposal will eventually be discussed later on by the IUK NMPG.

*7. GMP Part 1 - Corrections to be done in GMP Part 1 by Jacques/Bernard*

Bernard and Jacques have not had the time to discuss this yet.

Action: Jacques / Bernard to revert when done.

# CA247 – New Date Code when Ex date is not announced (Bernard)

LU has a provided Record Date info.

Action: Close the open Item

# CA253 - Use of MT566 with posting amount = 0 (Bernard)

Not discussed at the call.

Input received after the call from Bernard:



**Action**: To be discussed at next call.

# CA254 - use of MT564 CANC for Elig = 0 (Bernard)

Bernard requests to close the item as no input can be provided.

**Action**: Close the open Item

# CA257 - Clarification of the definition DISF – CR (Jacques / Kim / Sonda)

*3. JP NMPG (Yasuo) to discuss the incorrect usage of RDDN instead of CINL.*

-> The JP NMPG has discussed and agree with the SMPG MP.

**Action**: Close the open Item

# CA 258  MT567 Rejection Code  - Mari

Postponed as call has ended

# CA 260  Residual value in EXWA  for Turbo Warrant ? – Laura

Postponed as call has ended

**Next Conference Call: September 26 from 2 to 4 PM.**

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