

SMPG - Corporate Action

Telephone Conference Minutes

12 December 2013

FINAL Version v1.0 – Jan 29, 2013

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Attendees

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **NMPG** |  | **First Name** | **Last Name** | **Institution** | **🗸 = Present** |
|  | AT | Mr. | Stefan | Ribisch | Unicredit | Excused |
|  | AT | Mrs. | Karin | Wachter | Unicredit | Excused |
|  | BE | Mrs. | Veronique | Peeters | BNY Mellon | **🗸** |
|  | CH | Mr. | Michael | Blumer | Credit Suisse |  |
|  | DE | Ms | Pileri | Andreana | Commerzbank AG |  |
|  | DE | Mr. | Schaefer | Daniel | HSBC | Excused |
|  | DK | Ms | Ravn | Charlotte | VP Securities A/S |  |
|  | ES | Mr | Steimann | Thomas | Deutsche Bank SAE |  |
|  | FI | Ms | Rask | Sari | Nordea Bank Plc |  |
|  | 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 | Yasuo | Oga | Mizuho Corporate Bank | **🗸** |
| Co-Chair | LU | Mr. | Bernard | Lenelle | Clearstream | **🗸** |
|  | MDPUG | Mr. | Peter | Hinds | MDPUG / Interactive Data | **🗸** |
|  | MDPUG | Mrs. | Laura | Fuller | Telekurs | **Excused** |
|  | 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 | **🗸** |
|  | SG | Mr. | Jyi-Chen | Chueh | SC | **Excused** |
|  | UK & IE | Mrs. | Mariangela | Fumagalli | BNP Paribas |  |
|  | UK & IE | Mr. | Matthew | Middleton | LSE | **🗸** |
|  | US ISITC | Mrs. | Sonda | Pimental | BBH | **🗸** |
|  | XS | Ms | Haillez | Delphine | Euroclear | **🗸** |
|  | ZA | Mr. | Sanjeev | Jayram | First National Bank | **🗸** |
| Facilitator | SWIFT | Mr. | Jacques | Littré | SWIFT | **🗸** |

# Comments / Approval of Johannesburg Minutes

The minutes were provisionally approved.

**Action:** NMPG’s to send comments, if any, to Jacques for January 20 at the latest.

# CA203 - SR2014 MP Maint. and Event Templates and & Summary of Changes (Christine)

Review of action items:

1. Action 1: Review of assigned event templates before December 12:

* US, FR, ZA, NL, DE, BE, MDPUG, NO have not yet provided their input.

ZA: Sanjeev will email Jacques tonight, FR: Kim will email Jacques by Wednesday.

**Action:**

* NMPG’s listed above to provide Input to Jacques for December 18 at the latest.
* Jacques to publish the SR2014 draft template document before end of the year.

1. Action 2: Christine to follow up with Thomas Steimann for the event template for ES.

* Christine has reviewed Thomas’s templates.

1. Action 3: Jacques to add a placeholder for ACCU in Even Template doc and move CAPI MAND to an XS folder.

* Jacques will do so.

1. Action 4: NMPGs to revert if they object to changing ATTI and DETI to “n/a” by December 12 and NMPGs to answer question: Do your market have warrant detachment and if so, how is it announced?

* No market reported any objection.

**Action**: Jacques to update the EIG accordingly with “n/a” in GG for ATTI and DETI.

1. Action 5: NMPGs to revert if they object to changing SMAL to “n/a” by December 12.

* No market reported any objection.

**Action**: Jacques to update the EIG accordingly with “n/a” in GG for SMAL.

1. Action 6: NMPGs to revert with any changes on EIG+ GG and other tables (Record Dates, Distribution with options…) by December 12.

Sonda’s proposal to add INFO MAND in the EIG+ as « n/a » is approved.

MDPUG’s question regarding European EXWA MAND in the EIG+ will be looked at by Bernard.

No other input has been received; the GG of the EIG+ was thus finalised.

**Actions**:

* Jacques to update the EIG accordingly with “n/a” in GG for INFO MAND
* Sonda to write a proposed text for GMP Part 1 explaining the use of INFO VOLU vs. INFO MAND.
* Bernard to provide the rational for the change of last year on EXWA MAND for European warrant.

1. **Action 7** REMINDER: All NMPGs to provide input to the revision of the EIG CC, GMP1, GMP3 and final review of the Event samples document by January 17.

Only NO, FI, ZA and XS have sent their input so far.

# CA210 - Overelection/Subscription MP (Véronique)

Review of action items:

1. Action 1: NMPGs feedback on the use of QREC (securities, investment funds, etc.) as sender or receiver and if it can be removed from the standard (should QINS become the only way to mention oversubscription quantity).

In general the NMPGs have not yet had the time to really investigate the actual usage of QREC. Furthermore QREC might not only be used with the option code OVER. All kind of potential usage of QREC should be looked at before taking a decision.

**Revised action**: All remaining NMPGs are requested to investigate usage of QREC, from all perspectives and event types, by the February call.

1. Action 2: NMPGs to approve/reject the proposal to remove ‘underlying’ from the long definition of QINS.

Action is on hold pending QREC investigation.

# CA226 - Disclosure (DSCL) event (Bernard)

Review of action items:

1. Action 1: Véronique to propose a text for the MP about DSCL based on the statement agreed in Johannesburg i.e.:

*“Disclosure within a corporate action is to be processed and notified as part of the event and not as a separate DSCL event, and that the DSCL event code is only to be used for ad-hoc requests by/for the XS market."*

Veronique has not yet had the time; will do so as soon as possible (end of December/beginning of January).

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

Review of GMP Part 1 section 2.2:

Delphine has sent comments to Jacques so as to clearly make the difference in the text between the “eligible” balance or “final eligible” balance. The following section 2.2 has been updated accordingly and is now approved as is below:



Action: Jacques to integrate the reviewed text of section 2.2 into GMP Part 1.

# CA 240 - Disclosure / Certification for MAND event (Christine)

Review of action items:

1. Action 1: Christine to draft a text for GMP1 based on the table agreed in the input excel file

Christine emailed the proposed text on December 10 for review by the NMPGGs. The text was reviewed at the call and LU and ZA feedback introduced into the text. It was decided that the second paragraph would be reviewed to replace the word “irregular”.

The final proposed text reworded by Christine reads as follows:

*“There are certain types of mandatory events (MAND) where some form of action is required by the account owner in order to receive the entitlement/proceeds. Examples include spin-off where the outturn securities cannot be held in the same CSD/account as the underlying securities, and distribution of interim securities/subscription rights where the account owner must certify it is not restricted from participation before the entitlement/proceeds can be distributed. For these events, the SMPG recommends the usage of CAMV code CHOS instead of MAND, with option SECU/CASE/CASH according to the terms of the event and option LAPS, forfeiting the entitled proceeds, as the default. Narrative will most likely always be needed in order to explain the exact information required.*

*The SMPG also recommends the addition of a code (e.g. ADDB or OPTF) to indicate that the event is mandatory but the account owner must perform an action in order to receive the proceeds, and will request this code to be added in SR2015.”*

**Action:** NMPGs to review the final text above and revert at January call.

1. Action 2: NMPGs to provide feedback on the text and if it can be implemented as MP in SR 2014 without the new ADDB indicator (but a narrative) or only when the indicator has been added to the standards in SR2015 ?

* ZA: The text is approved, and implementation in SR2014 is fine.
* SE: The text is approved.

**Action:** NMPGs to revert at January call with feedback on the implementation date SR2014 with narrative or wait until SR2015 and standards change (new indicator).

# CA266 - Redemptions in pro-rata (Bernard/Delphine)

Review of action item:

Action: Jacques to add the MP text approved in Johannesburg into GMP Part 1 (around section 9.18).

Done in section 9.19

Action: Open item to be closed.

# CA268 - Narratives scope/usage and indicate updates

Delphine provided feedback on the recommendation to use TXNR for agent information as agreed at the Johannesburg meeting.

Delphine reports that this solution is not really adequate for Euroclear as this type of info is inserted into a linked MT568 and the MT568 has no TXNR qualifier !

**Actions**:

1. NMPGs to provide feedback the possibility to align narrative qualifiers in the MT568 (like TXNR) with the MT 564.
2. NMPGs to provide feedback on what is the best narrative qualifier to provide narrative information on how to instruct.

# CA269 - Confirmation of Actual Payment (Mari)

The Johannesburg minutes must be corrected as the second possible solution proposed must refer to the MT 567 (new payment status).

NMPGs need more time to discuss the proposed solutions.

**Actions:**

1. Jacques to correct the Johannesburg minutes.
2. NMPGs to revert with their feedback on the possible solutions by the February call.

# CA273 - Movement Preliminary advice message & split instructions (Bernard)

Jacques noticed that the note at the bottom of the section 4.4.12 in GMP part 1 seems in contradiction with the decision taken at the Johannesburg meeting regarding the CAPA message and split instructions i.e. “a single CAPA message will contain entitlements for all elected options” whilst the note says that:

*“Regarding split elections between options, it is understood that since one CA Confirmation is sent per elected option, a separate CA Movement Preliminary Advice message will be sent for each option elected.”*

**Decision**: remove the note in section 4.4.12.

**Action**: Jacques to remove note and close item.

# AOB

Christine asked if the Webex form for the conference call worked. The attendees agreed that we should continue with Webex.

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