

SMPG - Corporate Action

Telephone Conference Minutes

28 January 2014

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Attendees

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **NMPG** |  | **First Name** | **Last Name** | **Institution** | **🗸 = Present** |
|  | AT | Mr. | Stefan | Ribisch | Unicredit |  |
|  | AT | Mrs. | Karin  | Wachter | Unicredit |  |
|   | BE | Mrs. | Veronique | Peeters | BNY Mellon |  |
|  | 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  | 🗸 |
|  | 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 | Excused |
|   | JP | Mr  | Yasuo |  Oga  | Mizuho Corporate Bank | Excused |
| 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 | Excused |
|  | SG | Mr. | Jyi-Chen | Chueh | SC |  |
|   | 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 on December 12 conf call minutes

No comments received; minutes are approved.

# CA203 - SR2014 MPs Maintenance & Event Templates and summary of changes (Jacques)

Review of action items/ status:

1. All NMPG’s to review their assigned event templates (see the “Open Item” file attached here below in “CA Event Templates List” tab) and send the updated event templates with track changes to Jacques before December 18.
* No feedback received from US, NL, DE and BE.
* Peter has sent a question to Sonda regarding the DTCH US sample and the presence of the MQSO quantity since in the MDPUG system rules, MQSO should be present when QTSO is present.

Actions Items:

* Jacques to send reminder for missing sample feedback
* US, NL, DE and BE to provides their input for Monday Feb. 3 at the latest.
* Sonda to look at the MDPUG question on MQSO on the DUTCH VOLU.

3. Jacques to add a placeholder for ACCU in Even Template doc and move CAPI MAND to an XS folder. -> Done

4. Jacques to update the EIG accordingly with “n/a” in GG for ATTI and DETI. -> Done

5. Jacques to update the EIG accordingly with “n/a” in GG for SMAL. -> Done

6. Jacques to update the EIG accordingly with “n/a” in GG for INFO MAND -> Done

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

* Part 2 EIG CC inputs provided by XS, FI, NO, ZA, SE, KR, CH and JP.
* CH proposes to add a new SHPR CHOS line into the GG for covering the choice of currency.

Decision: Approved by the group.

* Part 1 & 3: no comments received.

 Action Item: Monday Feb.3, latest deadline for NMPGs to send feedback / inputs on the documents.

8. Jacques to publish the SR2014 draft template document before end of the year. -> Done by 24 Dec.

9. Sonda to write a proposed text for GMP Part 1 explaining the use of INFO VOLU vs. INFO MAND.

* No input so far.

10. Bernard to provide the rational for the change of last year on EXWA MAND for European warrant.

Bernard needs to investigate internally.

Action item: Bernard to provide the rationale for the changes requested last year by Clearstream on the EXWA entries in the EIG+ (mainly the European style warrant – EXWA MAND).

# CA226 - Disclosure (DSCL) event (Bernard)

Review of action items / status:

1. Véronique to propose a writing for the MP about DCSL based on the statement agreed in Johannesburg.

Véronique was not present at the call but however sent the following input the day after the meeting:

Post meeting input from Véronique:

“The usage of disclosure events (DSCL) is limited to ICSD only, for ad hoc request in the XS market. If a disclosure is required in the context of a corporate action event, then the disclosure request should be announced within that event.”

Action Item: NMPGs to provide feedback on the proposal for next call.

# CA240 - Disclosure / Certification for MAND event (Christine)

Review of action Items / Status:

Action 2: NMPGs to review the text from Christine and 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.

As a reminder, 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.”*

LU, BE and XS agree with the above proposal. The others generally agree to wait for the SR 2015 to have the new ADB indicator together with a MP.

Action Items:

* NMPGs feedback on the above text and on the MP implementation date.
* Michael (CH) still to provide required information - scenario (bottom-up scenario of securities distribution).

# CA268 - Narratives scope/usage and indicate updates (Delphine)

1. NMPGs feedback on the full alignment of narrative fields between MT564/566:

FR, LU, XS in favor of aligning all narratives. Euroclear always uses narrative exclusively with the MT 568. The MDPUG does not use the 568 at all. Globally, there is an agreement to align narratives amongst the MT564 and 568.

Action: Jacques to create CR for SR2015 on alignment of narratives fields.

1. NMPGs feedback on what is the best narrative qualifier to provide narrative information on how to instruct:

Agreement that it would be an added value to have that information aside from ADTX. The narratives on how to instruct could be eventually placed in CETI or even in TAXE in some cases. CETI should perhaps be added to sequence F of the MT564 ?

Action: Mariangela, Kim and all NMPGs to provide examples of such narrative on how to instruct for next conf. call.

1. The GMP Part 1 subgroup still need to provide a text on CETI to include into GMP Part 1 section 3.15.15.

# CA269 - Confirmation of Actual Payment (Mari)

Objective: confirm that the contractual payment has become actual and providing the finality of the payment.

NMPGs feedback on the possible solutions (MT566 vs. MT567):

CH, FR, LU, XS and ZA are not in favor of an MT566 solution (new function code) as this would heavily impact the processing logic of the MT566 which is not supposed to be “replaceable” like the MT564 and moreover this would be just for a few cases per year. Potentially this could create confusion in the MT566 payment processing.

However the preference goes to using the MT567 status message where it could be more easily integrated than with the MT566 and minimize the impact.

The UK NMPG on the other hand has a preference for the MT566 and a new function code.

More NMPGs feedback expected for next conf. call.

# AOB

## Follow up on the topic raised in Johannesburg on the “SMPG Role concerning Non-compliant “country specific” MPs”

Peter confirms that the MDPUG will soon make a new proposal to rephrase the note about the non-SMPG compliance case with the DRIP sample in their “Principles” document

Action: Peter/MDPUG to submit proposal on rephrasing the note and provide example on “Pay Date” periods.

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