

SMPG - Corporate Action

Telephone Conference Minutes

18 December 2014

Draft Version v0.1 – Jan. 6, 2015

Table of Contents

[1. Approval of November 20 Meeting Minutes 3](#_Toc408326268)

[2. Feedback on Moving monthly meetings to Tuesday’s in 2015 (Jacques) 3](#_Toc408326269)

[3. SMPG Web site feedback / short demo (Jacques) 4](#_Toc408326270)

[4. CA203 – Yearly MP Updates (Christine/Jacques) 4](#_Toc408326271)

[5. CA268 - Narratives scope/usage (Delphine/GMP1 SG) 4](#_Toc408326272)

[6. CA277 - COAF Assignment Body Registration & Governance Questions (Christine) 5](#_Toc408326273)

[7. CA279 - Market practice for Claims and Transformations in the T2S context (GMP1 SG) 5](#_Toc408326274)

[8. CA282 - Write-downs / write-ups on Bonds (Delphine) 6](#_Toc408326275)

[9. CA284 - MP for Amounts Larger than 15d (GMP1 SG) 6](#_Toc408326276)

[10. CA285 - FDIV/PDIV usage (Jacques) 6](#_Toc408326277)

[11. CA286 - Events Withdrawal and MT 567 (Mari) 7](#_Toc408326278)

[12. CA288 - Information (INFO) Event Types (Andreana, Daniel) 7](#_Toc408326279)

[13. CA290 - New Date in MT567 for "Ongoing" / "Au fil de l'eau" events (Delphine) 7](#_Toc408326280)

[14. CA294 - TAXE Format Option as a Percentage (Jacques) 7](#_Toc408326281)

[15. MyStandards SG - DVCA MAND UG (Jacques) 7](#_Toc408326282)

[16. Tax Subgroup Meeting progress Report (Jean-Pierre / Jyi-Chen / Bernard) 8](#_Toc408326283)

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 | Excused |
|  | 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 | 🗸 |
|  | FR | Mr. | Karim | Djenadi | BNP Paribas |  |
|  | HK | Ms | Yu | Yek Ling | HSBC | 🗸 |
|  | IT | Ms | Deantoni | Paola | SGSS spa |  |
|  | JP | Mr | Hideki | Ito | Mizuho Bank | 🗸 |
|  | JP | Mr | Hisashi | Hotta | Mizuho Bank | 🗸 |
| Co-Chair | LU | Mr. | Bernard | Lenelle | Clearstream | Excused |
|  | MDPUG | Mr. | Peter | Hinds | MDPUG / Interactive Data | Excused |
|  | MDPUG | Mrs. | Laura | Fuller | Telekurs | 🗸 |
|  | NL | Mr | van der Velpen | Ben | ING Bank N.V. |  |
|  | NO | Mr. | Hans Martin | Aulie | DNB Bank | Excused |
|  | NO | Mr. | Alexander | Wathne | Nordea | 🗸 |
|  | RU | Mrs | Elena | Solovyeva | NSD | Excused |
|  | RU | Mrs | Sofia | Prokofeva | Rosbank |  |
| Co-Chair | SE | Mrs. | Christine | Strandberg | SEB | 🗸 |
|  | 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 | Excused |
|  | ZA | Mr. | David | Nita | Strate |  |
|  | ZA | Mr. | Kumaran | Pillay | Strate |  |
| Facilitator | SWIFT | Mr. | Jacques | Littré | SWIFT | 🗸 |

# Approval of November 20 Meeting Minutes

The minutes are approved without any changes.

# Feedback on Moving monthly meetings to Tuesday’s in 2015 (Jacques)

It is agreed to move the monthly meetings on Tuesday’s as of February 2015, except for the call in May which needs to be discussed.

Next meeting dates for the conference calls are now scheduled as follows: January 29, February 24, March 24, May 21 (to be confirmed !), June 23.

# SMPG Web site feedback / short demo (Jacques)

Overall very good feedback received on the usability of the new SMPG web site. Only Michael seemed to have experienced some problems with the hyperlinks sent in one of the emails.

The issue identified with the usage of IE8 is being fixed by the service provider.

# CA203 – Yearly MP Updates (Christine/Jacques)

Review of on-going actions:

Action 3: The BMET event in the EIG+ table has been completed, same as the MEET event. Alexander mentions that a consent price will be added by NO in their local column.

Action 5: Jacques has completed the action in GMP Part 3 doc (add MCER Reason code for EPRC//PEND).

Action 6: Christine will provide a draft for the MPs Change summary in the next couple of days.

The deadline for inputs (as a results of the actions listed below) for all SR2015 updates in GMP documents and templates is still **set on January 16, 2015**.

**Actions**:

1. **GMP Part 1 SG** to check if any updates for part 1 and provide input to Jacques.
2. **All NMPGs** to check in GMP Part 2 their current EIG+ country column and global grid and provide their feedback / changes to Jacques by the deadline.
3. **DONE**
4. **All NMPGs members** responsible for templates updates (as per the list in the sheet attached below) are requested to provide their sample updates/changes with track changes by January 16 to Jacques.

See also new template needed for EXWA MAND (Bernard)



1. **DONE**
2. **Christine** to provide the SR2015 MP Changes summary.

# CA268 - Narratives scope/usage (Delphine/GMP1 SG)

**Action 1 review – Narrative MPs on MT 565/566/567:**

No progress yet. Action is still ongoing.

**Action 2 review – CETI / DECL questions (NMPGs feedback)**

Can CETI also cover DECL narratives?

* CH agrees also with proposal (like BE, XS, UK&IE, FR, FI, RU), however ISITC US does not agree at this stage and would like to further investigate the business case behind the creation of the DECL/CETI as there were likely created for different purposes which are potentially still valid today.

**New Action 2:** ISITC US to further investigate CR business cases for the creation of CETI / DECL and revert for January’s call.

**Action 3: review - Narrative for “How to Instruct”**

Delphine and Bernard have provided the following input proposal:

*“Proposal would be to create a new qualifier for MT564 in block F or MT568. This qualifier would be used to describe “how to instruct”, whether via Swift, a web application of the service provider or another communication channel. Any information provided under that qualifier can be ignored for automated processing. A receiver must be confident that they can completely ignore this type of narrative without impacting on the legality or completeness of the Corporate Action event.”*

The following feedback is provided during the discussion on the proposal:

* The “how to instruct” information must be isolated from the rest of the narrative as it provides information about what is required into the MT565.
* The “how to instruct” information cannot be mixed up with the sometime very long (several pages) ADTX narrative.
* CETI cannot be used for that kind of information.
* Before creating new narrative qualifiers, let’s try first to use properly the existing ones.

**Decision:**

* Euroclear (and everyone else) to include information that can be disregarded for processing into TXNR.
* All information regarding “how to instruct” that must be read, and complied with to be included in the applicable narrative qualifier that stops STP.
* It is necessary to analyse further in details the examples provided earlier on “How to Instruct” information before deciding what to do.

**Action**: NMPGs are requested to investigate and provide further examples on “how to instruct”.

# CA277 - COAF Assignment Body Registration & Governance Questions (Christine)

Since we have not received any feedback from the German NMPG for six months, the changes agreed at the London meeting are thus finalized.

There is also a question raised by Kim about whether an Investor CSD in the T2S framework should also issue a COAF (in addition to the Issuer CSD) in some specific circumstances. Christine will clarify the question and will circulate it to get NMPGs feedback.

**Action**:

Jacques to update GMP1 with agreed changes proposed by Christine in May 2014.

Christine: to circulate question on COAF in the T2S context and NMPG’s to provide their feedback.

# CA279 - Market practice for Claims and Transformations in the T2S context (GMP1 SG)

**Review of progress on actions:**

1. Mari together with Paola, Veronique and Christine to check first the original CR from the UK for SR2006 and start the process to create a business justification for a new MT and MX message, combining the CA details in an MT567 with the settlement and reference details of an MT548. And check the T2S implications of the above.

Status: The UK&IE NMPG has cancelled the last few meetings; the next meeting is in early January.

1. Mari, Veronique, Sonda (and other NMPGs) to search for traffic figures on Market Claims from their respective CSD/Institutions.

Status: Mari has asked CREST to provide the traffic figures for 2014. Mari is now waiting for their input.

# CA282 - Write-downs / write-ups on Bonds (Delphine)

Delphine is going through the following ICSD’s presentation provided as input:

****

Pool factors would be used only for “partial” or “temporary” write downs.

**Actions:**

1. Bernard and Delphine to check if it only applies to international securities.
2. NMPGs to provide their feedback on the presentation.

# CA284 - MP for Amounts Larger than 15d (GMP1 SG)

Current Proposal:

**• Case 1**: Amounts/rates/prices where the 15d character limitation means that not all decimals can be provided in a formatted field:

-> In this case, include as many decimals as the field length allows PLUS include the complete amount/rate/price in 70E ADTX in sequence E.

**• Case 2**: Amounts/rates/prices where the 15d character limitation means that not all integers can be provided in a formatted field:

-> In this case, do not include the formatted field; ONLY include the complete amount/rate/price in 70E ADTX in sequence E.

Feedback from additional NMPGs about the current proposal i.e.:

* CH: OK
* JP: Would not like to use ADTX since it stops STP; would like to agree on truncation on a bilateral basis
* SE: OK
* US: OK

**Action**: Remaining NMPGs are requested to review the proposal and revert by the next conference call.

# CA285 - FDIV/PDIV usage (Jacques)

Feedback from additional NMPGs on the questions:

* CH: Does not use PDIV/FDIV. Agree with option b), and believe it could be extended to other rates/fields.
* ISITC US: Does not use PDIV/FDIV. They do have estimated rates for ADRs. ISITC is also questioning the actual meaning of “Provisional” in this context.   
  Sonda proposed that we also ask the NMPGs to report the usage of PDIV or FDIV to clarify why they use it. Is it an estimated rate, a provisional/contractual payment rate or something else?

Sonda recommends that the definition of PDIF be refined and that a “flag” be used to indicate an “provisional / estimated” rate.

* FR: will provide feedback about the usage at the next conference call.

**Actions**:

1. Remaining NMPGs to provide feedback on the three following questions:

a. Do you use PDIV, and if so, do they follow up with FDIV for the final rate?

b. Would it be acceptable to add a new “Rate Status” to some format option to send GRSS (or NETT, if applicable) as indicative, without using a “Rate Type Code” (this would necessitate a standards change) ?

c. Do you use FDIV as a stand-alone code (i.e. without using PDIV)?

# CA286 - Events Withdrawal and MT 567 (Mari)

Additional feedback from NMPGs on proposal:

* US: OK
* CH: OK
* JP: OK

**Decision**: Proposal approved.

**Action:** GMP1 SG to add the proposal to GMP1 (stating that MT564 WITH is required, MT567 in addition is optional and up to SLA.) and add a scenario of event withdrawal in the instruction stage in GMP1.

# CA288 - Information (INFO) Event Types (Andreana, Daniel)

The German NMPG has not reverted on the issue following up from the SR2015 CR000769, and did not attend the conference call. The item is postponed to the next conference call.

**Action**: DE NMPG to provide for next conf. call more information on the reasons to use an INFO event rather than the appropriate corresponding event code for Investment Funds.

# CA290 - New Date in MT567 for "Ongoing" / "Au fil de l'eau" events (Delphine)

The following proposal has been received from Delphine:

*“Regarding the date itself, the proposal which was raised during maintenance of "Expected payment date" (CR288) does not fit because we do not receive such precise information.*

*Examples:   
- Within 5 business days after the conversion date so basically the payment date can be CONV date + 1 + 2 + 3 + 4 or + 5.*

*- No later than 40 business days after the conversion date...   
- 5 business days after CONV date.*

*So we should go more towards something like "instruction approved by agent date" which would be more generic than conversion date.*

**Action**: NMPG’s to provide feedback on the proposal.

# CA294 - TAXE Format Option as a Percentage (Jacques)

No substantive feedback was received, but a few markets stated that they had no opinion to provide since TAXE is not used.

**Action**: Remaining NMPGs to provide info on whether they are using TAXE and if yes, for what purpose?

# MyStandards SG - DVCA MAND UG (Jacques)

Jacques briefly showed in a couple of minutes the new usage guidelines for DVCA MAND following the principles defined during the summer with Bernard.

The UG principles document for CA:



The new DVCA UG (for SR2014) is available [here](https://www2.swift.com/mystandards/standardsPractices/mpContentRestrictions.xhtml?marketpractice=mp%2Fmt%2F_gVyW4BvvEeSa8pvxYg6VJQ%2F_talp8BvvEeSa8pvxYg6VJQ) in MyStandards: <https://www2.swift.com/mystandards/standardsPractices/mpContentRestrictions.xhtml?marketpractice=mp%2Fmt%2F_gVyW4BvvEeSa8pvxYg6VJQ%2F_talp8BvvEeSa8pvxYg6VJQ>

**Action**: NMPGs to provide feedback on UG principles document for CA and on the DVCA MAND UG in MyStandards.

# Tax Subgroup Meeting progress Report (Jean-Pierre / Jyi-Chen / Bernard)

The December call was cancelled and put off to January 22, 2015

**Next Call / meeting**

Thursday **January 29** from 2 to 4 PM CET.

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