

SMPG - Corporate Actions

Telephone conference Minutes

7 November, 2017

FINAL Version v1.0 – December 19, 2017

Table of Contents

[1. Luxembourg Meeting Minutes Approval 4](#_Toc498961563)

[2. CA375 SR2018 - GMP Part 1,2,3, Samples Updates & MPs Summary of Changes 4](#_Toc498961564)

[3. CA279 Claims in the T2S context 4](#_Toc498961565)

[4. CA315 Extending CA MPs to ISO 20022 4](#_Toc498961566)

[5. CA354 Market usage of "QINS//QALL" on field 36a of MT565 5](#_Toc498961567)

[6. CA366 Voluntary Rolling Event - Review GMP1 Section 2.2.5 5](#_Toc498961568)

[7. CA367 INTP and OFFR usage with multiple payment Currencies 6](#_Toc498961569)

[8. CA373 Usage of COIN in ZA 6](#_Toc498961570)

[9. CA377 WITH vs CANC function 6](#_Toc498961571)

[10. CA378 TNDP Event MP and TNDP Indicator DSS Usage 7](#_Toc498961572)

[11. CA383 Fast Track Maintenance Process 7](#_Toc498961573)

[12. AOB 7](#_Toc498961574)

**Attendees**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **NMPG** |  | **First Name** | **Last Name** | **Institution** | **🗸 = Present** |
| AU | Ms. | Narelle | Rutter | BNP Paribas | 🗸 |
| AT | Ms. | Karin | Wachter | Unicredit |  |
| BE | Ms. | Véronique | Peeters | BNY Mellon | 🗸 |
| CA | Ms. | Ariane | Bienvenu | TMX |  |
| CH | Mr. | Michael | Blumer | Credit Suisse | 🗸 |
| DE | Mr | Schaefer | Daniel | HSBC | Excused |
| DK | Ms | Ravn | Charlotte | VP Securities A/S | Excused |
| DK | Mr. | Hattens | Randi Marie | VP Securities A/S | Excused |
| ES | Ms. | Cinta | Cristobal | BBVA |  |
| ES | Mrs | Diego | Garcia | DB |  |
| FI | Ms | Rask | Sari | Nordea Bank Plc | 🗸 |
| FR | Mr | Jean-Pierre | Klak | Statestreet | 🗸 |
| GR | Ms. | Angela | Katopodi | Eurobank |  |
| IL | Mr. | Gilad | Grayevsky | Bank Leumi |  |
| IT | Ms | Deantoni | Paola | SGSS spa | Excused |
| JP | Mr | Hideki | Ito | Mizuho Bank | 🗸 |
| LU | Mr. | Bernard | Lenelle | Clearstream |  |
| MDPUG | Mr. | Peter | Hinds | MDPUG / Interactive Data | 🗸 |
| MDPUG | Ms. | Laura | Fuller | Telekurs | 🗸 |
| NL | Mr | van der Velpen | Ben | ING Bank N.V. | Excused |
| NO | Mr. | Alexander | Wathne | Nordea | Excused |
| PL | Mr. | Michal | Krystkiewicz | CSD of Poland (KDPW S.A.) |  |
| RU | Ms | Elena | Solovyeva | ROSSWIFT | 🗸 |
| RU | Ms | Sofia | Prokofeva | Rosbank |  |
| SE | Ms. | Christine | Strandberg | SEB | 🗸 |
| SG | Mr. | Jyi-Chen | Chueh | SC |  |
| UK & IE | Ms. | Mariangela | Fumagalli | BNP Paribas |  |
| UK & IE | Mr. | Matthew | Middleton | LSE | 🗸 |
| US ISITC | Mr. | Steve | Sloan | DTCC | 🗸 |
| US ISITC | Mr. | Paul | Fullam | Fiserv | Excused |
| US ISITC | Mr. | Matthew | Schill | DTCC |  |
| XS | Ms | Haillez | Delphine | Euroclear | Excused |
| ZA | Mr. | Sanjeev | Jayram | First National Bank | 🗸 |
| ZA | Mr. | Faizal | Chopdat | Standard Bank |  |
| SWIFT | Mr. | Jacques | Littré | SWIFT | 🗸 |
| SWIFT | Ms. | Mieko | Morioka | SWIFT APAC |  |
| SWIFT | Ms. | Mabel | LU | SWIFT APAC (representing TW Market) |  |

# Luxembourg Meeting Minutes Approval

The following comments were received on the Luxembourg minutes:

* CA366 (Rolling Event): In scenario 3, “ROLL” must NOT be used for the DITY indicator.
* CA367 (INTP / OFFR Multiple currencies): add to the decision that “:11A::OPTN must not be reported at all in case of mandatory event (MAND) paying in multiple currencies.”

# CA375 SR2018 - GMP Part 1,2,3, Samples Updates & MPs Summary of Changes

Status:

Templates Updates: answer already received from FI, UK, DE.

EIG+ Country Column: FI (no input this year)

**REMINDER**: Deadline for all update input (Event sample updates, EIG+ Global Grid and country columns (GMP Part 2), and any other updates to GMP Part 1, summary of MP Changes for SR2018): **December 1, 2017**

Guidelines on how to submit event samples changes and EIG+ Country Column can be found in the Luxembourg meeting minutes.

**Actions:**

1. Alexander, Ben, Bernard, Christine, Delphine, Jean-Pierre, Paul/Steve, Peter, Sanjeev, Véronique to review their assigned **Event Samples** as per the list in the “Open Item” file in tab “CA Event Templates list” and provide updates input to Jacques for December 1.
2. All NMPGs to review their EIG+ country column for correctness or to submit updates and /or proposed change to the EIG Global Grid and provide input to Jacques for December 1.
3. Christine to provide first draft of the “SR2018 MP Changes summary” for December 1.

# CA279 Claims in the T2S context

Christine will check with Bernard and Karla who will send the white paper to the industry groups.

**Actions**:

1. Christine & Bernard to send out the white paper to the respective securities market groups and organisations.
2. SMPG CA WG: to create a BJ for new ISO 20022 messages once we get the endorsement of the relevant groups (medium term).

# CA315 Extending CA MPs to ISO 20022

Status Action 1: Feedback on GMP1: SE, DE, FI, ES supports the new ISO 20022 enabled format. Steve will recheck if there are no other remaining comments.

Status action 2: No issues in **AU**. The omnibus account is split in different categories of tax regimes.

No issues in **SE**, the default (highest) tax rate is applied and is followed by a tax breakdown process with domicile certificates requested.

No Issue in **DE** with reinvestments either.

In RU, according current legislation in Russia we do not have account type «omnibus account». Reinvestment within a CA is not supported by legislation in Russia. Beneficial owners does not have such possibility (t reinvest proceeds) within a CA.

Status action 3: The topic will be addressed at the next Tax SG call on November 23.

Status action 4: The topic will be addressed at the next GMP1 SG in November/December (to be scheduled by Véronique).

**Actions**:

1. All NMPGs to provide feedback/comment on the GMP1 “ISO 20022-enabled” version for November 13. Send your comments / feedback directly to Jacques. The document will then be published as a normal SR2018 Draft version with sections 1, 2, 3 made in the syntax neutral format.
2. All NMPGs to provide feedback on how different tax rates are applied in the context of an “omnibus account” and if they have reinvestment issues in their market.
3. The Tax SG to look at how to tax cash dividend events and reinvest on cash dividend events in the context of an omnibus account.
4. GMP1 & Bernard to check what is the equivalent of the ADDB function MP (section 3.2.3) in ISO 20022 messages.

# CA354 Market usage of "QINS//QALL" on field 36a of MT565

GMP1 SG’s action still pending.

**Action**: Véronique to set up a GMP1 SG call in November / December before next call.

# CA366 Voluntary Rolling Event - Review GMP1 Section 2.2.5

Outcome of Luxembourg meeting (applies to BPUT, EXWA, CONV):

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Scenario** | **:22F::CONV** | **:22F::DITY** | **:98a::PAYD** |
| **1** | One event, one CORP, conversion at any time during the instrument life cycle. Payment at instruction date + “x” day(s) | - | **ONGO** | **ONGO** |
| **2** | **Conversions during pre-defined periods (ex. Quarterly)** |  |  |  |
| **2a.** One event, one CORP, several opportunities to convert at fixed dates, Announcement replacement (REPL) after each payment with new dates | - | **ROLL** | **UKWN** (until date known)  or **YYYYMMDD** |
| **2b.** One new event per period (multiple events, multiple CORP). | **INTE** or  **LAST** (for final event) | - | **UKWN** (until date known)  or **YYYYMMDD** |
| **3** | One-Off / Trigger / Ad-hoc event | - |  | **UKWN** (until date known)  or **YYYYMMDD** |

FR Feedback/Question: For scenario 1, for EXWA, is it possible to give a fixed PAYD for the LAPS option (and ONGO on the rest)?

SE feedback: Supports the MP for scenario 1 and 2 a & b. The change for scenario 3 was not yet discussed in details.

DE feedback: DE agrees with the proposal. Generally, DE only advises final redemptions in the German market.

ES feedback: Spain applies option 2.b. on these events already as the Issue is treating each windows as a new event with a new interim ISIN Code. However, we also agree that option 2.a. could be supported on our side too.

**Actions:**

1. All NMPGs to review and provide feedback/comments for next call.
2. GMP1 SG to help clarify the whole MP in GMP1.
3. CR on the :22F::CONV definition update to be prepared for SR2019.

# CA367 INTP and OFFR usage with multiple payment Currencies



Jacques mentions that there was still a pending question remaining in the input provided by Delphine (here above) in the REDM MAND event with payment in multiple currencies. The redemption price :90A::OFFR is not in line with our recommendation on CA333 from the Helsinki meeting to use 90J in case of MAND REDM when the payment currency is different from the denomination currency.

This will need to be discussed at next call.

SE NMPG Feedback : Luxembourg decisions 1 and 2 supported. The Swedish NMPG does not believe PRFC should be included in the EIG+ INTP CHOS and template.

DE NMPG feedback: DE NMPG agrees with the proposal. PRFC can be removed from INTP CHOS in the EIG+.

ES NMPG feedback: Spain agrees that PRCT can be removed also in the EIG+ INTP CHOS and template.

RU feedback: We do not have in Russia CA INTR with CHOS of currencies. It mean that we do not have CA when payment of interests occurs with possibility for beneficial owner to choose in which currency he wants to receive interest proceeds.

**Action**:

1. All NMPGs to provide final feedback / comments.
2. Should we remove PRFC [O] from INTP CHOS in the EIG+ and template? To be addressed at the next call.
3. Address the issue of using :90A: or :90J::OFFR for REDM MAND with multiple currencies.

# CA373 Usage of COIN in ZA

This topic has been discussed lately by the Tax subgroup.

The outcome was that the Tax SG was not comfortable with the usage of COIN proposed by ZA as it is not at all in line with the MP. It would be more an abuse of the field than anything else as the field is not used to specify the income source.

We would not like to see a local ZA MP which is clashing with the global MP on COIN.

RU feedback: We do not have CA when country of income differs from country of issue. In Russia dividends are paid by the issuer or by the Registrar.

**Decision**: The CA WG rather agrees with the Tax SG feedback and recommend to ZA to look at submitting a CR for a new indicator in the message supporting the ZA requirements.

**Action**: Close item.

# CA377 WITH vs CANC function

Randi’s input:



The second question from Randi’s on the reason why “the presence of the Sender's reference of the message to be cancelled (PREV) is not required in the linkages sequence” was not addressed in Luxembourg.

Christine explains that CANC in the MT564 should be used only to cancel a CAPA messages and in that case only the “Sender Reference” must be present. Otherwise cancellation of an announcement message is not at all recommended.

However, in ISO 20022, the cancellation message (seev.039) includes the possibility to cancel a message for “processing error” (function PROC) but there is no message reference provided either.

This needs to be looked at by the GMP1 SG as well.

**Actions:**

1. GMP1 SG to review the wordingof section 3.2.4 and the issue of message cancellation (CANC) between ISO 15022 and ISO 20022.

# CA378 TNDP Event MP and TNDP Indicator DSS Usage

ISITC and the AU NMPG will both work on this MP independently until they have a draft MP at which point they will share their MP with the SMPG and we will see whether it can be merged into a single MP doc.

**Action**: ISITC (Paul / Steve) and AU to submit the new TNDP MP to the SMPG CA WG once ready.

# CA383 Fast Track Maintenance Process

RU feedback: The current timetable is convenient and we do not see necessity to implement additional fast track maintenance process.

**Action**: Jacques will ask what is the follow-p on this from the SWIFT side.

# AOB

None.

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