

SMPG - Corporate Actions

Telephone conference Minutes

21 May, 2019

Draft Version v1.0 – June 24, 2019

Table of Contents

[1. Approval of Frankfurt Meeting Minutes 4](#_Toc11420266)

[2. CA392 - Foreign Dividend Indicator in ZA 4](#_Toc11420267)

[3. CA403 - Multi-Deposited Securities and COAF / CORP / SAFE in the MT565 4](#_Toc11420268)

[4. CA405 - New flag for securities being Blocked 4](#_Toc11420269)

[5. CA408 - Corporate Action on Sukuk Bonds/Certificates 4](#_Toc11420270)

[6. CA415 - ISO 20022 CAST Message 4](#_Toc11420271)

[7. CA418 - SR2019 GMP Parts 1-3 & Templates Updates (on PRII & TNDP MP) 5](#_Toc11420272)

[8. CA419 - Definition of Instructed and Uninstructed Balances 5](#_Toc11420273)

[9. CA425 - Usage of Index Factor for INT and Redemptions 5](#_Toc11420274)

[10. CA433 - Remove the ISO 20022 CANA Message? 5](#_Toc11420275)

[11. CA434 - Remove BMET event from ISO 20022 CA messages 6](#_Toc11420276)

[12. CA435 - Remove Meeting related Option Types in ISO 20022 CA Messages 6](#_Toc11420277)

[13. CA436 - Usage of MT565 messages for tax breakdown 6](#_Toc11420278)

[14. CA437 - Auto-FX - Update of GMP1 Section 8.6 6](#_Toc11420279)

[15. CA439 - ISIN in Second Event after RHDI 6](#_Toc11420280)

[16. AOB 7](#_Toc11420281)

**Attendees List**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **NMPG** |  | **First Name** | **Last Name** | **Institution** | **🗸 = Present** |
| AU | Ms.  | Narelle | Rutter | ASX | 🗸 |
| BE | Ms. | Véronique | Peeters | BNY Mellon | 🗸 |
| CH | Mr. | Michael | Blumer | Credit Suisse | 🗸 |
| DE | Mr | Schaefer | Daniel | HSBC | 🗸 |
| DE | Mr | Melchior | Hendrik | State Street Bank International | 🗸 |
| DK | Ms  | Ravn  | Charlotte  | VP Securities A/S  | Excused |
| DK | Mr. | Hattens | Randi Marie | VP Securities A/S | 🗸 |
| ES | Ms. | Cinta | Cristobal | BBVA | Excused |
| ES | Mrs | Diego | Garcia | DB | 🗸 |
| FI | Ms  | Rask  | Sari | Nordea Bank Plc  | 🗸 |
| FR | Mr | Jean-Pierre | Klak | Statestreet | 🗸 |
| GR | Ms. | Angela | Katopodi | Eurobank | Excused |
| HK | Mr. | James | Mullens | Nomura | 🗸 |
| IT | Ms  | Deantoni  | Paola  | SGSS spa | Excused |
| JP | Mr  | Hideki | Ito | Mizuho Bank | 🗸 |
| JP | Mr. | Arata | Kazunori | Mizuho Bank | 🗸 |
| LU | Ms. | Catarina | Marques | 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 | 🗸 |
| PL | Mr. | Michal | Krystkiewicz | CSD of Poland (KDPW S.A.) | Excused |
| RU | Ms | Elena | Solovyeva | ROSSWIFT | Excused |
| SE | Ms. | Christine | Strandberg | SEB | 🗸 |
|  SG | Mr. | Jyi-Chen | Chueh | SC | Excused |
| UK & IE | Ms. | Mariangela | Fumagalli | BNP Paribas | Excused |
| UK & IE | Mr. | Matthew | Middleton | LSE | Excused |
| UK & IE | Mr. | Robin | Leary | CiTI | 🗸 |
| US ISITC | Mr. | Steve | Sloan | DTCC | 🗸 |
| US ISITC | Mr. | Paul | Fullam | Fiserv | 🗸 |
| XS | Mr.  | Lambotte | Jean-Paul | Euroclear  | 🗸 |
| ZA | Mr. | Sanjeev | Jayram | First National Bank | 🗸 |
| SWIFT | Mr. | Jacques | Littré | SWIFT | 🗸 |
| SWIFT | Ms. | Mieko | Morioka | SWIFT APAC |  |

# Approval of Frankfurt Meeting Minutes

Comments were received on the draft minutes of the Frankfurt meeting from Maylasia (Nicholas) on CA408 and from DE (Daniel) on CA416 and on AOB. No comments from the call attendees, therefore the Frankfurt minutes are approved with the comments provided (see track changes in the final minutes).

# CA392 - Foreign Dividend Indicator in ZA

South-Africa has finalised the CR requesting to amend the definition of CDFI as was agreed with Narelle (AU) and will submit the CR directly to SWIFT.

Open item can be closed.

# CA403 - Multi-Deposited Securities and COAF / CORP / SAFE in the MT565

Véronique will draft a proposal for next call.

**Action**:

1. Véronique will draft a proposal to amend GMP1 section 5 and 8.1 to be discussed at the next conference call.
2. Jacques to integrate the CAOF Registration list into GMP2 and ask for update of the information and usage of the CAOF to NMPGs.

# CA405 - New flag for securities being Blocked

Daniel reported that the DE market will not create a CR for this at this time.

A new scenario for blocking should be added to cover some use cases in Sweden when both the underlying and the rights need to be blocked. Christine will send the information to Véronique

Vero will circulate a first draft this week to Alex, Mike, Daniel and Christine.

**Action**:

* Véronique to start the first draft of “non-obvious” securities blocking scenarios, based on BNYM experience.
* Mike to add a few Swiss scenarios.
* Alexander to write the plain-vanilla scenario (EXRI, TEND) confirmed by MT508 .
* Daniel to provide more examples.
* Christine to provide more information on the Swedish case

 The resulting document will then be circulated to the NMPGs for review and further discussions.

# CA408 - Corporate Action on Sukuk Bonds/Certificates

Nicholas (from MY NMPG) informed Jacques that the full specifications document could not be provided but that the SMPG could address questions to Nicholas to get answers.

MDPUG has never come across these cases.

**Action**: Mike to draft questions regarding profit-sharing/coupon payment on a sukuk bond.

# CA415 - ISO 20022 CAST Message

Usage of Missing instruction code in CAST message, Véronique and Steve will resolve offline.

# CA418 - SR2019 GMP Parts 1-3 & Templates Updates (on PRII & TNDP MP)



PRII

Christine has provided the CR as input (see attachment above).

The CR is approved and will be submitted to SWIFT before dealine.

**Actions:**

* Steve: to provide US EIG+ Country Column updates for TNDP event.
* NMPG’s to get feedback on the current usage of PRII in their market.
* Jacques to update GMP1 with TNDP MP.

# CA419 - Definition of Instructed and Uninstructed Balances

Draft MP proposed by Christine:



The group agrees to keep the statement that UNBA can be negative.

Christine to add a third paragraph, stating that instructed quantities should be removed from INBA when they have been executed if the quantities have also been removed from ELIG – or the opposite and add a footnote on ELIG and the need for NMPGs to state the meaning of ELIG in their country.

**Action**: Christine to finalise the section 3.10.3 as agreed above.

# CA425 - Usage of Index Factor for INT and Redemptions

Input from XS (Jean-Paul):



INTP and OFFR are the result of a calculation process integrating already INDX. Christine will revise the text from Jean-Paul, in the second week of June and see if examples are needed.

**Action**: Christine to revise the text accordingly.

# CA433 - Remove the ISO 20022 CANA Message?

The message is used in Poland by KDPW for participants to provide tax data and it cannot be in CANO as the information has to be sent after instructions.

The CANA message is also used by NSD.

We could also envisage to change the misleading name of the message. In that case, this will be a schema change as well.

Need to be further discussed.

**Actions**: Jacques to ask Elena about the NSD usage of the message

# CA434 - Remove BMET event from ISO 20022 CA messages

**Decision**: The WG agrees with the proposal to remove BMET from ISO 20022 CA Messages

**Action**: Christine to draft a CR to remove BMET from the CA 20022 messages and submit to ISO. Jacques will check the draft.

# CA435 - Remove Meeting related Option Types in ISO 20022 CA Messages

**Decision** SPLI, PROX, AMGT and MNGT can be removed; ABST needs to be kept (used e.g. in CONS events).

**Action**: Christine to draft a CR in accordance with the above and Jacques will check the draft.

# CA436 - Usage of MT565 messages for tax breakdown



Mari has drafted the CR (see above).

The Tax SG will not have a meeting before June 1.

Daniel remarked that the number of messages is missing. Jacques will provide traffic figures for Mari.

Daniel also requested proposed reason codes.

The CR should also clearly states that the additional TAXR is optional.

**Decision**: The WG agreed with the proposal.

**Action**: Mari to complete the missing information in the CR and submit to SWIFT.

# CA437 - Auto-FX - Update of GMP1 Section 8.6

Input File from Mari (UK&IE):



The current MP text in section 8.6 in GMP1 states that the original amount/currency should be credited, then debited, then FX’d and the new currency credited. This is only possible if the client has the cash accounts in question. Also the declared rate can be used for the original rate.

**Decision**: The WG agreed that the section needs to be amended and supported the example message in the input file

**Action**: Véronique to revise the wording.

# CA439 - ISIN in Second Event after RHDI

Input from Christine:



Christine will amend the text in 9.1.1 stating that instructions should be sent on the rights (referred to in sequence C). This is an exception and only applicable to RHTS (1 event scenario).

Also mention in 9.1.2 that the 22F::RHDI// indicator must be used in sequence D to link the 2 events.

**Action**: Christine will amend the proposed text accordingly.

# AOB

FR: Jean-Pierre will send some input for two new COAF issuers (CSDs) in France, for the next call. They will need to be registered in our COAF registration list.

Veronique: NMPGs are requested to review and update their COAF registration in the COAF list before we move it to the GMP2 Excel file.

**Action**: NMPG’s to recheck/validate their entry in the COAF registration list.

**Next Conference Call:**  June 18, 2019 from2:00 to 3:00 PM CET

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