

SMPG - Corporate Actions

Telephone Conference Minutes

May 25 , 2023

Draft Version 1.0 – June 19, 2023

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**Attendees List**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **NMPG** |  | **First Name** | **Last Name** | **Institution** | **🗸 = Present** |
| AT | Mr. | Guenter | Bauer | Unicredit | Excused |
| AU | Ms. | Priscilla | Ferri de Barros | ASX | Excused |
| BE | Mr. | Hakim | Akka | BNY Mellon | Excused |
| CH | Mr. | Mike | Blumer | Credit Suisse | Excused |
| DE | Mr | Daniel | Schaefer | HSBC | Excused |
| DE | Mr | Melchior | Hendrik | Clearstream | Excused |
| DK | Mr. | Randi Marie | Hattens | VP Securities A/S | 🗸 |
| ES | Mrs | Diego | Garcia | DB | 🗸 |
| FI | Mr | Tero | Tollikko | Danske Bank | 🗸 |
| FR | Mr | Mihaela | Fallourd | BNP Paribas | 🗸 |
| HK | Mr. | James | Mullens | Nomura | Excused |
| HU | Mr. | Zoltan | Tkalecz | Citi | Excused |
| HU | Mr. | Gàbor | Szentpéteri | Keler | Excused |
| IT | Ms | Paola | Deantoni | SGSS spa | Excused |
| JP | Ms. | Akiko | Kojima | Mizuho Bank | 🗸 |
| JP | Mr. | Yoshihito | Suzuki | Mizuho Bank | 🗸 |
| JP | Mr. | Fusahiko | Abe | Mizuho Bank | 🗸 |
| LU | Ms. | Catarina | Marques | Clearstream | Excused |
| LU | Ms. | Catherine | Falcone | Clearstream | 🗸 |
| MDPUG | Mr. | Peter | Hinds | Interactive Data | Excused |
| MDPUG | Ms. | Laura | Fuller | Telekurs | 🗸 |
| NL | Mr | Huseyin | Boler | ABN AMRO Clearing | Excused |
| NO | Mr. | Alexander | Wathne | Euronext | Excused |
| PL | Mr. | Michal | Krystkiewicz | KDPW | 🗸 |
| PL | MS | Monika | Adamowicz | KDPW | Excused |
| RU | Ms | Elena | Solovyeva | ROSSWIFT | 🗸 |
| SE | Ms. | Christine | Strandberg | SEB | Excused |
| SG | Mr. | Jyi-Chen | Chueh | SC | Excused |
| SL | Mr. | Rok | Sketa | KDD | Excused |
| UK & IE | Ms. | Mariangela | Fumagalli | BNP Paribas | 🗸 |
| Uk & IE | Mr. | Matthew | Middleton | LSE | Excused |
| US ISITC | Mr. | Steve | Sloan | DTCC | 🗸 |
| US ISITC | Mr. | Paul | Fullam | FIS | Excused |
| XS | Mr. | Jean-Paul | Lambotte | Euroclear | 🗸 |
| ZA | Mr. | Sanjeev | Jayram | First National Bank | 🗸 |
| SWIFT | Mr. | Jacques | Littré | SWIFT | 🗸 |
| SWIFT | Mr. | Didier | Hermans | SWIFT | 🗸 |
|  |  |  |  |  |  |

**Summary of CA WG Meeting Agenda May 2023**

(Open Item numbers in **red** below concern new SMPG CRs required for SR2024)

1. Approval of April Meeting minutes
2. CA540 SID - Reporting of below threshold  quantity (Action: NMPGs)
3. CA555 SID - MP Updates for SR2023 (Action: NMPGs)
4. CA539 GM - Status for Instructions received before record date? (Action: Christine - CR)
5. CA551 GM - Issue with Repetition of Resolutions fields (Action: Jean-Paul - CR)
6. CA558 GM - Update MP for SR2023 (Action: NMPs)
7. CA564 GM – Various Questions – Account Identification in seev.005 (Action: Alexander - CR)
8. CA469 CA - Managing CA instructions in scope of CSDR when partial settlement are implemented (Action: NMPGs)
9. CA505 CA - Tax - MP for “Other Type of Income” Qualifier in Movements Sequences (Action: ISITC/US/Steve)
10. CA512 CA - Review DRIP CHOS with Interim template (Action: NMPGs)
11. CA513 CA - Reversal / repayment process in ISO20022 (Action: Christine/Mari/NMPGs - CR)
12. CA526 CA - Review GMP1 section 3.14 and 6.11 (movement sequences) (Action: Mike)
13. CA530 CA - Interest coupon paying in kind and cash (Action: Christine)
14. CA542 CA - Questions on SCoRE (Action: Jacques/Mari/Christine – CR + ISITC)
15. CA543 CA - Currency Option usage (Action: Jacques - CR)
16. CA548 CA - Narrative Update Date and Description fields in ISO 20022 (Action: Mari, Christine - CR)
17. CA552 MC - Cleaning Market Claims Codes in CA messages (Action: Randi - CR)
18. CA560 CA - Cancelation Reason in seev.039 (Action: NMPGs)
19. CA561 CA - 564 Inactive Option (:22F::OSTA//INTV) reactivated (Action: Jacques)
20. CA562 CA - Instructions below MIEX after proration (Action: NMPGs)
21. AOB

# Approval of April Oslo Meeting 2023 Minutes

Randi mentions that the minutes for the question raised in the item AOB5 on the usage of the CINL price qualifier are not conclusive. The group agrees that the MP for CINL usage should be rediscussed and clarified in a future call. A new open item will be created for that.

The minutes of the May meeting are approved with previous comment from Randi.

# CA469 CA - Managing CA instructions in scope of CSDR when partial settlement is implemented

Consolidated input from Mari/Christine:



Approved MP(keeping both reason codes): FR, DK, SE, FI, ZA, NL and ES.

Approved MP (using PENR only): UK

Approved MP (using LACK only): JP  
ZA indicates that partial settlement is not allowed though.

US: No view.

NO: Not discussed yet.

**Decision**: The MP is approved.

**Action**: Jacques to publish the new MP in GMP1.

# CA505 CA Tax – MP for “Other Type of Income” Qualifier in Movements Sequences

Action pending.

**Action**: ISITC/Steve to provide a ISITC draft MP on this for next call.

# CA512 CA - Review DRIP CHOS with Interim Template

Input document:



Mari will update the template.

**Actions**: Mari to share the updated version of the template for next call.

# CA513 CA - Reversal / Repayment Process in ISO 20022

Input:



MP Approved: FI, ES, XS

This item must also take into account the outcome of the CA542 open item on CAPC (see further in the document). To be reviewed at next call.

Mari’s draft CR Input on Reversal Reasons:



The CR is approved.

**Action**:

1. Remaining NMPGs to review the detailed Reversal message flows in ISO 15022 & 20022 and revert.
2. Randi to review GMP1 section 4 accordingly once the issue with CAPC is solved.
3. Jacques to submit the CR on behalf of SMPG.

# CA526 CA - Review GMP1 section 3.14 and 6.11 (movement sequences)

Input document:



MP approved by: JP, FR, DK, SE, ZA, HK, DE, FI, UK, ES, NL.

Carried forward to next call.

**Actions**: Mike to update the example by next call to illustrate the case when all rates are in the same cash movement.

# CA530 CA - Interest coupon paying in kind and cash

The usage of the various rate qualifiers respectively for INTR and PINK events are as follows:

The two RATEs qualifiers value will sum to 1 / 100%.

The PINK event must link back to the INTR event.

|  |  |  |  |
| --- | --- | --- | --- |
| **INTR event (first)** | | **PINK event (second)** | |
| INTR | Original/annual rate | ADEX |  |
| RATE | Equal to the percentage the issuer will pay in cash | RATE | Equal to the percentage the issuer will pay in securities |
| INTP | Equal to INTR\*RATE (and period, etc.) |  |  |

The MP is approved (by FI, SE, ZA, DK, UK, FR, CH, DE, ES, NO) and there are no objections.

**Actions**: Christine to beef up the MP text of the above MP before being published in GMP1.

# CA539 GM - Status for Instructions received before record date?

CR not yet drafted at this stage. The CR should also apply to the corporate action messages.

We therefore need one MT CR for the CA MT/MX messages and one ISO 20022 CR for GM messages.

**Action**: Mari to create 2 CRs for SR2024 to request a new reason code for status PEND and REJT for both GM and CA messages for “Instruction received prior to entitlement date”.

Mari’s CR input post meeting:



Jacques will submit both on behalf of SMPG.

# CA540 SID - Reporting of below Threshold Quantity

The previous decision on the MP on “Below Threshold Shareholding Quantity*“(i.e. In the SID MP in the seev.047 section, move the “Non-Disclosed Shareholding Quantity” and “Below Threshold Shareholding Quantity” from the optional to the mandatory part of the MP and make them conditional*) needed to be revised since it is not clear what “*conditional*” exactly means in the sentence.

The WG agrees that “conditional” means that it is mandatory if the quantity is above zero and optional if it is zero.

**Action**: Mari to update the SID MP text accordingly.

# CA542 CA – Questions on the CA SCoRE Standards – CAPC Usage?

* CAPC Usage in the US: CAPC is mainly used for lottery events processing. Steve provide more information in documents/slides for next call.
* CR input to amend seev.035 Scope:



The CR is approved. Jacques will submit.

* LU (Catherine Falcone) raised the fact that there are no clear recommendations on which CA MX variant should be considered for implementation to facilitate coexistence. Variant 1 is the one supported by SCoRE/ECMS whilst variant 2 is fully aligned with the ISO 15022 CA data types. The adoption of Variant2 should greatly help in the migration/support of coexistence.

**Actions**:

1. ISITC/US to provide input for rationale and use cases for CAPC usage.
2. Christine, Mari and Jacques to review GMP1 Section 4 in light of the new “Function” element.
3. Jacques to submit CR for SR2024 on seev.035 scope on behalf of SMPG.
4. NMPGs to provide feedback/comments on adoption of CA MX variant 1 or 2 for the migration/coexistence period.

# CA543 CA - Currency Option Usage

CR input:



CR approved.

**Action**: Jacques to submit the CR on behalf of SMPG.

# CA548 CA - Narrative Update Date and Description fields in ISO 20022

Resulting MP text:



MX CR input:



The CR is approved;

**Actions**:

1. Jacques to update MP text of section 3.15 in GMP1.
2. Jacques to submit the ISO 20022 CR on behalf of SMPG.

# CA551 GM - messages – Issue with Repetition of Resolutions fields

Jean-Paul has drafted the CR requesting to extend the size of the resolution “Title” to Max1025Text, to extend the size of the “Description” to Max8000Text and to enable the Description element to be repetitive.



The WG agrees with the draft.

**Action**: Jacques to submit the CR on behalf of SMPG.

# CA552 MC - Cleaning Market Claims Codes in CA messages

MT CR Input from Randi:



**Action**: Jacques to submit the CR on behalf of SMPG.

# CA555 SID MP Updates for SR2023

Input: draft SID MP for SR2023 by Mari and Hendrik:



The WG agrees to schedule a specific call on June 13 at 11:00 AM CEST to review the SID MP for those interested.

**Action**: Jacques to send the invite and draft MP document.

# CA558 GM – Update MP for SR2023

Input from Mari: First draft GM MP



Input from Jacques:

Pagination section to replace section 13 in the GM MP document for SR2023.



The WG agrees to schedule a specific call on June 14 at 11:00 AM CEST to review the GM MP for those interested.

**Action**: Jacques to send the invite and draft MP document.

# CA560 CA - Cancelation Reason in seev.039 (new)

*Context: In the seev.039 CA Cancellation Advice in the “General Information”, there’s an optional Cancellation Reason narrative element, up to 140 characters. Is there any discussions around coding that instead of being narrative ? Does it only apply to ISO20022 or should we also add cancellation reason codes in the MT564 CANC?*

**Decision**: To be discussed later at autumn meeting.

Action: NMPGs to gather input on use.

# CA561 CA - 564 Inactive Option (:22F::OSTA//INTV) Reactivated (New)

*Context: When an option becomes inactive, all responses remain valid. If that option became valid again, would there be an expectation that a new option is created of simply removing the :22F::OSTA//INTV from the option indicate it has become active again?*

Jacques has already added the agreed MP in the latest release of GMP1 in section 3.11.9 bullet 6 saying that a new option should always be created.

**Action**: Close item.

# CA562 CA - Instructions below MIEX after Proration

*Context: is there a way to indicate in the MT564 what would happen to instructions below MIEX after proration. Apparently, in some cases, they are either accepted or rejected.*

*Example:*

*- The event MIEX is 5*

*- The account owner sends an instruction with QINS 10*

*- Following proration (30%), the instruction quantity is reduced to 3 (so, below MIEX)*

*- Is there a flag in the MT564 indicating if those instructions will be accepted (because originally above MIEX) or rejected (because below MIEX after proration)?*

There is currently nothing specified on this in the standards or in a global MP.

Is there a need for a change in the status message or should we keep it in narrative?

This needs to be further discuss at the May call.

Carried forward to June call.

**Action**: NMPGs to come back with feedback on the above use case.

# CA564 GM - Account Identification in seev.005

Mari will write the ISO 20022 CR to make the “AccountIdentification” mandatory in the path “ToBeCancelledInstruction/InstructedPosition” in the seev.005 (MeetingInstructionCancellationRequest) today and will send it to Jacques to be submitted.

Mari’s Input Post meeting:



**Action**: Jacques to submit on behalf of SMPG.

# AOB

Randi asked if a requirement to report MEET (date of the general meeting) has been raised to support tax reclaims. Mari has seen this in Austria but not in any other market. Tero has seen it in Finland to facilitate tax reporting but not tax reclaim.

**Next CA WG meeting: Tuesday June 20 from 2:00 to 4:00 PM CEST**

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