**Change Request**

**for the update of ISO 20022 financial repository items**

1. **Origin of the request:**

*A.1 Submitter*:

*A.2 Contact person:*

*A.3 Sponsors*:

**Related messages:**

seev.001.001.XX

1. **Description of the change request:**

If a meeting contains fees, the seev.001 should allow the Account Servicer to indicate whether the:

* Fee is payable upon receipt of an election instruction
* Fee is payable to all holders of the security on the Entitlement Fixing Date
* Fee is payable to either (i) all holders of the security or (ii) all instructing parties IF a given resolution is passed at the meeting

The meeting should also allow the reporting of meeting fees at resolution level (currently fees may only be reported at meeting level).

1. **Purpose of the change:**

There is a need to provide full clarity to the holder of a security on what (if any) cash proceeds they may receive following the announcement of a meeting event. This information should be reported as part of the meeting notification message (seev.001).

The current version of meeting message allows the reporting of meeting fees at meeting level only while (early) incentive premium fees are mostly announced at resolution level.

The enhancements to the meeting notification message will facilitate clear and unambiguous reporting of the (potential) cash incentives associated with the meeting event in a structured format within the meeting notification message thus facilitating dissemination of information throughout the custody chain in an STP manner.

The change will also ensure that market stakeholders throughout Europe can implement a harmonised process for the handling of meeting fees as foreseen in the SCoRE Standards defined by the Advisory Group on Market Infrastructures for Securities and Collateral (AMI-SeCo).

1. **Urgency of the request:**

For SR2022. In the context of AMI-SeCo’s SCoRE initiative, market stakeholders are currently in the process of implementing a series of harmonisation standards which requires that internal development and internal testing of changes would commence on 1 January 2022 and 1 July 2022 respectively. The updated message would thus need be available within this timeframe to facilitate market implementation efforts and to obviate the need to implement short-term workarounds which may increase the complexity of the process.

1. **Business examples:**

There are four main use cases which illustrate the need for the above-mentioned change from a business perspective:

* A bond/shareholder has to instruct (a certain option until a certain deadline) in order to receive the payment – this appears to represent the majority of total meeting related fees today.
* A bond/shareholder has to instruct early (a certain option until a certain deadline) in order to obtain an early incentive premium. The bond/shareholder then receives the rate announced in the early incentive premium field.
* All bond/shareholders receive the fee without having to participate/instruct at the meeting – the rule is as follows: everyone who has a holding as of a certain date (record date) will receive the fee.
* In addition to the above use cases, there is sometimes also a condition that resolutions have to pass at the meeting in order to receive a fee.

**SEG/TSG recommendation:**

*This section is not to be taken care of by the submitter of the change request. It will be completed in due time by the SEG(s) in charge of the related ISO 20022 messages or the TSG for changes related to the BAH.*

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| **Consider** |  | **Timing** |
|  | - **Next yearly cycle: 2021/2022**(the change will be considered for implementation in the yearly maintenance cycle which starts in 2021 and completes with the publication of new message versions in the spring of 2022) |  |
|  | - **At the occasion of the next maintenance of the messages**(the change will be considered for implementation, but does not justify maintenance of the messages in its own right – will be pending until more critical change requests are received for the messages) |  |
|  | - **Urgent unscheduled**(the change justifies an urgent implementation outside of the normal yearly cycle) |  |  |
|  | - **Other timing:** |  |

Comments:

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| **Reject** |  |

Reason for rejection: