

SRD2 Steering Group / SMPG

ISO 20022 Messages and Market Practice Task Force

Conference Call Meeting Minutes - 17 April 2019

Minutes by: Mariangela Fumagalli, Christine Strandberg, Jacques Littré

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# Meeting Attendees

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **NMPG /**  **Associations** |  | **First Name** | **Last Name** | **Institution** |
| BE | Ms. | Véronique | **Peeters** | BNY Mellon |
| DE | Mr | Daniel | **Schaefer** | HSBC |
| CH | Mr | Michael | **Blumer** | Credit Suisse |
| DK | Ms | Charlotte | **Ravn** | VP Securities A/S |
| EE, LV, LT | Mr  Ms | Dace  Triin | **Daukste**  **Kram** | Nasdaq  Nasdaq |
| FR | Mr | Ilyas | **Alikoglu** | BNY Mellon |
| IT | Ms | Paola | **DeAntoni** | SGSS spa |
| NO | Mr. | Alexander | **Wathne** | Nordea |
| PL | Mr | Michal | **Krystkiewicz** | KDPW |
| SE | Ms. | Christine | **Strandberg (TF co-Chair)** | SEB |
| SI | Mr | Rok | **Sketa** | KDD |
| SWIFT | Mr. | Jacques | **Littré (TF co-Chair)** | SWIFT |
| UK & IE | Ms. | Mariangela | **Fumagalli (TF-co-Chair)** | BNP Paribas |
| US/ISITC | Mr | Steve | **Sloan** | DTCC |
| XS/ECSDA | Mr. | Jean-Paul | **Lambotte** | Euroclear |
| ECSDA | Mr. | Giuseppe | **Lotito** | LSE |
| European Issuers | Mr. | Benjamin | **Deberg** |  |

# Review of Draft MCR for ISO Proxy Voting Messages

## CR10 – Required Elements for Meeting Entitlement (seev.003)

Art.5 of the implementation regulation seems to imply that this message is to be sent “upon request”. What does that mean ? Do we need a new request message?

The TF agreed to interpret this “upon request” as an option to subscribe to the receipt of this message instead of creating a new message to request the seev.003.

The following was agreed by the TF:

* The usage of this message has multiple facets and it should be described (either in the standards message definition or in a MP) along those lines:
  + The message is sent before receiving a voting instruction to confirm the entitlement;
  + Or after having received a voting instruction to confirm details of the person attending the meeting;
  + Possible usage to replace attendance card or to confirm entitlements in case bearer shares.
* The following path and element in the message must be made mandatory: Security / Position / HoldingBalance / Balance and add a new textual rule on the “HoldingBalance” sequence to require the presence of the “Eligible” BalanceType in all cases.
* The following path and element in the message must be made mandatory: Security / Position / AccountIdentification

## CR11 - Required Elements for Meeting Instruction (seev.004)

The following was agreed by the TF:

* Add a new code value “Attendance in Person Without Voting” in the data type of the element AttendanceMethodCode as we did in seev.001 (see CR01);
* The “Shareholder” component added at the root of the message must be removed
* The “Shareholder” identification element should replace the identification elements in the AccountDetails / RightsHolder
* Do not remove the MeetingAttendee component but align the MeetingAttendee Identification with the MeetingAttendee identification elements from seev.003
* A market practice will be needed on the usage of the Instruction/InstructionIdentification element since the instruction sequence is repeatable.

Mari had noticed a discrepancy between the code values present in the 4 VotInstructionCode as follows:

* “VoteInstruction1Code” – CFOR, CAGS, ABST, WTHH, NOAC
* “VoteInstruction2Code” – CFOR, CAGS, ABST, WTHH, WMGT, AMGT, NOAC, DISC
* “VoteInstruction3Code” – ABST, CAGS, AMGT, DISC, CFOR, NOAC, WTHH, WMGT, ONEY, THRY, TWOY
* “VoteInstruction4Code” – ABST, CAGS, AMGT, CHRM, CFOR, NOAC, WTHH, WMGT, ONEY, THRY, TWOY
* Jacques to investigate the reason of these differences and see if we need to align all code values in all messages

*Results of Jacques’s analysis:*

*VoteInstruction1Code: used in seev.001 for Resolution/ManagementRecommendation and ResolutionNotyfyingPartyRecommendation – Seems ok that the Management related votes are not listed here.*

*VoteInstruction2Code: used in seev.001 for VoteInstructionType*

*VoteInstruction3Code: Used in seev.004 for Proxy/GlobalVoteInstruction – Does the “Say on Pay” types of votes apply only on the instruction message ?- This is only applicable if a resolution concerns the pay of administrators. Seems acceptable not to be in notification.*

*VoteInstruction4Code: Used in seev.004 in VoteDetails/VoteForMeetingResolution – Does CHRM apply only to votes for resolutions proposed at meeting ? If yes, this difference legitimate.*

## MeetingInstructionCancellationRequest (seev.005)

Seev.004 allows for multiple instructions in the same message and the MeetingInstructionStatus message (seev.006) allows to either sending a confirmation at global (message) or single instruction level. However, the cancellation message only allows to cancel a previously sent a message.

For consistency, we should:

1. either amend seev.005 to allow cancellation at instruction level;
2. or amend the structure of seev.004 and seev.007 to align to CA messages and allow one instruction per message.

* NMPG and other members of the task force to confirm which option a) or b) they would like us to implement.

## CR12 – Required Elements for Meeting Instruction Status (seev.006)

The following was agreed by the TF:

* In previous meetings, we agreed that seev.006 will be used both to confirm receipt of instructions (standard custody flow) and to confirm the vote as cast (IR table 6). This will need to be clarified in the Message definition/Scope.
* We need to add a PEND status and reason codes – the existing status/reason set up in meeting messages is different to what we have in CA. Should we align it? For instance FRWD and PACK ?

NMPG and other members of the task force to confirm whether we should align the statuses and reason codes.

* How to provide a status in markets where physical attendance is required?

# Next Meeting / Conference Call

Wednesday April 24 from 3 to 5 PM CET via Webex.

Jacques will send the invite.

**Reminder - QUESTIONS FOR NMPGs – deadline 30 April 2019**

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| 1 | Attendance deadline – do you use this deadline and do you agree with the current definition? |
| 2 | Proxy deadline – do you use this deadline and do you agree with the current definition? |
| 3 | Vote deadline – do you use this deadline and do you agree with the current definition? |
| 4 | Revocability deadline – do you use this deadline and do you agree with the current definition? |
| 5 | Early with premium deadline – do you use this deadline and do you agree with the current definition? |
| 6 | Vote with premium deadline – do you use this deadline and do you agree with the current definition? |
| 7 | Registration securities deadline – do you use this deadline and do you agree with the current definition? |
| 8 | Registration participation deadline – do you use this deadline and do you agree with the current definition? |
| 9 | In the NotificationStatus element, do we need also a Complete/Incomplete code in addition to Confirmed/Unconfirmed? |
| 10 | AttendanceConfirmationInformation – currently this is a narrative. Do you think we would need formatted codes? If so, which ones? |
| 10 | Date Status – do you agree in removing codes CANC and NOQO as they are redundant? Equivalent codes exist in the cancellation message (seev. 002) |