



SMPG – Investment Funds
Global Meeting 5
Minutes FINAL
Paris Meeting
21 & 22 September 2006
Document Date – 3 October 2006

Revision History:

- [1] First draft circulated to attendees of the SMPG Investment Funds Working Group, Paris 2006, 27 September 2006.

Feedback from the following countries has been incorporated:

- [1] Norway
- [2] Switzerland
- [3] Luxembourg
- [4] Sweden
- [5] UK



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1. Attendees

1	Ms Antonella Di Iorio	CH	antonella.diiorio@credit-suisse.com
2	Sylvia Wagner	DE	sylvia.wagner@dws.com
3	Shany Venon (Co-chair & FR chair)	FR	Shany.venon@bnpparibas.com
4	Mr Stephane Camus	FR	Stephane.camus@bnpparibas.com
5	David Broadway (Co-chair)	GB	dbroadway@investmentuk.org
6	Steve Wallace	GB	Steve.wallace@idea-group.co.uk
7	Ms Stephanie Dryburgh	GB	Stephanie.Dryburgh@jpmorgan.com
8	Andrea Milanesio	IT	amilanesio@citco.com
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11	Francois Honore	LU	francois.honore@dexia-bil.com
12	Arild T. Aukrust	NO	ata@vps.no
13	Mr Jan König	SE	Jan.konig@seb.se
14	Nadine Badesire Muhigiri	XS	nadine.muhigiri@euroclear.com
15	Janice Chapman (Facilitator)	SWIFT	Janice.chapman@swift.com

No representation for AT or ES or NL



2. The Paris Meeting Agenda

- [1] Welcome & Introductions
- [2] Country Reports
- [3] Standards Forum - Market Practice in Practice – a quick update & short presentation 'standards & market practice' (what is the difference)
- [4] An update on what is happening with the Asia-Pacific meeting in Sidney
- [5] Status - action items & work items
- [6] A description of How Your Market Works (order processing)
- [7] An examination / review/ interactive discussion on market practice for single subscription orders, status, confirmation and cancellation.
- [8] Conference call agenda
- [9] Amsterdam agenda – what shall we do?
- [10] Any other business
- [11] Wrap up

One item that was one the draft agenda was not covered 'A review of the business Roles versus Actors(cross market) table'.

All slides used in the Paris meeting will be distributed via e-mail.



List of documents/presentations to be circulated / posted :

- [1] Minutes document (when finalised)
- [2] ALMUS - SMPG paris sept 06.pdf
- [3] SMPG Funds Paris FACILITATOR_v2.ppt
- [4] IT RETAIL DOMESTIC FUND MODEL .doc
- [5] IT RETAIL CROSS-BORDER FUND MODEL .doc IT INSTITUTIONAL DOMESTIC & CROSS
- [6] BORDER MODEL

3. Country Reports (agenda item 2)

GREAT BRITAIN – STEVE WALLACE/ STEPHANIE DRYBURGH

GB has carried out or is carrying out work on price reports, subscriptions, redemptions, switches. The Corporate pensions group has done a lot of good work on the orders which the NMPG has been able to reuse where appropriate.

GB wants to publish soon. Some examples of the GB documents were shown. This sets a high standard for other markets to follow. The GB documents can be considered as a basic style guide, but it was felt that not all markets could easily produce XML examples.

FRANCE – SHANY VENON / STEPHANE CAMUS

Stephane Camus has become the chair of the French investment funds national market practice group.

France has been working with SWIFT on ISO 15022 – XML coexistence issues.

France has re-reviewed its 'how the order market works' document.

France had already defined its market practice for the ISO 15022 messages (MT 502 order, MT 509 status and MT 515 order confirmation) and have been translating this into XML.

LUXEMBOURG – FRANCOIS HONORE

Francois talked about how things are set up in Luxembourg. See slide presentation "ALMUS - SMPG paris sept 06.pdf"

The Luxembourg recommendations for national market practice for the subscription & redemption of funds are now finalised and the Luxembourg documents will be made available on smpeg.info in due course as well as via Almus. Luxembourg makes no comments on the mandatory fields, since they are mandatory. Unused sequences / elements are 'hidden' in the spreadsheet. Coexistence restrictions have been covered (e.g. number of characters in reference element). The LU group is not interested in any discussion of the FIN funds messages.

ITALY - ANDREA MILANESIO

Italy now has a 2nd draft of its 'how the order market works' document. A first version of the single use of the subscription multiple order has been created and work now moves onto the confirmation.

At an Italian Banker's Association meeting, Andrea talked about investment funds national market practice on a panel discussion.

GERMANY – SILVIA WAGNER

The DESSUG is re-reviewing a lot of its earlier work. They will be trying to make a general statement that institutions implementing trading system should base their messaging on ISO 20022.

SWEDEN - JAN KÖNIG

The Swedish investment funds national market practice group was set up during the summer. SEB will try to lead the work effort.

NORWAY - ARILD T. AUKRUST

The Norwegian investment funds national market practice group was set up during the summer.; Arild has created a document describing the set up of the Norwegian Group, a description of the Norwegian 'actors' and an overview of the order process flow.

Arild also described the Norwegian market. Norway doesn't have that many actors, with many of the roles being played by the CSD. The domestic market is a very automated market, with the cash always being received before the execution of the order, and settlement is T+1.

He went on to give a live demonstration in which he subscribed NOK 1000 to a Norwegian fund via the internet. This was very impressive. This is possible because of a solution produced by the CSD that allows investors to have full control of all its assets from one single access point (Investor Services). It is also allows providers and distributors the possibility to have a real many2many network between issuers/providers and distributors within the same technical solution.

Although the domestic market is highly automated, Norway needs to be involved in market practice efforts for the distribution of Norwegian funds abroad.

The Norwegian group has worked its way through the price report and will cover subscriptions and redemptions by the end of Q4.

SWITZERLAND - ANTONELLA DI IORIO

Antonella reported that the Swiss group is maturing and has nineteen members representing fifteen financial institutions. Their 'How the market works (orders) document is finished and is currently being translated. Antonella said the group would probably do any future documents directly in English. They now have a 1st draft for the subscription order that they will review in October. After having reviewed the subscription message, they will review the price report message again to make sure that there are not any inconsistencies between the price report and the subscription message.

EUROCLEAR – NADINE MUHIGIRI

Euroclear has also been working with SWIFT on ISO 15022 – XML coexistence issues.

GENERAL COMMENT

Some of the groups have to work in their own language and therefore have to go through a translation stage for any written work produced. It was appreciated that some documents may be produced in their original language.

4. A Description of how your market works (agenda item 6)

Both Italy and Norway talked through their descriptions of how their markets work. (See Italy & Norway country reports above.) These documents will be circulated with the SMPG minutes.

5. Standards Forum (agenda item 4)

This agenda item was covered whilst waiting for the meeting to start (some people were unavoidably later in arriving because of the Paris taxi-drivers strike).



Janice briefly described the Market Practice in Practice session that is taking place during the standards forum in SIBOS.

The session is a panel session:

- Moderator** **Joshua Derrick**
Americas Regional Director, SMPG
- Panellist** **Bernard Lenelle**
Co-chair Corporate Actions Working Group, SMPG
- Panellist** **Shany Venon**
Co-chair Investment Funds Working Group, SMPG
- Panellist** **Ray Mulhern**
Payments Market Practice Expert

The panellists will discuss the Securities Market Practice Group (SMPG) and how it has proved very successful in its efforts to harmonise global market practice; looking at the growth and achievements of the group, but also identifying where and why certain issues have proved a greater challenge than anticipated. Building on the SMPG's experience in the securities business, consideration will be given to the lessons that can be applied to building global market practice in the payments market.

Janice also showed a series of slides about what market practice is, illustrating this with an example of market practice. This may a useful presentation for new groups and it will be made available.

6. Status of work items & action items (agenda item 5)

The action items were listed. These are consolidated in Appendix 1 - Action Item List at the end of the document.

With respect to work items, there is a need to track in an easy and efficient way the output of the different countries. A spreadsheet with all the different work items per county has been created. The statuses are

Not started	In progress	2 nd draft etc
Not applicable	1 st draft	Final

7. An examination / review / interactive discussion on market practice for single subscription orders (agenda item 7)

Discussion Notes/Action Items as a result market practice review of the subscription order

[A] References

It was agreed that as references are being revised in the messages in the current maintenance project (messages available in May 2007 for live use in November 2007), that discussion about references would take place at a later date.

[B] Account Identification & Account Servicer

It is felt that we should have an in-depth discussion about the account identification and account servicer elements but that this wasn't the time.

Open Action Item 042	All national market practice groups to prepare a description of how they are using identification and account servicer elements, in preparation for a cross-market discussion
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[C] Net Amount & Gross Amount Definitions

SWIFT, in its support of the French funds national market practice group, had been informed that the definitions of the Net Amount element and the Gross Amount element were wrong and proposed a change and was raised for discussion by Janice Chapman.

The definitions of Net Amount and Gross Amount were discussed in depth and the general agreement was that the definitions already assigned to Net Amount and Gross Amount, were reasonable, but not perfect. In a subscription the net amount is the 'smaller amount' and the gross amount is the 'large amount'. Conversely in the redemptions the net amount is the 'larger amount' and the gross amount is the 'smaller amount'. Basically, the group all had the same view but couldn't agree how to express it in words. Appropriate wording still needs to be found.

These are the definitions currently in the ISO 20022 messages.

Net Amount			
Subscription		Redemption	
Order	Confirmation	Order	Confirmation
Amount of money used to determine the quantity of investment fund units to be subscribed.	Net amount of money invested in a specific financial instrument by an investor, expressed in the currency requested by the investor.	Amount of money used to derive the quantity of investment fund units to be sold.	Net amount of money paid to the investor as a result of the redemption.

Gross Amount			
Subscription		Redemption	
Order	Confirmation	Order	Confirmation
Amount of money used to determine the quantity of investment fund units to be subscribed, including all charges, commissions, and tax.	Amount of money invested in a specific financial instrument by an investor, including all charges, commissions, and tax, expressed in the currency requested by the investor.	Amount of money used to derive the quantity of investment fund units to be sold, including all charges, commissions, and tax.	Amount of money paid to the investor as a result of the redemption, including all charges, commissions, and tax.

It was noted that the industry had spent many years trying unsuccessfully to agree upon the right definitions.

In the SWIFTNet funds maintenance working group, there was a discussion of net amount and gross amount, in reference to what is the amount actually settled. The maintenance working group agreed that, in the confirmations, both net amount and gross amount are to become optional and that settlement amount is to become mandatory.

[D] Charges & Commissions

In the FIN ISO 15022 messages being used for funds (and other securities markets), the ISO 15022 message do not differentiate between a charge or commission (or tax); they are simply amounts of money (specified with a 4 character qualifier), quoted in a generic Amount sequence.

In the ISO 20022 messages, there is differentiation between a charge and a commission; this is expressed by the fact that there are separate sequences for charges and commissions.

It was agreed that, generally, institutions and markets have differing interpretations on whether a charge is actually a charge or a commission. And vice versa. For those institutions or market infrastructures that must translate between ISO 15022 formats and ISO 20022 formats, it is difficult to know whether an Amount in ISO 15022 is to be translated into the charge sequence or the commission sequence.

In the work that SWIFT is doing with the community on ISO 15022 – XML coexistence issues, it was suggested by Euroclear, Clearstream and French participants this difficult translation issue can be made easier, although not solved completely, if, in the ISO 20022 messages, the charge details and commission details sequence is merged into one Charge/Commission Details sequence.

As a result, a charge request will be written up, proposing the creation of a 'Charge/Commission Details' sequence. This change request will be circulated to the SWIFTNet Funds maintenance working group. Change requests are also circulated to the UNIFI Standard Evaluation Group (SEG) Funds committee members.

Open Action Item 043	It was agreed that the notion of having a 'Charge/Commission Details' sequence, rather than separate Charge Details and Commission Details sequences should also be discussed further at the Funds SMPG. It is requested that the various funds national market practice groups discuss this in their next NMPG meetings so as to be able to participate to the discussion in the November conference call.
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In order to facilitate discussion in the NMPG meetings, here is a summary of the Charge Details & Commission Details sequences that are present in the orders and confirmations messages:.

[1] Order messages

Charge Details [0..n] : Charge for the placement of an order.				Component: Charge8
M/O	ELEMENT		DEFINITION	DATA TYPE
[1]	Type		Service for which a charge is asked or paid, eg, brokerage fees.	Code (Charge Type 6 Code – see below))
[0..1]	Charge Basis		Method used to calculate a charge.	Code (Taxation Basis 3 Code – Flat, Per Unit & Other)
[1]	Either or	Amount	Amount of money asked or paid for the charge.	Currency and Amount
[1]		Rate	Rate used to calculate the amount of the charge or fee.	Percentage Rate
[0..1]	Recipient Identification		Party entitled to the amount of money resulting from a charge.	Party: BIC/BEI, Proprietary Identification, Name & Address

Thus in the order messages, if the Charge Details Sequence is specified, then the Type of charge (code word) must be specified and then **either** the **amount** of the charge or the **rate** of the charge **must** be specified.

ORDER MESSAGES – CHARGE TYPE CODES (Charge Type 6 Code)		
NAME	CODE	DEFINITION
Back End Load	BEND	Sales charge paid by the investor when redeeming an investment such as an investment fund.
Front End Load	FEND	Sales charge paid immediately by the investor when subscribing to an investment such as an investment fund.
Correspondent Bank Charge	CBCH	In investment funds, the charge of the correspondent bank for transferring money.
Contingency Deferred Sales Charge	CDSC	Deferred sales charge.
Service Provision Fee	CHAR	Fee paid for the provision of financial services.
Discount	DISC	Charge that has been reduced from the standard initial charge levied by a fund, eg, during a launch period or as negotiated by a funds supermarket / discount broker.
Dilution Levy	DLEV	In investment funds, a charge payable by the investor covering bid-offer spreads and dealing charges for the underlying investments. The dilution levy is paid to the fund for the benefit of other unit holders.
Equalisation	EQUL	The part of an investor's subscription amount that is held by the fund in order to pay incentive or performance fees at the end of the fiscal year.
Initial	INIT	Charge paid at the time of the first subscription.
Management Fee	MANF	Fee paid to an investment manager for services. The fee usually includes fund administration costs and investor relationship management. Typically, the amount paid is a percentage of the assets under management.
Other	OTHR	Another type of charge.
Penalty	PENA	Fee charged to the investor for early redemption of the fund.
Postage Charge	POST	Charge paid for the postage.
Premium	PREM	In investment funds, pre-arranged addition to the trade amount based on the published net asset value.
Regulatory Fee	REGF	Fee charged by a regulatory authority, eg, Securities and Exchange fees.
Shipping Charge	SHIP	Charge for shipping, including the insurance of securities.
Switch	SWIT	In investment funds, charge related to a switch transaction.

Comments

- [1] Contingency Deferred Sales Charge – this has the word 'charge' in its name, but is in fact regarded as a commission !
- [2] Management Fee is to be deleted from the code list in the current maintenance.

Commission Details [0..n] : Commission linked to the execution of an investment fund order.			Component: Commission6
M/O	ELEMENT	DEFINITION	DATA TYPE
[0..1]	Type	Service for which the commission is asked or paid.	Code (Commission Type 5 Code – see below))
[0..1]	Basis	Basis upon which a commission is charged, eg, flat fee.	Code list (TaxationBasis3Code – Flat, Per Unit & Other)
[0..1]	Amount	Commission expressed as an amount of money.	Currency and Amount
[0..1]	Rate	Commission expressed as a percentage.	Percentage Rate
[0..1]	Recipient Identification	Party entitled to the amount of money resulting from a commission.	Party: BIC/BEI, Proprietary Identification, Name & Address
[0..1]	Commercial Agreement Reference	Reference to the agreement established between the fund and another party. This element, amongst others, defines the conditions of the commissions.	Max35Text
Waiving Details [0..1] : Voluntary non-enforcement of the right to all or part of a commission.			
[1]	Waived Rate		Percentage Rate
[1]	Instruction Basis		Code (Waiving Instruction 2 Code)

Thus in the order messages, all elements in the Commission Details Sequence are optional.

ORDER MESSAGES – COMMISSION TYPE CODES (Commission Type 5 Code)			
NAME	CODE	DEFINITION	
Back End	BEND	Commission for redeeming an investment, when an investor redeems an investment fund within a certain period of time.	
Front End	FEND	Commission for subscribing to an investment, paid at the time of the subscription.	

Comments

- [1] In the current maintenance, there is to be a documentation alignment – the name for BEND is to be Back End Load. The name for FEND is to be Front End Load.

Some Ramifications if the Charge Details sequence is merged with the Commission Details sequence

- [a] BEND and FEND are present in both the charge type code list and commission type code list. In the resulting sequence, BEND and FEND will only be defined once in the resulting Charge/Commission Type code list.
- [b] All elements in the newly defined sequence will be optional (like the elements of the current commission sequence).
- [c] Waiving can now be specified for a “charge” as well as a “commission”.

[1] Order Confirmation messages

Charge General Details [0..1] : Amount of money associated with a service.			Component: Total Charges 2
M/O	ELEMENT	DEFINITION	DATA TYPE
[0..1]	Total Amount Of Charges	Total value of the charges for a specific order.	Currency and Amount
Charge Details [1..n] : Information related to a specific charge.			Component: Charge 10
M/O	ELEMENT	DEFINITION	DATA TYPE
[1]	Type	Service for which a charge is asked or paid, eg, brokerage fees.	Code (Charge Type 6 Code – see above)
[0..1]	Charge Basis	Method used to calculate a charge.	Code (Taxation Basis 3 Code – Flat, Per Unit & Other)
[1]	Amount	Amount of money asked or paid for the charge.	Currency and Amount
[0..1]	Rate	Rate used to calculate the amount of the charge or fee.	Percentage Rate
[0..1]	Recipient Identification	Party entitled to the amount of money resulting from a charge.	Party: BIC/BEI, Proprietary Identification, Name & Address

Thus in the order messages, if the Charge General Details sequence is specified, then the total amount of charges can be optionally specified. The Type of charge (code word) **must** be specified and the **amount** of the charge **must** be specified.

Commission General Details [0..1] : Amount of money due to a party as compensation for a service.			Component: Total Charges 2
M/O	ELEMENT	DEFINITION	DATA TYPE
[0..1]	Total Amount Of Commissions	Total value of the commissions for a specific order.	Currency and Amount
Commission Details [1..n] : Information related to a specific commission..			Component: Commission 6
M/O	ELEMENT	DEFINITION	DATA TYPE
[0..1]	Type	Service for which the commission is asked or paid.	Code (Commission Type 5 Code – see above)
[0..1]	Basis	Basis upon which a commission is charged, eg, flat fee.	Code list (TaxationBasis3Code – Flat, Per Unit & Other)
[0..1]	Amount	Commission expressed as an amount of money.	Currency and Amount
[0..1]	Rate	Commission expressed as a percentage.	Percentage Rate
[0..1]	Recipient Identification	Party entitled to the amount of money resulting from a commission.	Party: BIC/BEI, Proprietary Identification, Name & Address
[0..1]	Commercial Agreement Reference	Reference to the agreement established between the fund and another party. This element, amongst others, defines the conditions of the commissions.	Max35Text
Waiving Details [0..1] : Voluntary non-enforcement of the right to all or part of a commission.			
[1]	Waived Rate		Percentage Rate
[1]	Instruction Basis		Code (Waiving Instruction 2 Code)

Thus in the order messages, if the Commission General Details sequence is specified, then the total amount of commission can be optionally specified. All elements in the Commission Details Sequence are optional

[E] Requested Settlement Currency & Requested NAV currency

Open Action Item 044 More information is needed about when the Requested Settlement Currency & Requested NAV Currency elements are used.

[F] Element Product Group

The definition of this element is “Company specific description of a group of funds.” This element was introduced in the 2005 maintenance, as a request from an institution in UK. The SMPG representatives at the Paris meeting felt that this should be removed from the message

Open Action Item 045 JEC, on behalf, of the SMPG is to introduce a change request into the 2008 maintenance for the removal of the Product Group element..

[G] Sequence Charge Details

Italy require an additional charge type code for a charge incurred as a result of a foreign exchange transaction.

Open Action Item 046 IT is to introduce a change request into the 2008 maintenance for the addition of this 'charge for a foreign exchange transaction' code.

[G] Sequence Tax Details

The general consensus is that if the Tax Details sequence is used it is used in the confirmation and should not be present in the order messages.

Open Action Item 046 JEC, on behalf, of the SMPG is to introduce a change request into the 2008 maintenance for the removal of the Tax Details sequence from the order messages.

[H] Settlement & Custody Details / Place of Safekeeping

Among those present in the Paris meeting, it could not be deduced in what circumstances this element is to be used.

8. Conference call agenda (agenda item 9)

It was agreed that the regular call is to take place on the third Thursday of each month at

2 pm UK
3 pm CET
9 am US, eastern standard time

The schedule for the conference calls is as follows:

October	Thursday	19	Both Shany Venon & Janice Chapman are not available for this call. This call will only take place if 'unplanned' items arise for discussion. David Broadway will arrange the call if the call is to take place
November	Thursday	16 9	It was agreed that the topic for discussion is the issue of charges and commissions. See above. Janice Chapman is unavailable for a call on 16 November. 9 th November is proposed.
December	Thursday	21	
January	Thursday	18	
February	Thursday	15	
March	Thursday	15	
March	Wednesday Thursday Friday	28 29 30	Global SMPG meeting Amsterdam
April	Thursday		Schedule for forthcoming calls to be agreed in the Amsterdam meeting.

The importance of these regular calls cannot be stressed enough. However, it has been conceded that it is difficult to discuss detailed and complex issues by phone for those that do not have English as their mother tongue.

9. Amsterdam agenda – what shall we do? (agenda item 10)

The event will take place on Wednesday 28, Thursday 29 & Friday 30 March.

It was agreed that agenda items cannot be decided upon yet.

10. Wrap up (agenda item 11)

New Actions items

In addition to the specific subscription-related action items, these, we proposed:

Open Action Item 040	Approach Finland to set up a funds national market practice group and participate in SMPG.
Open Action Item 041	Follow up Spain. We had attendance from Spain in the Madrid global meeting, but very little since
Open Action Item 013	Follow up Ireland. David Broadway made some progress towards the end of 2005



11. Additional Global Meeting in January 2007 ?

The idea of having an additional global meeting in the middle of January 2007 was discussed.. Venues such as Zurich and Frankfurt were discussed since Silvia now works in both Zurich and Frankfurt.

Antonella will discuss the possibilities.

Whether or not we have a January meeting and the objective of the meeting needs to be followed up in the conference call in October or November.

Open Action Item 048	Additional global meeting mid-January 2007. Decision to be made and agenda items to be agreed. Venue to be decided (Zurich?). Dates to be decided
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12. Appendix 1: Action Item List

CLOSED OR DEFERRED ITEMS

ID	Brief Description	Owner	Status	Deadline
001	Devise a format that can be used by the national market practice groups to record the business information that needs to be communicated	SWIFT	CLOSED	28/06/2005
002	Set up a conference call. This is to discuss the first work items to be undertaken by the national market practice groups. This should take place within three to four weeks following the date of the Frankfurt SMPG meeting.	SWIFT/ S. Throne	CLOSED	26/05/2005
003	Find out if the Proxy modelling and business validation groups have any investment funds players in its composition	SWIFT	CLOSED	ASAP
004	Fund out if the MT 950 (Statement Message) transaction type working group includes funds players	SWIFT	CLOSED	ASAP
005	Additional co-chair - Sandy Throne to check with SMPG steering committee	Sandy Throne	CLOSED	ASAP
006	Shany Venon and David Broadway to confirm their institutions' agreement on undertaking the co-chair functions.	Venon & Broadway	CLOSED	ASAP
009	Price Report – the spreadsheet tool for cancellation and correction messages to be created.	Chapman	CLOSED	End Nov 2005
010	Guidelines for completing the national market practice spreadsheet to be created. (Facilitator).	Chapman	CLOSED	End Nov 2005
014	'MP spreadsheet templates' to be created for (1) subscription multiple order (2) subscription multiple cancellation, (3) order instruction status report (4) order cancellation status report (5) subscription multiple order confirmation	Chapman	CLOSED	
008	Review the website for visibility of investment funds documents and contacts.	Broadway & Chapman	CLOSED	
011	Carry out market practice analysis of their use of the price report. We will request SE, NO & US to do this as well. <i>First drafts have been completed by IT, CH. As the priority has been shifted to work on the orders, for other countries, this task is set-aside</i>	IT, CH, BE, AU, LU, DE, SE, NO & US	DEFERRED	
012	Cross-market analysis of price report.	Chapman	DEFERRED	April 2006
	A superficial cross-market analysis of the FR, DE, GB, CH, IT results was carried out. This has not been documented.		DEFERRED	
017	'MP spreadsheet templates' to be created for PEP/ISA Stock and Cash messages	Chapman	CLOSED	
018	Submit change requests as a result of DE, GB price report analysis to SWIFT	Chapman	CLOSED	
019	UK MP for PEP/ISA transfers	GB	CLOSED	
020	The PEP/ISA messages will need revision. Change requests to be submitted by UK group PEP/ISA working group	GB	CLOSED	End April 2006
021	Modify funds folder of SMGP website [1] - the XML spreadsheets for the PEP/ISA message needed to be renamed so that the name of the XLS files incorporate the words 'PEP/ISA'. [2] the French 15022 market	Chapman	CLOSED	End April 2006

	practice documents are to be moved into the folder 'Final Global Documents / France. The folder called "15022 Documents" is to be deleted			
022	A change request for the addition of fund management company to the price report to be submitted to the funds maintenance working group.	Italy / Chapman	CLOSED	ASAP
023	Follow up Taiwan market practice vis-à-vis potential change requests for the funds maintenance working group.	Chapman	CLOSED	ASAP
024	The subscription multiple order XLS spreadsheet has a misleading definition for Investment Account Details / Account Identification. This needs to be rectified and a new version of the spreadsheet needs to be made available.	Chapman	CLOSED – needs distributing	ASAP
025	Change Request for Orders to be submitted to the funds maintenance working group – additional optional element for 'Requested Future Trade Date/Time.	Germany/ Chapman	CLOSED	ASAP
026	Change Request for Orders to be submitted to the funds maintenance working group – multiplicity of Price Details to be changed from [1] to [1..2]	Germany/ Chapman	CLOSED	ASAP
027	Update the References presentation with the conclusions/comments of the funds SMPG group and add how references are to be changed in next funds maintenance.	Chapman	CLOSED	ASAP
028	Monitor MIFID requirements and potential impact on funds messages. Submit change requests to the funds maintenance group as appropriate.	Chapman	CLOSED	July 2006
034	The BVI document is to be circulated.	Chapman	CLOSED	ASAP
035	Arrange June meeting date and venue	Co-chairs	CLOSED	End April 2006
039	Follow up on the messages (ie price report versus order confirmation) in which EUSD information should be conveyed in the monthly conference calls. Seek harmonisation across SMPG members			CLOSED
038	Follow up usage of Expiry Date in the monthly conference calls. Seek harmonisation across SMPG members.	Discussed in call 200406.		CLOSED –to be covered in order analysis, not as separate item.



Action items still open

ID	Brief Description	Owner	Status	Deadline	Comments
013	Encourage IE to set up a NMPG	Broadway		Attempted	We will continue to follow up this one.
007	Create a list of all the different investment funds working groups.				
	All countries to cover their own ISO groups.	Countries			
	J. Chapman to cover SWIFT groups and the recently formed UNIFI groups	Chapman	Work-in-progress		
	D. Broadway to cover EFAMA and those groups he knows about	D. Broadway			
015	NMPGs to carry out market practice analysis of their use of the subscriptions.	All	Description of market took precedence		A good number of markets (UK, FR, CH, LU, DE, NO, SE, AT) had worked on this to some extent.
016	Cross-market analysis of subscription multiple order	Chapman. + ALL	In progress	Dependency	Worked took place in Paris Sept 2006 meeting. Further information & review required. See action items
029	Request an agenda slot in the general session of a future global SMPG meeting for an investment funds SMPG update. This requirement was mentioned at the general wrap up session. To be followed-up.	Co-chairs.		Plan for Sidney or SMPG spring 2007.	As the investment funds working group can't participate in the Sidney general meeting, this is to be requested for the Amsterdam meeting.
030	Request an agenda slot in the general session of a future global SMPG meeting for an update on the work of the S & R and CA working groups. This requirement was mentioned at the general wrap up session. To be followed-up.	Co-chairs		Plan for Sidney or SMPG spring 2007.	As the investment funds working group can't participate in the Sidney general meeting, this is to be requested for the Amsterdam meeting.
031	First draft of 'Description of how the local market works'	Countries	In progress.	June 2006.	See status chart.
032	Market Practice spreadsheet templates to be created for the redemption multiple order and confirmation messages	Chapman	1 st draft done	September 2007 - unless earlier demand	This needs to be followed up with respect to posting on smpg.info. new version of subscription multiple needs to be posted.
033	Market Practice spreadsheet templates to be created for the switch order and confirmations messages.	Chapman	1 st draft done	September 2007 - unless earlier demand	This needs to be followed up with respect to posting on smpg.info.
036	All countries to check the accuracies of the persons listed about in the chair and co-chair columns for their countries	Countries	To be regular task	End May	The data has been incorporated in the 'Activity Status Report' spreadsheet, which



					will be sent out on a regular basis for the NMPGs to verify.
037	Follow up co-existence of reference length in the monthly conference calls. Seek harmonisation across SMPG members..	Chapman		In progress	Needs final follow-up work and publication.



New Actions Items

ID	Brief Description	Owner	Status	Deadline	
040	Encourage FI to set up a NMPG				
041	Encourage / follow-up ES to set up a NMPG				
042	Prepare description of how the account identification and account servicer elements are used in preparation for a cross-market discussion	ALL			
043	Merge of Charge / Commission sequences	ALL		Nov 16 call.	To be discussed at national level in preparation for the next conference call (Nov). To then be followed by Chapman (change request)
044	More information is needed about when the Requested Settlement Currency & Requested NAV Currency elements are used	ALL			
045	Prepare, on behalf, of the SMPG, a change request for the 2008 maintenance for the removal of the Product Group element.	JEC		Mar 2007	
046	Prepare a change request for the 2008 maintenance for the addition of a code to the charge details sequence for 'charge for a foreign exchange transaction'.	ITALY		Mar 2007	
047	Prepare, on behalf, of the SMPG, a change request for the 2008 maintenance for the removal of the tax Detail sequence from the order messages.	JEC		Mar 2007	
048	Additional global meeting mid-January 2007. Decision to be made and agenda items to be agreed. Venue to be decided (Zurich?). Dates to be decided	ALL			

Future Action Items – not scheduled or numbered.

ID	Brief Description	Owner	Status	Deadline
	Market Practice spreadsheet templates to be created for the Fund Cash Forecast messages	Chapman		
	Market Practice spreadsheet templates to be created for the Transfer messages	Chapman		
	Market Practice spreadsheet templates to be created for the transfer status messages	Chapman		
	Market Practice spreadsheet templates to be created for the statement messages	Chapman		
	Market Practice spreadsheet templates to be created for the Account Management messages	Chapman		
	NMPGs to carry out market practice analysis of their use of the redemptions	All		
	NMPGs to carry out market practice analysis of their use of the	All		
	NMPGs to carry out market practice analysis of their use of the	All		
	NMPGs to carry out market practice analysis of their use of the transfers	All		
	NMPGs to carry out market practice analysis of their use of the transfer status	All		
	NMPGs to carry out market practice analysis of their use of the statements	All		

13. Appendix 2: Investment Funds NMPG Chair & Co-Chair list

This shows who we currently have listed as chairs / co-chairs of the different national market practice groups. This list is held in the ‘Activity Status Report’, which is circulated on a regular basis for verification and copied into the minutes document.

The names of the Funds national market practice group chairs and co-chairs will be published on the first page of the SMPG website.

	FUNDS NMPG CHAIR	CO-CHAIR	OTHER POSITION
AT	Wilhelm Glavanits		
AU	Steward Gott		
CH	Antonella Di Iorio		
DE	Sylvia Wagner	Eduard Schroeder Juergen Stahl	
ES	Juan Carlos Gallego		
FR	Stephane Camus		
HK	Kathryn Dioth		
GB	Steve Wallace	Stephanie Dryburgh	
IE	Larry Watson		
IT	Andrea Milanesio Gloriana Dall'Oglio	Marco Borella Gabriele Baronchelli	
LU	Francois Honore		
NL	Paul Verstraeten		
NO	Arild T. Aukrust		
SE	Jan König		
SG	Francis Teo		
TW	Sunny Tzou		
US	Paul Lacher		
XS	Elisabeth Meyers	Nadine Muhigiri	

Rudolf Siebel	SMPG Steering committee
Shany Vernon	SMPG Funds Co-chair
David Broadway	SMPG Funds Co-chair
Janice Chapman	SMPG Funds Facilitator



14. Appendix 3: Status of Work Items

These appendix pages show the status of the different markets for each piece of market practice work.

This status information is held in the ‘Activity Status Report’ spreadsheet, which is circulated on a regular basis for verification and copied into the minutes document.



1.1. Appendix 3 - Page 1 of 4 Market Description / Subscription / Redemption / Switch

			Market Description of Order Process	Comment	Subscription Multiple (Single) messages			Redemption Multiple (Single) messages			Switch Order Messages		
					Order	Confirmation	Cancellation	Order	Confirmation	Cancellation	order	Confirmation	Cancellation
1	AU	Australia	Not Known	-									
2	AT	Austria	1st draft	-	1st draft								
3	CH	Switzerland	In progress	End of Q406	1st draft	In progress	In progress						
4	DE	Germany	FINAL	BVI document	1st draft	1st draft	1st draft	1st draft	1st draft	1st draft	1st draft	1st draft	1st draft
5	ECLR	Euroclear	1st draft	-									
6	ES	Spain		-									
7	FR	France	1st draft	presented June	In progress	In progress							
8	HK	Hong Kong		-	In progress								
9	IE	Ireland		-									
10	IT	Italy	2nd draft	presented Sept 06	1st draft	In progress							
11	LU	Luxembourg	In progress	Draft presented June 06. Not circulated. Final draft Q406	In progress	In progress	In progress	In progress	In progress	In progress			
12	NL	Netherlands	In progress	-									
13	NO	Norway	In progress	Expected end Q406	In progress	In progress	In progress						
14	SE	Sweden		-									
15	SG	Singapore											
16	TW	Taiwan		-	1st draft	1st draft							
17	UK	United Kingdom	2nd draft	1st draft presented June 06	1st draft	1st draft		In progress	In progress	In progress	In progress	In progress	In progress
18	US	United States		-									



1.2. Appendix 3 - Page 2 of 4 Order Status

			Order status reporting		
			Order Instruction Status Report	Order Cancellation Status Report	Request For Ordder Status Report
1	AU	Australia			
2	AT	Austria	1st draft		
3	CH	Switzerland			
4	DE	Germany	1st draft	1st draft	1st draft
5	ECLR	Euroclear			
6	ES	Spain			
7	FR	France			
8	HK	Hong Kong			
9	IE	Ireland			
10	IT	Italy			
11	LU	Luxembourg			
12	NL	Netherlands			
13	NO	Norway	In progress	In progress	
14	SE	Sweden			
15	SG	Singapore			
16	TW	Taiwan			
17	UK	United Kingdom			
18	US	United States			

			Price Report			Fund Cash Forecast					
			Report	Correction	Cancellation	Non detailed estimated	Non detailed confirmed	non detailed confirmed cancellation	Detailed estimated	Detailed confirmed	Detailed confirmed cancellation
1	AU	Australia									
2	AT	Austria									
3	CH	Switzerland									
4	DE	Germany	1st draft	1st draft	1st draft	1st draft	1st draft	1st draft	1st draft	1st draft	1st draft
5	ECLR	Euroclear									
6	ES	Spain									
7	FR	France	1st draft								
8	HK	Hong Kong									
9	IE	Ireland									
10	IT	Italy	1st draft								
11	LU	Luxembourg									
12	NL	Netherlands									
13	NO	Norway	In progress								
14	SE	Sweden									
15	SG	Singapore									
16	TW	Taiwan									
17	UK	United Kingdom	2nd draft	2nd draft	2nd draft	Not Started	Not Started	Not Started	Not Started	Not Started	Not Started
18	US	United States									

DE have analysed all messages, but using earlier versions.

The Price Report exercise was undertaken to test the 'spreadsheet tool' and to get used to working with the XML before moving onto the more complex messages. Priority was changed to orders, so at this stage work on price report national market practice is suspended

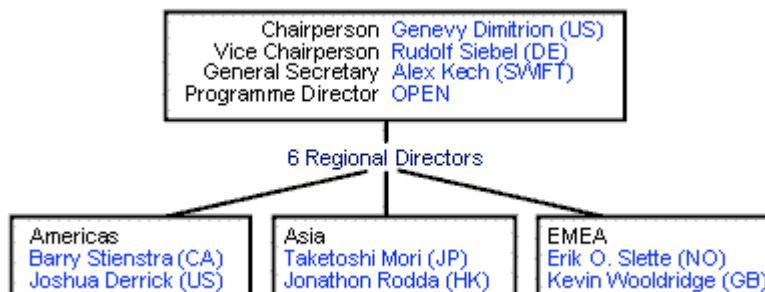


1.4. Appendix 3 - Page 4 of 4 PEP/ISA Transfers

			PEP/ISA (Stock) Transfer			PEP/ISA Cash Transfer		
			Instruction	Confirmation	Instruction Cancellation	Instruction	Confirmation	Instruction Cancellation
1	AU	Australia						
2	AT	Austria						
3	CH	Switzerland						
4	DE	Germany						
5	ECLR	Euroclear						
6	ES	Spain						
7	FR	France						
8	HK	Hong Kong						
9	IE	Ireland						
10	IT	Italy						
11	LU	Luxembourg						
12	NL	Netherlands						
13	NO	Norway						
14	SE	Sweden						
15	SG	Singapore						
16	TW	Taiwan						
17	UK	United Kingdom						
18	US	United States						
UK carried out a usage analysis, as a result, the 6 PEP/ISA messages will become the following:								
	(1) Request for information, (2) Information Report (3) Instruction (4) Confirmation (5) Cancellation of Instruction							

15. Appendix 4: SMPG organisational information

Steering Committee



Sub-Groups

		CO-CHAIR	FACILITATORS
Working Groups	Trade Initiation & Confirmation (<i>Dormant</i>)		
	Settlement & Reconciliation	J. Derrick (US) G. Van Zwam (NL)	A. Kech
	Corporate Actions	K. McKenna (US) B. Lenelle (LU)	T. Taylor
	Investment Funds	S. Venon (FR) D. Broadway (UK)	J. Chapman

National Convenors & Funds NMPG Chairs

	Country Convenor	Vice		FUNDS NMPG CHAIR	CO-CHAIR
AT	Christian Piretz			Wilhelm Glavanits ??	
AU	Steward Gott			Steward Gott	
CH	Peter Lippuner	Armin Burgi		Antonella Di Iorio	
DE	Armin Borries			Sylvia Wagner	
ES	Carlos Delbarrio			Juan Carlos Gallego	
FR	Eric Piel	Jean-Pierre Klak		Stephane Camus	
HK	Jonathan Rodda			Kathryn Dioth	
GB	Lynda McCartney (S&R)			Steve Wallace	Stephanie Dryburgh
	Mohammad Ali (S&R)				
	Norman Evans (CA)				
IE	As UK			Larry Watson ??	
IT	Paolo De Antoni			Andrea Milanesio	Marco Borella
				Gloriana Dall'Oglio	Gabriele Baronchelli
JP	Taketoshi Moro				
LU	Bernard Lenelle			Francois Honore	
NL	Paul Verstaeten			Paul Verstraeten	
NO	Erik Slette			Arild T. Aukrust	
SE	Ulf Gabriellsson			Jan König	
SG				Francis Teo	
TW	Tammy Liou				
US	Genevy Dimitrion			Paul Lacher	
XS	Yves Lamote			Elisabeth Meyers	



Should there be a vote, only one vote per country is permitted. This vote is coordinated via the country convenor.

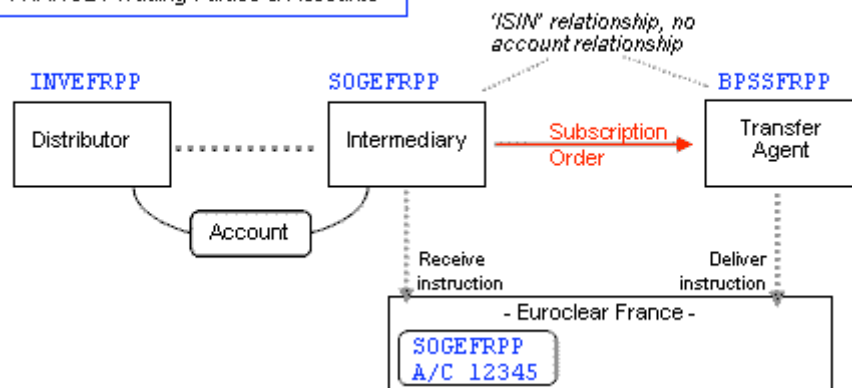
NMPG Chair & Co-chair Functions

- Set up the group /sub-groups – include a good representation of institution types.
- Organise NMP working meetings, run meetings, write minutes.
- Disseminate / co-ordinate information.
- Participate in the global SMPG meetings (twice a year).
- Participate in SMPG investment funds working group conference calls (+/- monthly)

16. Appendix 5: Trading Parties & Account

The following information about parties and accounts was 'collected' during the meeting.

FRANCE : Trading Parties & Accounts



GERMANY : Trading Parties & Accounts

