



Your Gateway to Securities Standards !

Spring WebEx

Global SMPG Meeting

October 4 – October 8, 2021

Meeting Venue:

WebEx teleconference

I. Settlement and Reconciliation - Agenda

Monday 4th of October – CSDR

13:00 – 16:00 (Brussels) 07:00 – 10:00 (NY) 19:00 – 22:00 (Tokyo)	Welcome and tour the table	Marcin
	Action list review	Aundrea, Marcin, Alexandre <i>Based on previous global meeting minutes and action list spreadsheet</i>
	CSDR penalties MP	
	- Global testing and local discrepancies (Dry run result (pain points/what is going well, ...))	All
	- Mandatory Buy-in postponement?	All
	- Partial settlement MP	Arnaud
	- Cash Penalties questions	Arnaud, All
- FX cancelation data gathering	Robin, All <i>Request during last Monthly call</i>	



Tuesday 5th of October - MP maintenance day

<p>13:00 – 16:00 (Brussels) 07:00 – 10:00 (NY) 19:00 – 22:00 (Tokyo)</p>	<p>Recommendation for market practice review</p> <ul style="list-style-type: none"> - Review the list - Versioning?, Obsolete?, Ownership? <p>Hold and Release MP</p> <p>MP SMPG-MP-SR-Custody and Accounting Report - Live review</p> <p>MP SMPG-MP-SR-Status Advice – Live review</p>	<p>Aundrea / Marcin Aundrea / Marcin Aundrea / Marcin</p> <p>Ton</p> <p>Aundrea</p> <p>Aundrea</p>
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Wednesday 6th of October

<p>13:00 – 17:30 (Brussels) 07:00 – 11:30 (Boston/NY) 19:00 – 23:30 (Tokyo)</p>	<p>SMPG Plenary session</p>
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Thursday 7th of October - SWIFT strategy day

<p>13:00 – 16:00 (Brussels) 07:00 – 10:00 (NY) 19:00 – 22:00 (Tokyo)</p>	<p>Plenary session follow-up and discussion</p> <p>What about Digital assets?</p> <ul style="list-style-type: none"> - New MP? - New members on the group <p>Regulation (EMIR Refit, ...)</p> <p>MP on FX post CSDR (following requirement request of Monday)</p>	<p>All</p> <p>All</p> <p>Paul / SWIFT</p> <p>Robin</p>
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Friday 8 th of October - AOB		
13:00 – 16:00 (Brussels) 07:00 – 10:00 (NY) 19:00 – 22:00 (Tokyo)	SWIFT strategy impact on MPs, including UTI	Charifa / Didier
	Progress update of the UG migration to Mystandards - Next steps – SR20022	Didier
	AOB	All
	Planning the next steps	All

II. Attendance List

Attendance list

- Alexandre Hotat, SWIFT
- Annemie Loose, Euroclear/ FR
- Armin Borries, Clearstream/DE
- Arnuad Jochems, Clearstream
- Asa Lewenhagen, SE
- Ayaka Shibui, JP
- Aundrea Jarvis, US
- Brett Kotze, ZA
- Charifa Elotmani, Guest
- Didier Hermans, Guest
- David Wouters, BE
- Denis Andrejew, DE
- Yusuke Kobayashi, JP
- Marcin Zawistowski, PL
- Paul Janssens, SWIFT
- Riyousuke Abiko, JP
- Robin Leary, IE
- Simon Daniel, Guest
- Stephan Shuetter, CH
- Stephanie Fischer, FR
- Suzanne Forup, DK
- Takaya Hamamura, JP
- Ton van Andel, NL

III. Settlement and Reconciliation – Meeting Minutes

Monday 4th of October – CSDR

Welcome address

Marcin opened the session and welcomed the participants joining from all over the world. The agenda was presented with Webex virtual sessions scheduled between Monday through Friday.

Participants of the session each introduced themselves, market or representation, and background with SMPG engagement.

Marcin presented the specific daily agendas for the Settlements and Reconciliation working group sessions, as well as the Plenary on Wednesday which is open to the public.

Action list review

Marcin facilitated review on the action items which remain open.

A number of items are scheduled through the week's agenda, examples included action item 20-36 & CSDR related market practice documents.

The other open actions discussed:

- Reviewed approach for Spanish market practice. Noted the document is aged, with a number of inconsistencies and outdated information within the document. Ton noted the document does not cover the T2S migration as well. This led to general discussion on outdated documentation across global and local market practice documentation.
- Updating the market practice list with more descriptive details results in additional cost parameters to maintain the SMPG site. The group agreed to close item action item 20-29 and accept current naming convention of market practice documents posted on the website.
- Aundie provided background on market practice review. She will provide an update on the market practice summary document to demonstrate the additional details included in the tracking document.
- Action item 20-34 is now closed. Arnaud highlighted that the ECSDA framework was updated to reflect suggestion for real-time reporting, otherwise the collection and distribution will be more complex to manage variety of methods and timing across global community.
- Identified a few opportunities to update the Settlements MP Summary sheet. Ton to provide updated content, example noted was alphanumeric value.
- Hold – Release MP document updates to be deferred for review, pending drafted recommended updates by Ton.
- The S&R group agreed to close item in S&R action item 21-12. Stephan noted the CA working group needs to review the CA recommendations to determine consider for S&R.
- No new items identified by the working group.

CSDR update

(1) Global Testing

Marcin opened the discussion.

T2S started producing testing results in mid September, and will continue until February 1, 2022. Reports to be distributed via dry-run period. Dryrun is production parallel, compared to testing connection and support within a User Acceptance Testing environment.

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SMPG role in the global testing process is for participants to educate and encourage early engagement and participation in testing.

Stephan noted challenge with late matching fields and penalties for huge number of days. Firms may have an opportunity to clean up aged and/or invalid transactions to prevent penalties. The experience was confirmed by Arnaud.

Ton noted the pending trades should be cancelled after a number of days, based on rules for unmatched trades to be deleted after a certain number of days. Arnaud, there should not be fees on unmatched transactions prior to implementation of the regulation. The first calculation will only begin at the point of implementation in Feb 2022. The experience in dry run testing should not be replicated for aged trades given the 'go forward'.

Limit of the message length was often reached, given the high of number of late matching penalties within the message structure.

Arnaud highlighted the CCP exclusion may present the T2S side, issue should be corrected.

General observation that the translation from ISO 20022 to ISO 15022 has presented questions. An example, Marcin highlight CPMU. For a market only using 20022 party capacity CCPA will be used for penalties applied as participants acting as CCP will not be included in the global net. To discuss later in the conference, the use of the capacity indicator.

Insolvency may need to take a deeper look on logic.

Aundie highlighted that custodians, global custodians, and or customers later in the chain of custody may not have test results to comment on at this point in the dry run. The group acknowledged all markets / CSDs have not started dry run testing at this point.

Stephan observations the MT537 content is different participant to participant.

(2) Penalty Reporting

Arnaud raised a few items specific to the MT537 PENA related to cash penalties

- 1) Order of a field in a sequence. Alexandre did highlight there is an order of a field in the sequence. Customers need to follow the UHB order. Ton provided example on STCO codes. Robin highlighted the fields need to be in order, settlement parties can be in any order as well. Arnaud highlighted Sequence D1A (penalty per account) 22F & 19A to review. If there is an order, SWIFT would reject the message.
Action item 21-14 Arnaud will validate the MP document samples are in order and consider the order of a field in a sequence.
- 2) Length of MT537 message – rules to dictate when a sender will split message. The example reviewed was in the case of LMFP over several days (two or more messages needed – Pagination)
 - Arnaud highlighted examples recognized within the dry run testing
 - Marcin questioned difference between lengths in 15022 vs. 20022 messages.
 - **Action item 21-15** The recommendation was to include a paragraph or comment within the market practice document.
 - Alexandre also highlighted the MT535 may provide rules on pagination to consider as consistent guideline. Provides recommendation on how to cut the message and continue to secondary messages.
- 3) CMPU for those reporting monthly cash penalties semt.044. The semt.044 does not have an equivalent to the CMPU field present in the MT537 which might prevent senders to report correctly the monthly information.
- 4) PFOD transactions. Market practice does not include underlying security. The question is whether in conditions calculation method is cash, should the information on the underlying security be noted.
 - Robin noted the market practice states all the sequences should be included on the statement, based on how it is composed users would expect the underlying security. FIA details would not be expected based on business flows

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- i. Option 1 – update market practice to highlight when not relevant as there is no underlying security, it will not be mentioned.
 - ii. Option 2 – in most cases the underlying security should be referenced, even if cash only transaction related.
 - The FIA sequence gives underlying detail for the penalty, underlying market, calculation method (Security liquid or not). The example will be documented and shared for later discussion to explore Option 1 vs. Option 2.
- 5) Global net amount was raised by Robin. The discussion was to clarify whether applicable to daily, as well as monthly. The monthly is more important to consider utilizing global new amount

(3) Mandatory Buy-in postponement – Paul Janssen

Paul presented an update on the mandatory buy-in postponement.

The Chair of ESMA has written to the Commission (EC) with rationale to postpone the buy-in regime. A key consideration with the introduction of the penalties is the settlement efficiency is projected to increase. Based on this study, the outcomes highlights opportunity to consider decoupling mandatory buy-in. ESMA is asking the Commission for a quick decision on possible postponement, or considerations for adaptations.

The timeline for response is not confirmed.

CSDR Refit is a consideration to monitor. A normal process in EU legislation is to review after the regulation is finalized. CSDR entered in to force approximately 5 years ago, naturally this could result in reassessment.

The buy-in process is not new. The letters do not address voluntary buy-in, which will continue to be a possibility regardless of the specific regulation. Therefore, the buy-in reporting market practice will continue to be relevant, despite the buy-in initiation being a business decision rather than mandate. Armin also agreed the market practice is still relevant to leverage and increase efficiency in the practice definition for buy-ins.

SMPG offers standardization and the market practice document offers solutions.

(4) The cash statement should include both the reference to the global net (CPRF) and penalty qualifier (PEN) for the MT940 messages for cash penalties.

Armin noted the consideration for PMPG working group set up by SWIFT approximately year ago. This is forum to assist with. Arnaud or Robin noted the opportunity send the example to Charles coordinating this working group for further discussion. The S&R group continues to highlight the need to have more security related details within the cash statement working group. **Action item 21-16:** Robin will engage with Charles to discuss a proach.

(5) FX cancelation data gathering – Robin Leary

Robin noted the change request for SR2022 was postponed. The focus was to consider 22F: FXCS field within the 500 series message for 15022, and similar consideration in 20022. FXNO (do not cancel) and FXYE (also cancel the FX).

Questions for participants to consider:

- Do the existing code words serve the purpose of the business flows for FX?
- Are the conditions problematic now or is the problem theoretical until implementation of CSDR SRD in February 2022?
- How are firms handling partial settlement conditions? Differences between delivers and receives? Do FX providers only FX upon trade settling (i.e. realized monies)?

Topic to be reviewed further.

General observation on email communication. Stephan noted important for the subject line to highlight the topic clearly. Clear subject line will help readers to organize feedback on topics.

Tuesday 5th of October - MP maintenance day

(1) Recommendation for market practice document maintenance: review process, ownership, and aging – presentation by Aundie Jarvis

Aundie presented insights and trends into the SMPG published market practice documents.

- Of the 38 published final global SMPG market practice documents, 17 documents have assigned owners and 21 have not assigned owners. The impact is documentation aging without active reviews. To date, there have been limited volunteers to manage the market practice documents. 24 documents are aged +5 years, with no updates or review of content.
- SMPG site also hosts 39 local market practice documents. Identified outdated information, including 2 market folders with no documents, local market practice documents aged +15 years with no update, and unanswered requests for updates from participants.
- Aundie provided overview of the additional descriptive details added to SMPG MP List; including scope of market practice documents, impacted message types (ISO 15022 and ISO 20022), and filters.
- Group reviewed and determined a review should be conducted at least every 5 years to confirm validity, unless changes presented earlier.
- Aundie presented approach to host “Live Reviews” where the collective Settlements and Reconciliation working group reviews a market practice document for relevance in absence of specific owners. The group agreed to benefits of session. The discussion highlighted the benefits of in person review compared to virtual to generate dialogue
- Recommendation to follow method of standards release; where a market practice may be reviewed in ‘live SMPG session’, changes and recommendations drafted, individuals will revert with SMPG recommendations to review with their local market practice groups for discussion & feedback, and results then reviewed at SMPG. The target timeline for local market review is likely a few months to allow time for assessments and coordination across markets.
- The group agreed time is important for folks to coordinate review before a market practice review. Aundie offered to prioritize and group market practice documents to designate priority of review in preparation of next reviews.
- **Action 21-17 Aundie to finalize market practice summary document descriptions, tiered priorities, and distribute to working group members.**
- **Action 21-18 Aundie to contact local market practice contacts to confirm relevance and recommendation to review and update within +5 years. (is this achievable?)**

(2) Hold and Release MP – deferred to another meeting

(3) SMPG-MP-SR-Status Advice – Live review hosted by Aundie Jarvis

Aundie kicked off the first “live SMPG review” for the status advice market practice document. The group reviewed each section, content, and purpose of the document. Specific areas of discussion:

- Document does not include ISO 20022 illustrations
- Arnaud highlighted the diagram and workflow suggests the process flow is linear and sequential. With the shift to accelerated settlement and infrastructure changes process is more iterative. The group also observed the description is not entirely accurate.

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- Discussed approach for infrastructure, regional, and market specific nuances – example was T2S logic – The group agreed the global market practice should provide one recommendation and solution, with local markets including market practice for deviation.
- Robin noted CAST update and network rule.
- Observation that markets are reporting more and more statuses, within an accelerated settlement cycle. One reason per message may be becoming less common, which contradicts with language.
- Ton noted the multiple process flows within the document; instruction processing, cancellation processing, match processing, and settlement processing.
- Consider separating MT537 & MT548 documentation
 - Group highlighted overlap in the workflows and purpose of the MT537 as statement of pending transaction
 - MT537 for penalties well covered and defined in separate document
 - The market practice should include comment to refer to other document for penalty workflows and related market practice

Recommendation to consider all the scenarios and use cases, then complete workflow diagram and market practice documentation structure.

(4) SMPG-MP-SR-Custody and Accounting Report – Live review hosted by Aundie Jarvis

Aundie kicked off the second “live SMPG review” for the custody and accounting report market practice document. The group reviewed each section, content, and purpose of the document. The review focused on push vs. pull method, custody vs. accounting statements, and securities lending nuances. Specific areas of discussion:

- Robin highlighted a few transaction types not covered by the document
 - Standards related question on sub balances and coverage
 - Markets may utilize proprietary codes, question on what transactions require further sub balance and reporting breakdown
- Annemie noted quantity in sub balance in a prior year release, specific to US market practice for US tax lots, to consider covering
- The group generally agreed the market practice is in good order. The next step is to distribute the document for local market reviews, to be further discussed at the November monthly meeting.

Wednesday 6th of October

The SMPG steering committee invited the public to attend the Plenary Session. This plenary session provided folks with a number of updates on different topics of direct interest to the securities industry.

Thursday 7th of October - SWIFT strategy day

(1) Debrief from Plenary Session – All

Feedback on Wednesday session was very positive. Highlights included diversity of topics, relevant materials, expert panelists.

(2) Digital Assets, market practice approach and progression of discussion – All

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On Wednesday Tom Alaerts from SWIFT presented an update on the digital assets. The focus in SnR was to discuss approach for market practice coverage and attendees

The upcoming standards release will have significant changes to consider digital assets within 15022 & 20022 messages.

The group discussed approach and whether the new asset class should be considered within the existing SMPG infrastructure and working groups. Considerations

- Whether another sub-group documents to be published on SMPG
- New working group vs. existing groups with additional SMEs

The group reviewed nuances of digital assets (digitization of security asset vs. tokenize) and similarities (service provider integration with existing asset classes). Robin highlighted PSET logic is not same as traditional securities; but SMPG role to publish PSET list. An observation that there was no request to consider PSET within CR 2022 process. Digital currency more in space of PMPG, rather than digit assets more in space of SMPG.

Stephan shared use case of Swiss digital exchange which leverages current infrastructure. The second use case highlighted the fund industry initial reluctance to adopt ISIN, which is now typical.

A solution and option may include other working groups documentations posted via SMPG.

A conclusion to placement of digital assets was not specifically reached.

(3) Regulation Update – presentation by Paul Janssens from SWIFT

Paul provided a detailed update on regulations.

EMIR Refit entered in to force in 2019, for a few changes to CCPs and trade repositories. ESMA must prepare a new RTS standard, done and submitted to commission (late 2020) – not endorsed yet, and therefore does not apply yet.

Process linked to derivatives, where group linked to adhere to UPI (unit product identified) to be published soon and new ISO standards to apply. CDE (critical data elements) to be included in derivative reporting contains all the elements.

Europe TrueESMA, and equivalent in the US part of the DODD Frank, demonstrate re-write and adoption for the regulatory reporting is common and iterative.

The regulatory arena continues to embrace logic, if you do something new adopt with 20022. SFTR went ISO 20022 from end to end, supporting new adoption direct in ISO 20022. Continue to site examples where improvements to one legislation makes benefits to others.

CSDR expectations on refit given not all components are finalized. Continue to monitor mandatory buy-in adoption deferral, and whether there will be consideration on changes. Expected some parts of CSDR will be rewritten, and guideline expectations to be followed. Letter from ESMA to The Commission is still pending response.

UTI is already used by trade repository and reporting institutions. The current format is slightly different from the original format. What is in the current EMIR Q&As are still in EMIR 1, RTS for EMIR refit highlights UTI format should be used and highlighted the UTI generation rule. The document highlights the waterfall approach published in the technical guidelines in CPMI IOSCO. This waterfall should be the approach in all jurisdictions, which is a key consideration to make the process streamlined from an operational point of view.

(4) MP on FX cancellation in relation to partial settlement – presented by Robin Leary

Robin summarized background on this discussion topic and history of the SR 2022 Change Request. The focus of the review was to collect insights in to how firms may be handling FX amendments and partial settlement today.

General feedback is the overall demand and existing conditions is minimal heading in to the CSDR implementation, driving use case for this discussion.

Robin reiterated receives and delivers may be handled differently. Deliver proceeds result in FX based on actual monies. Therefore, portion cancelled on partial settlement would not be applicable any longer as monies never realized. Receives are conditional.

The group discussed conditions really hones in on asset managers designating on a trade by trade basis. Clients with standard method are better addressed through service level arrangements based on static method.

Arnaud does not believe the market infrastructure parties.

Impact depends more on role in the chain of custody, as the process often triggered as custodian role. FX standing instructions is primary baseline, and not support on a transaction level basis.

Timing, may be an exception conversation to minimize FX exposure. Single FX request received through process of managing the cash balances, rather than through the trade instruction. Clients have an infrastructure in place of single request

Propose wording on FXYE

- (1) Data source scheme solution. Heavy SLA driven, would data source scheme given flexibility.
- (2) Change Request for new code word
- (3) Definition change
- (4) No recommendation
 - Leverage existing message

Lack of existing volume is a challenge and consideration

ISITC may offer an opportunity to get community together

(5) New question raised around large positions, greater than balance field limit – Arnaud Jochems

Limitations on balances where field limitation is 15 digit, including decimals. Discussion to carry over to Friday's scheduled session.

Friday 8th of October – AOB

(1) SWIFT strategy impact on MPs, including UTI – presented by guest from SWIFT Charifa Elotmani

Charifa discussed presentation: "Securities Monitoring Service UTI principles and flows"

Armin initiated discussion by presenting clarifying question on methodology to determine responsible party. For OTC transaction which party will establish UTI, examples include matching venue (trade confirmation, matching & allocation, and affirmation). The UTI is generated by either the Asset Manager, Broker Dealer, Trading Venue, and Matching Platform. Simon noted the priority workflow is really between asset manager and broker trade activity.

The group discussed how parties ensure the uniqueness of the UTI. Simon noted the construct of the UTI requires 20 values for the UTI and up to 32 values for that entity to make it unique. If the firm is in the generating role, they can use their party LEI or would query a central firm and use an independent party to assign a UTI.

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Arnaud highlighted a topic around conflicts in the UTI and possible outcome of two contradicting UTIs between buyer and seller. Simon noted the importance of governance. There may be longer term benefit to have a CSD assess as additional matching criteria, which is expected to be contemplated further down the road. The case will be based on demand and value to add settlement efficiency.

Discussed a use case, where CTM will generate the UTI independently. If an organization elects for a 3rd party organization to generate and apply to their block and allocation message. In case of a conflict, it will default to their value in the CTM. The ideal model is that a service provider will echo the UTI back through messaging in the corresponding status or confirmation message for that instruction. Other matching platforms have been engaged in the working group discussions.

Marcin opened a discussion to review opportunities to highlight benefits specific to local custodians. The benefits are strongly focused on asset manager engagement. An example provided was cross border engagement and cross market links (example of T2S).

Sharifa noted the two distinct business cases (1) Securities Monitoring Services “Tracker” (2) Overall market efficiencies which may be presented by utilization of UTI.

The standards allow you to instruct (since 2019), but acknowledged different levels of what is available and may need to be developed. Armin noted the cash payment workflows very linear right now.

Ton the UTI does present opportunity to make matching much more precise.

Robin complimented previous statements highlighting incremental benefits the further removed from the CSD. Near match logic is quite common within global custodian / custodian interaction. This would expedite the solutions between mismatch issues. The UTI may be an enabler to T+1 with quicker resolution to remediate matching exceptions. The volume of mismatch and unmatched conditions highlights data quality and completeness is still an issue within the community workflows. CSD published identifiers is dependent on the trade getting to the CSD, up front method helps resolve conditions prior to CSD workflow.

Stephan noted benefits if SWIFT demonstrated value to future services, including value to the overall ecosystem on having a single identifier. Stephan highlighted settlement quality on SSIs and omnibus account considerations as opportunities in solution. Charifa highlighted the UTI is part of a larger roadmap and discussed how foundational to other aspects.

Cost to adopt continues to be a consideration and may present a big investment for firms.

Simon highlighted the pilot program and workstreams. Initial focus on the institutional workflows, and not cleared workflows.

The group discussed next steps for SMPG.

- SWIFT is creating an Expert Group. Recommendation for SMPG representation of 1-2 experts within this working group. Robin will take away.
- Proposal to review the list of existing market practices to provide advice on impacts; this action item will be sequenced to follow the outcomes and discussion of the Expert Groups and following progression of overall UTI initiative
- SWIFT will share the updated UTI White Paper once the terms are finalized; tentative timeline is after SIBOS and by end of October

(2) Progress update of the UG migration to Mystandards & next steps – presented by guest from SWIFT Didier Hermans

Didier presented Usage Guidelines. The most recent document status is marked as final. Any prior versions have been marked as obsolete status. The obsolete documents are stored within the website, and available for historical audit trails. Didier demonstrated search functionality and organization of the documents.

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Didier also demonstrated tool to assess Message Version Comparison, which highlights the delta between prior versions. The user is able to compare the standards release to the prior version of the message. The usage guidelines history is available via this tool.

The group provided a broad appreciation for Didier's efforts.

Alexandre asked the group for recommendations on approach for future standard releases. The foundational work by Didier will likely be transitioned. Robin asked question around migration functionality between online and offline usability to provide options for others to assist with this initiative.

Marcin recommended we have a few individuals with this capability. Suzanne, Robin and Marcin offered to assist in this capacity.

Aundie highlighted that having individuals focused with this role, rather than market practice owner, would be a solution to the challenges with assigning owners to all active market practice documents. The market practice documents recommendation would fit solution, as group reviews MPs collectively.

Robin provided a recommendation on Standards release review in Spring Meeting to consider and produce something from SMPG in advance of SR2022. No objections from the group.

Action 21-19 Action item to finalize approach to determine how SMPG group will we handle the next migration.

(3) CSDR carry over topics – facilitated by Arnaud Jochems

(3a) AOB: MT537 cash penalties

Arnaud presented discussion on whether financial Instrument attributes (FIA) should be present in penalty message for PFOD "cash" instruction. The calculation is not required for this condition. Options:

1. FIA not provided when the calculation method is "CASH" as it's a pure cash options
2. FIA should always be provided, regardless if the ISIN is relevant or not

The group reviewed the options. Group was split between the two options. Stephan highlighted Option 2 is more consistent with existing workflows on the method. Message may be consumed under the assumption an ISIN is included within the message.

The rules for the message indicate the subsequence is optional. However, if the sequence is mentioned the ISIN is mandatory.

General observation the FIA is irrelevant to the specific condition, but justifiable as the activity is related to an original transaction.

(3b) AOB: pagination

Arnaud highlighted an opportunity to assess consistency in pagination. The specific focus was presented relevant to the MT537 cash penalties. For example, the repetition of FIA sequence becomes very heavy with the number of fields that require. Utilization of values including SEME and report identifier to be considered in documenting recommendation for what sections should be on each page.

Overall the group acknowledge and expect the MT537 market practice will need to be refined once CSDR is implemented February 2022, and through the dry run testing.

Arnaud presented idea for applications for voting/feedback gathering on solutions & options. Outlook voting does not appear to be intra company accessible. Two other options presented with Google Form & Survey Monkey. Aundie

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highlighted the ISITC use of survey monkey does present challenges, given the firms restrictions to access links. While not official, the group agreed on the benefits of structured approach to solicit preferences and feedback. A solution was not specifically identified at this point.

(3c) AOB: Field length and truncation

Ton shared the T2S Change Request regarding the overflow reporting (with amounts/quantity fields exceeding 14 digits). The purpose of the review was to consider impacts to other fields limited, the example earlier this week was the MT535 statement of holdings.

The guidelines presented highlight a provision of '99999999999999' if integer oversizing extended beyond limits. In case where decimal part occurs, the user is recommended to truncate. Ton did highlight the historical discussion also included another option, where you would not report a value. The rationale for this additional option was centered around the proposed values being incorrect and may present other risks to interpretation.

The group also discussed coexistence considerations where party or organization is translating between 20022 and 15022 standards. An example may be where T2S considered market compatibility restrictions as CSDs report back to client, and any CSD clients are recipients of 15022. There are compatibility restrictions.

The underlying condition, while maybe less frequent, is present in a number of messages and business workflows. The recommendation is to provide a market practice recommendation and options to consider, including:

- Change Request to extend field length
- Universal market practice for overflow in field values, which would apply to both 15022 and 20022
- Specific market practice language within existing MPs

Action 21-20 Arnaud volunteered to provide documented background summary and proposed solutions for further discussion in case of pagination, field length limitations, and reference to Financial Instrument Attributes (FIA) within penalty messages for "cash" method.

(4) Conclude meeting – Marcin Zawistowski & Aundie Jarvis

The group agreed to next meeting November 9th 2021 and December 14th 2021, meeting time 2PM–4PM CET

No other topics or questions raised for discussion.

Fall Forum week concluded.