INDUSTRY STEERING GROUP WEBINAR ON SRD II

Presentation of market standards for an effective and harmonised implementation

ORGANISED BY: **SRD II INDUSTRY STEERING GROUP &**

EBF European Banking Federation

SRD II INDUSTRY STEERING GROUP MEMBERS

OPENING REMARKS

BURÇAK INEL
Director of Financing Growth
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GENERAL OVERVIEW ON SRD II

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European Central Securities Depositories Association (ECSDA)

GENERAL OVERVIEW OF SRD2

Questions we want to answer:

1/ What is Shareholder Rights Directive 2 (SRD2)?

2/ Why do we need market standards for SRD2 implementation?

WHAT IS SRD2?

Shareholder Rights Directive 1 – Issued in 2007

- European Union Directive
- Covers shares (with voting rights) listed on a trading venue
- Sets out rules (for the issuer) on the organization of general meetings

Shareholder Rights Directive 2 – Issued in 2018

- Adds two new chapters to SRD1:
  - **Chapter on "Identification of shareholders, transmission of information and facilitation of shareholder rights" – focus of the webinar**
  - Chapter on "Transparency of institutional investors, asset managers and proxy advisors"

WHAT IS SRD2?

- Objectives of new SRD2 chapter:
  - Allowing issuers to identify who holds their shares
  - Ensuring that shareholders can exercise their rights
  - Improving the transmission of information along the custody chain

WHAT IS SRD2?

SRD2 – Level 1 – Directive

- Deadlines for transposition of the Directive into Member State Law : 10 June 2019 / 3 September 2020

SRD2 – Level 2 – Implementing Regulation

- Regulation "laying down minimum requirements" as regards the Chapter on "identification of shareholders, …. and the exercise of shareholder rights"

- Regulation contains detailed operational requirements, including
    - Obligations on intermediaries (including deadlines)
    - Eight tables setting out the information that needs to be included in electronic messages

- **Date of application of the Regulation : 3 September 2020**

WHY DO WE NEED MARKET STANDARDS?

- SRD2 regulates three core operational processes in the custody chain (from issuer to investor):

  (i) shareholder identification,
  (ii) general meetings, and
  (iii) corporate actions

WHY DO WE NEED MARKET STANDARDS?

- We need market standards:
  - To make the SRD2 operational processes work
  - To ensure that all parties in the custody chain have a common understanding of the SRD2 operational requirements (messages, fields, processes, etc)
  - To give answers to questions that are not covered in the Directive or the IR
  - To help market participants face the challenges of SRD2
  - To contribute to the development of pan-European operational processes

WHY DO WE NEED MARKET STANDARDS?

Key challenges of SRD2:

- SRD2 (Directive and IR) does not define who is the shareholder
- SRD2 gives member states options in how they transpose into member state law
- SRD2 allows for national differences in many areas, including in:
  - rules for the attribution of entitlements
  - rules for the exercise of rights (such as requirements for powers of attorney)

OTHER GENERAL REMARKS

Geographic relevance:

- Scope of securities: shares of issuers from the European Economic Area (EU + Iceland, Liechtenstein and Norway)

- Scope of obligations: Global / SRD2 rules have extra-territorial effect / they apply to third-country intermediaries holding in-scope securities

Sanctions:

- Subject to national provisions

STEERING GROUP ACTIVITIES & PRESENTATIONS OF THE WORK

EDWIN DE PAUW
Chair
SRD II ISG

SRD II Industry Steering Group

- **1st meeting on 9 January 2019** with representative of different market associations:
  - Markus Kaum, Frederico de Santos Martins, EuropeanIssuers
  - Andy Callow**,** Computershare
  - Anna Kulik**,** Nikolaj Munk**,** ECSDA
  - Jacques Littré, Mariangela Fumagalli, SWIFT / SMPG
  - Marcello Topa, EBF
  - John Siena, Alex Dockx, AGC
  - James Cunningham, T2S CASG
  - Co-chairs: Edwin De Pauw, Euroclear, Werner Frey, AFME

- **Purpose of the meeting**

  In view of the upcoming deadlines for SRD2 implementation, and of **the need for a common and consistent implementation by market participants**, the purpose of this meeting was to **determine a work plan for a private sector industry initiative in regard of operational issues** in the field of corporate actions, general meetings and shareholder identification as well as related issues of information messaging.

- **Conclusion and set up of taskforces**

  Based on the remaining gaps in regard of operational processing of corporate actions, general meetings and shareholder identification in consideration of the EPTF Report and SRD 2 / IR as well as related issues of information messaging, group decided to create 4 task forces:
  - Shareholder Identification (chair: Edwin De Pauw, ECSDA)
  - General Meetings (chair: Markus Kaum, European Issuers)
  - Golden operational record (chair Marcello Topa, EBF)
  - ISO message standards and market practices (chair: Jacques Littré, SMPG)

PART 1: MARKET STANDARDS FOR SHAREHOLDER IDENTIFICATION

(FINAL DRAFT subject to endorsement from market associations)

EDWIN DE PAUW
CHAIR
SRD II ISG

SHELBY BOSTICK
Product Development
Citibank

INTRODUCTION

Context

- The Shareholder Identificaton Market Standards ("SI Standards") have been developed in the context of SRD II and SRDII Implementing Regulation, aiming to encourage long-term shareholder engagement and to improve corporate governance in EU companies traded on EU regulated markets by enabling shareholders to exercise their voting rights and rights to information across borders.

Scope of application

- The SI Standards apply to shares of companies which have their registered office in a EEA Member State and the shares of which are admitted to trading on a regulated market situated or operating within a EEA Member State. The Member State may exempt some types of companies as specficied in the SRD.

Objective

- Harmonize and streamline Shareholder Identification related operational processes

Market best practice

- SI Standards set out best market practices to facilitate an efficient shareholder identification process.

Consistency with SRD II and transposition in national law

- Whilst they are consistent with the SRD II and SRD II IR, the SI Standards further detail the operational processes to achieve full harmonisation and streamlining of the SI process.
- SRD II is an EU directive that requires transposition in each EEA Member State's national law. Whilst implementing SI Standards, it is important that Issuers and Intermediaries ensure they also comply with SRD II requirements specified in EEA Member State's national law.

INTRODUCTION

Definition of shareholder

- The SRD I defines 'shareholder' as the natural or legal person that is recognised as a shareholder under the applicable law. Whilst the definition of shareholders has not been harmonised across EEA Member States as part of the SRD I and SRD II, the SI Standards have been developed with the objective of facilitating end investor disclosure.
- Where national law prevents adherence to the SI standards, we advocate changing national laws in order to SI standards compliance.
- We acknowledge that compliance with national law prevails and therefore that such markets will be non-compliant with the SI standards until national law has been amended.

Definitions

(1) '**issuer**' means a company which has its registered office in an EEA Member State and the shares of which are admitted to trading on a regulated market situated or operating within an EEA Member State or a third party nominated by such a company for the tasks set out in the SRD II Implementing Regulation (EU) 2018/1212;

(7) '**record date**' means the date set by the Issuer, on which the shareholder identity shall be determined, based on the settled positions struck in the books of the Issuer CSD or other Intermediary by book-entry at the close of its business;

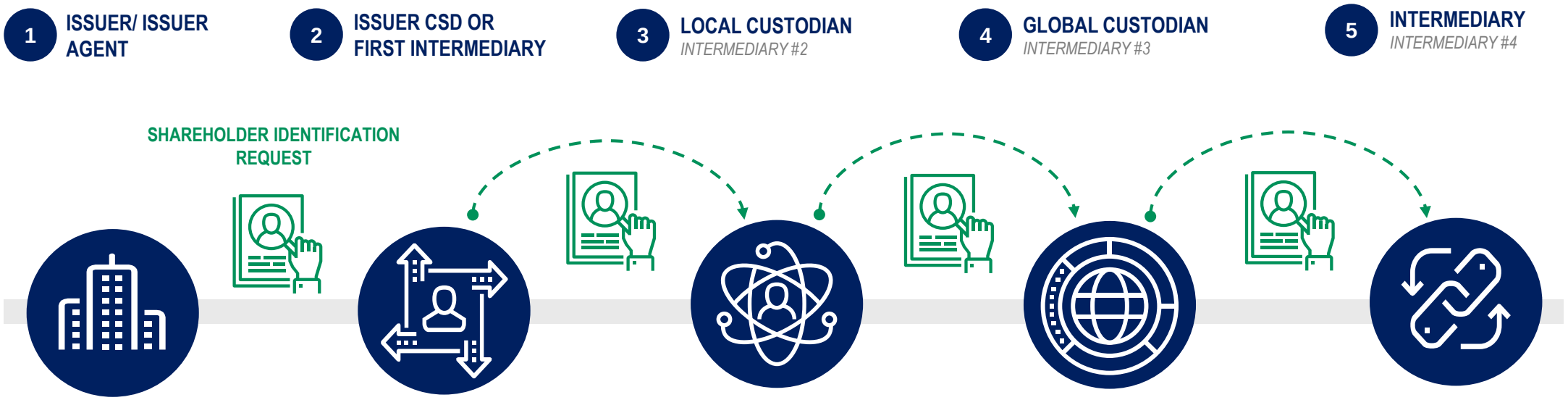
(8) '**date from which the shares have been held'**, unless otherwise specified, means the first date from which the shares have been continuously held by the shareholder according to the books of the responding intermediary;

(9) '**issuer deadline**' means the last day and time, as determined by the Issuer, to respond to the request to disclose shareholder identity by each Intermediary to the addressee defined in the request;

(17) '**third party provider**' means an independent party appointed by the Issuer or any Intermediary to provide services on their behalf;

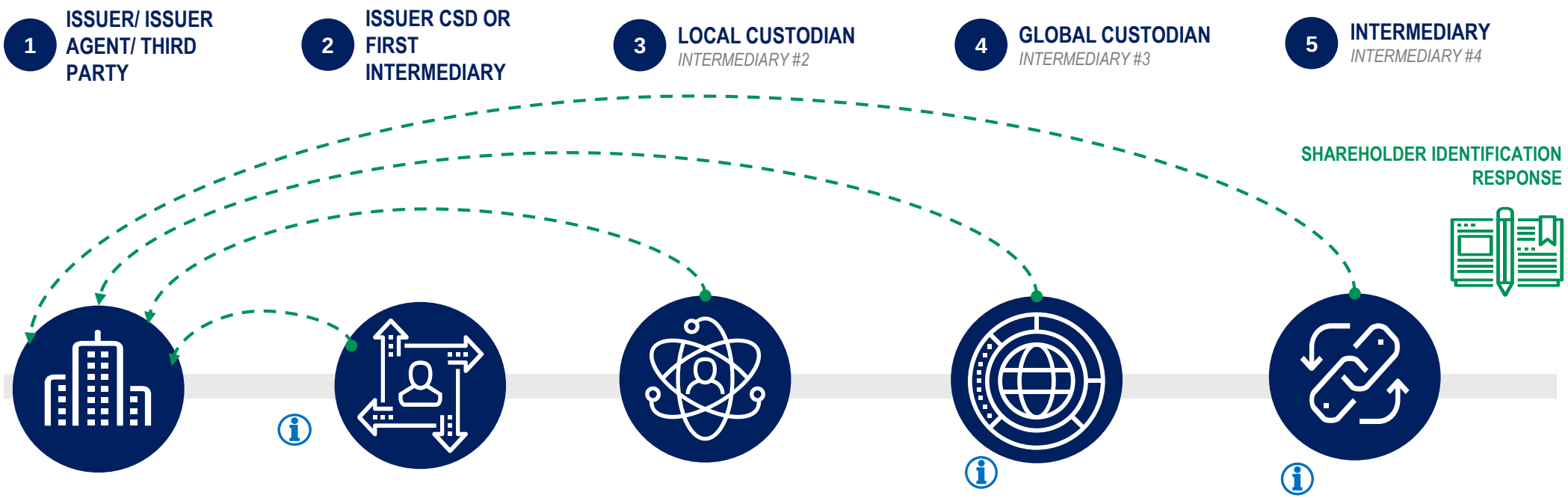
SHAREHOLDER IDENTIFICATION MESSAGE FLOWS (1/3)

1. Request to disclose information regarding shareholder identity (through the intermediary chain)



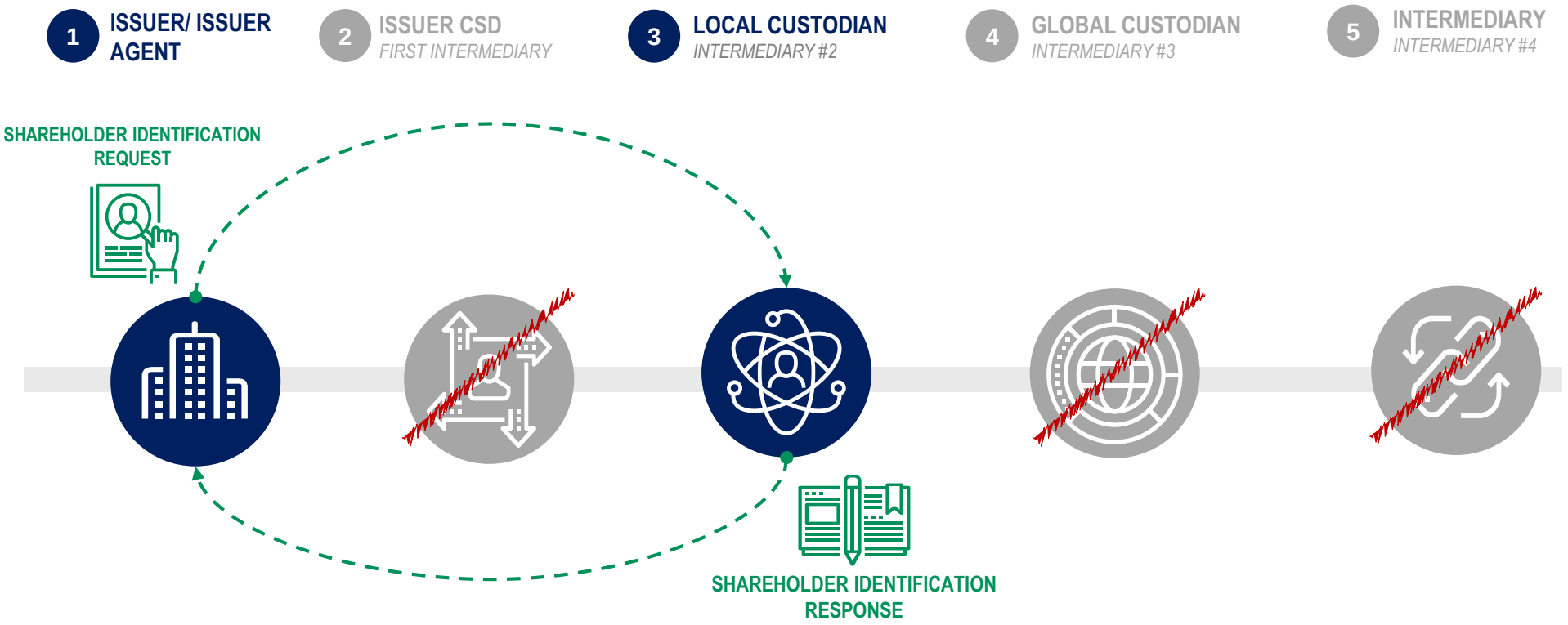
SHAREHOLDER IDENTIFICATION MESSAGE FLOWS (2/3)

2. Response to shareholder identification request (directly to the issuer/agent, not through the intermediary chain)



SHAREHOLDER IDENTIFICATION MESSAGE FLOWS (3/3)

3. Request and response to disclose shareholder identity (without going through the intermediary chain)



MARKET STANDARDS (1/2)

1) Request to disclose information regarding Shareholder identity (10 standards)

- ***Standard 1.8.***

  In case of past record date,

  a) The request to disclose shareholder identity made by an Issuer or Third Party nominated by the Issuer shall be transmitted by the (First) Intermediary, in accordance with the scope of the request **but irrespective of the 'threshold quantity limiting the request' or 'date from which the shares have been held', to the next Intermediary in the chain who had a holding on Record date in the Underlying Security**, **without delay and no later than by the close of the same business day as the receipt of the request**. Where the Intermediary receives the request after 16.00 during its business day, it shall transmit the information without delay and no later than by 10.00 of the next business day.

  b) The (First) Intermediary shall also communicate any update or cancellation of the SI Request to its Intermediaries, applying the same diligence.

  In case of future record date,

  a) The request to disclose shareholder identity made by an Issuer or Third Party nominated by the Issuer shall be transmitted by the (First) Intermediary, in accordance with the scope of the request **but irrespective of the 'threshold quantity limiting the request' or 'date from which the shares have been held', to the next Intermediary in the chain who has a holding or Pending Transaction in the Underlying Security**, **without delay and no later than by the close of the same business day as the receipt of the request**. Where the Intermediary receives the request after 16.00 during its business day, it shall transmit the information without delay and no later than by 10.00 of the next business day.

  b) The (First) Intermediary shall also communicate it, without delay, to any **not yet informed Intermediary who obtains a holding or is subject to a new Transaction on the Underlying Security after the SI Request until the Record Date**.

  c) The (First) Intermediary shall also communicate any update or cancellation of the SI Request to its Intermediaries, applying the same diligence.

MARKET STANDARDS (1/2)

2) Record date (2 standards)

- ***Standard 2.1.***

  The Record Date is the date set by the Issuer, on which the shareholder identity shall be determined, based on the settled positions struck in the books of the First Intermediary by book-entry at the close of its business. **The Record Date shall not be more than 12 months in the past or 30 calendar days in the future.**

- *Standard 2.2.*

  If the Issuer chooses a Record Date more than seven business days in the past or includes a 'Date from which the shares have been held', it will affect the straight through processing of the request and therefore, the (First) Intermediary's may not be able to respect the deadlines other than the Issuer Deadline (see also Standard 3.1 below).

3) Response to Shareholder Identification request (5 standards)

- ***Standard 3.1.***

  The response to the request to disclose shareholder identity shall be provided and transmitted by each Intermediary to the address defined in the request without delay and **no later than during the business day immediately following the record date or the date of receipt of the request by the responding Intermediary, whichever occurs later**.

  In addition, each Intermediary shall provide and transmit the response to the SI request by the Issuer Deadline**. The Issuer Deadline should be at least ten Business Days after the date of the SI request.**

  The deadline referred to in the first paragraph of Standard 3.1 shall not apply to responses to requests or those parts of requests, as applicable, which

  a) cannot be processed as machine-readable and straight-through processing; or

  b) are received by the Intermediary more than seven business days after the record date.

  In such cases, the response shall be provided and transmitted by the intermediary **without delay and in any event by the Issuer Deadline.**

ANNEX

Annex 1: Minimum information requirements

Annex 2: Questions & Answers

2.1 Threshold quantity limiting the request

2.2 Date from which the shares have been held

2.3 Usage of type of shareholding

2.4 Illustration of SI Request and SI Response for chain of shareholding

Annex 3: Members of the Shareholder Identification Task Force

QUESTIONS?

PART 2: GENERAL MEETINGS

MARKUS KAUM
Chair
General Meetings TF

MIKE COLLIER
Director GTB Product Management
Deutsche Bank AG London

GENERAL MEETING STANDARDS 2020

- First General Meeting Standards 2010; a voluntary effort by all market participant groups (issuers, investors, custodians, banks, clearing houses, CSDs, registrars) and endorsed by all market participant associations and linked to the Corporate Action Market Standards

- Voluntary implementation of GM standards failed

- 2017: SRD II

- 2018: Implementing Regulation 2018/1212 applicable from 3 September 2020 onwards

- Actualisation of Market Standards (GM and CA standards) and drafting of Shareholder Identification Standards and Golden Operational Record Standards

- All ready for endorsement by the associations

→ The basis is laid for implementation in daily practice

GENERAL MEETING STANDARDS 2020

1. Contents of GM standards

a) Process 1: Issuer Information: issuer to inform investor about general meeting in the chain of intermediaries

b) Process 2: Record Date and Entitlement: who is entitled to exercise shareholders rights and how has this to be evidenced by last intermediary ?

c) Process 3: Notice of Participation: empower the shareholder to particpate in a general meeting by providing the necessary evidence/paper work

d) New Process 4: Voting Receipt: confirmation of receipt of votes by recipient of votes to the party lodging the votes

e) New Process 5: Confirmation of votes Cast and Counted: Confirmation of issuer that votes of a shareholder have been cast and counted at a general meeting

GENERAL MEETING STANDARDS 2020

2. New Aspects

- Process 1: Issuers are now legally obliged to do this as GM standards have envisaged
- Process 2: Contents of Confirmation of Entitlement are now set by IR 2018/1212 as minimum standards but
  - Practical issues with current standardised messages: Swift message „confirmation of entitlement" is used only between intermediaries and not yet able to fulfil legal requirements
  - Workaround using „notification of participation" for the time being
- Process 3: Contents are now set by IR 2018/1212
- Process 4: New and based on IR 2018/1212
  - Meant to evidence compliance with contractual obligation by intermediary lodging the votes to the next intermediary/issuer/issuer agent
- Process 5: New, based on IR 2018/1212
  - Additional confirmation besides receipt of votes
  - GM standards: issuers may send two such confirmations: one to the person having lodged the votes, another one to the shareholder directly

GENERAL MEETING STANDARDS 2020

3. New Obligations / New Risks / New Chances

- SRD II / Level 2 IR 2018/1212: binding obligations of intermediaries have changed the „negotiation landscape" for talks between intermediaries and investors
- Opt out still possible for certain aspects but requires wish/consent of investors
- Opt out not possible for shareholder identification
- Rules are applicable to **all intermediaries**
  - even when based outside the European Union
  - if they provide services
  - to shareholders or other intermediaries with respect to shares of companies listed in the European Union on a regulated market
  - Indirect „nudging" by intermediaries based in the EU of their intermediary clients outside
- Compliance is necessary / Non compliance is not an option because
  - Supervisory authorities will review compliance and may enforce it by i.a. fines
  - Investors may assert non fulfilment of contractual duties
  - „Consumer" associations may initiate class actions
  - Issuers may also target non-compliant intermediaries
- Cost: Member state of issuer may decide on cost elements and reimbursement and only necessary cost using state of the art electronic messaging

PART 2: GENERAL MEETINGS

MIKE COLLIER
Director GTB Product Management
Deutsche Bank AG London

QUESTIONS?

PART 3: GOLDEN OPERATIONAL RECORD (GOR)

MARCELLO TOPA
Chair, **GOR TF**
Chair, **EBF Post-Trading WG**

ALESSIO MOTTOLA
Head of Asset Services
Monte Titoli S.p.A. London Stock Exchange Group

STRUCTURE OF GOR STANDARD TEMPLATES

- The Industry Task Force on Golden Operational Record (GOR-TF) analyzed the most relevant corporate action events (CAEV) in terms of volumes observed within the equity asset class.

- Outcome of the analysis: GOR-TF focused on **10 corporate action events** and defined the standard information contents to be provided in the event notification by an Issuer (or its agent) to the Issuer CSD, which is the First Intermediary in the holding chain.

CAEV	CA Event Name	Participation Type (Mandatory/ Voluntary)
DVCA	Cash Dividend	MAND, CHOS
DVOP	Dividend Option	CHOS
DRIP	Dividend Reinvestment	CHOS
TEND	Tender/Acquisition/Takeover/Purchase Offer	MAND, CHOS
BIDS	Repurchase Offer/Issuer Bid/Reverse Rights	VOLU
CHAN	Change of name	MAND
MRGR	Merger	MAND
EXRI	Rights Exercise	CHOS
EXWA	Warrant Exercise	CHOS, MAND
EXOF	Exchange	MAND

STRUCTURE OF GOR STANDARD TEMPLATES

- Business data elements in **ISO 20022 format**:
  - ✓ common data elements for all corporate action events on equity instrument
  - ✓ specific data elements for each CAEV considered

- **Required/conditional content**, indicating the degree of importance of the information in the handling of a corporate action event:
  - ✓ Required content: an information is 'required' when it is a mandatory field which shall be provided by the Issuer or Issuer CSD in order to consider an event notification as 'complete'
  - ✓ Conditional content: although it is not a compulsory element of the syntax of the event notification message, SRD II is encouraging and raising awarness among intermediaries to include as many conditional information as possible in order to provide accurate and complete information across the custody chain

- The **official source of information** is the Issuer/Issuer Agent or Issuer CSD

STRUCTURE OF GOR STANDARD TEMPLATES

- The following table represents the business data elements common to all corporate action events on equity instruments defined in the GOR:

Fields	ISO 20022 Name	ISO 20022 Tag	Required/ Conditional	Responsible (ISSUER/ AGENT or CSD)
General information				
Announcement type	NotificationType	<NtfctnTp>	R	Issuer/Agent
Creation date/time	CreationDateTime	<CreDtTm>	R	Issuer/Agent
Issuer reference	n/a	n/a	C	Issuer/Agent
ShareholderRightsDirectiveIndicator	ShareholderRightsDirectiveIndicator	<ShrhldrRghtsDrctvInd>	C	CSD
Status				
Completeness	EventCompletenessStatus	<EvtCmpltnsSts>	R	Issuer/Agent
Confirmation status	EventConfirmationStatus	<EvtConfSts>	R	Issuer/Agent
Previous notice				
Reference of preceeding announcement		<Id>	C	Issuer/Agent
Events Linkage		**<EvtsLkg>**		
Event reference	EventIdentification	<EvtId>	C	CSD
Linked Official Corporate Action Event COAF	LinkedOfficialCorporateActionEventIdentification	<LkdOffclCorpActnEvtId>	C	CSD
Linked Corporate action reference	LinkedCorporateActionIdentification	<LkdCorpActnId>	C	CSD
Linkage Type	LinkageType	<LkgTp>	C	CSD
Corporate Action General information		<CorpActnGnlInf>	C	CSD
Official corporate action reference COAF	OfficialCorporateActionEventIdentification	<OffclCorpActnEvtId>	C	CSD
Corporate Action Agent Details				
Issuer Agent	IssuerAgent	<IssrAgt>	C	Issuer/Agent
Paying Agent	PayingAgent	<PngAgt>	C	Issuer/Agent
Additional text	AdditionalText	<AddtlTxt>	C	Issuer/Agent

MANDATORY CASH DIVIDEND EVENT (DVCA)

Example of Standard Template for a mandatory cash dividend event

The event notification shall contain the business data elements represented in the table below, in addition to the data elements common to all events (previous slide).

Fields	ISO20022 Name	Default content	Required/ Conditional	Responsible (ISSUER/ ISSUER AGENT/ CSD)
Corporate Action General information				
Corporate action event type	EventType	**DVCA**	R	Issuer/Agent
Mandatory-Voluntary	MandatoryVoluntaryEventType	**MAND**	R	Issuer/Agent
Underlying Security	UnderlyingSecurity		R	Issuer/Agent
Corporate action details				
Announcement date	AnnouncementDate		R	Issuer/Agent
Ex dividend date	ExDividendDate		R	Issuer/Agent
Record date	RecordDate		R	Issuer/Agent
Website address for event details	URLAddress		C	Issuer/Agent
Corporate action options				
Option number	OptionNumber	**001**	R	Issuer/Agent
Option type	OptionType	**CASH**	R	Issuer/Agent
Default option indicator	DefaultOptionIndicator	**Y**	R	Issuer/Agent
Currency Option	CurrencyOption		R	Issuer/Agent
Cash Movement				
Credit/debit indicator (CRDT)	CreditDebitIndicator	**CRDT**	R	Issuer/Agent
Payment date	PaymentDate		R	Issuer/Agent
Gross dividend rate per unit	GrossDividendRate		R	Issuer/Agent
Withholding tax rate	WithholdingTaxRate		C	Issuer/Agent

QUESTIONS?

PART 4: MESSAGING STANDARDS

JACQUES LITTRE
Securities Standards Expert, **SWIFT**
SMPG General Secretary

MARIANGELA FUMAGALLI
Head of Asset Servicing
BNP Paribas

SRD II Industry Steering Group Webinar

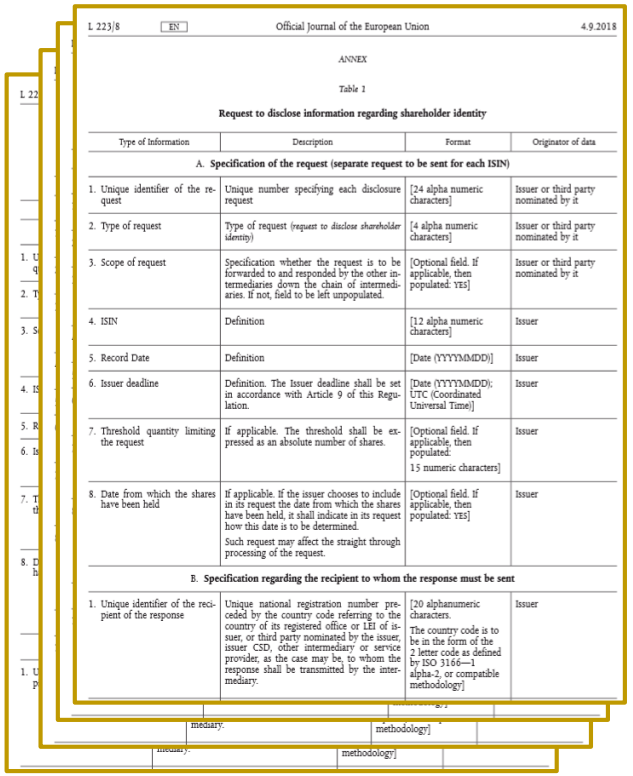
Part 4 – ISO Messaging Standards

Mariangela Fumagalli, Head of Asset Servicing Product, BNP Paribas
Jacques Littré, Securities Standards Expert, SWIFT & SMPG General Secretary

6 July 2020

Due Deliverables of the SRD II ISO Messaging Standards Task Force

Based on (EU) 2018/1212
SRD II Implementing Regulation
Minimum requirements tables 1 - 8



L 223/8 EN Official Journal of the European Union 4.9.2018

ANNEX

Table 1

Request to disclose information regarding shareholder identity

Type of Information	Description	Format	Originator of data
A. Specification of the request (separate request to be sent for each ISIN)			
1. Unique identifier of the request	Unique number specifying each disclosure request	[24 alpha numeric characters]	Issuer or third party nominated by it
2. Type of request	Type of request (*request to disclose shareholder identity*)	[4 alpha numeric characters]	Issuer or third party nominated by it
3. Scope of request	Specification whether the request is to be forwarded to and responded by the other intermediaries down the chain of intermediaries. If not, field to be left unpopulated.	[Optional field. If applicable, then populated: YES]	Issuer or third party nominated by it
4. ISIN	Definition	[12 alpha numeric characters]	Issuer
5. Record Date	Definition	[Date (YYYYMMDD)]	Issuer
6. Issuer deadline	Definition. The Issuer deadline shall be set in accordance with Article 9 of this Regulation.	[Date (YYYYMMDD); UTC (Coordinated Universal Time)]	Issuer
7. Threshold quantity limiting the request	If applicable. The threshold shall be expressed as an absolute number of shares.	[Optional field. If applicable, then populated: 15 numeric characters]	Issuer
8. Date from which the shares have been held	If applicable. If the issuer chooses to include in its request the date from which the shares have been held, it shall indicate in its request how this date is to be determined. Such request may affect the straight through processing of the request.	[Optional field. If applicable, then populated: YES]	Issuer
B. Specification regarding the recipient to whom the response must be sent			
1. Unique identifier of the recipient of the response	Unique national registration number preceded by the country code referring to the country of its registered office or LEI of issuer, or third party nominated by the issuer, issuer CSD, other intermediary or service provider, as the case may be, to whom the response shall be transmitted by the intermediary.	[20 alphanumeric characters. The country code is to be in the form of the 2 letter code as defined by ISO 3166—1 alpha-2, or compatible methodology]	Issuer

1

Internationally applied industry standards allows for Interoperability & STP such as ISO

Develop SRD II Fully Compliant ISO Messaging Solutions

2

Develop related Message Market Practices

Covering Business Processes for :

- **Shareholder Identification Disclosure**
- **General Meeting & Exercise of Shareholder Rights / Voting**
- **Corporate Action Events Notification**

ISO Messaging Solutions

SRDII Business Processes

ISO Solutions

SID - Shareholder Identity Disclosure

New

- No existing ISO 15022 / MT Solution
- Design **New ISO 20022 solution**

~~MT~~

MX

GM - General Meeting

Update

- ISO 15022 MT56X Not Compliant
- **Update** Existing ISO 20022 "Proxy Voting" Solution

~~MT~~

MX

CA - Notification of Corporate Events

No Change

- Existing ISO 15022 / MT and
- ISO20022 Solution

Both Fully SRDII Compliant

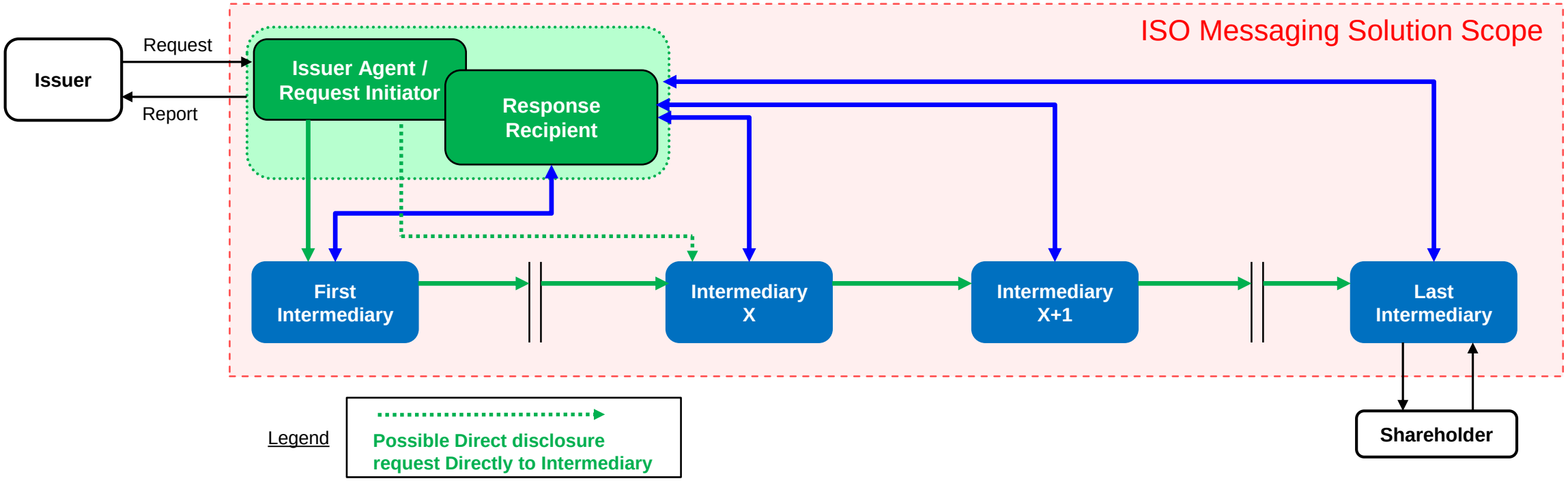
MT

MX

Shareholder Identification Disclosure ISO 20022 Messaging Solution

Shareholders Identification Disclosure - 5 New ISO 20022 Messages

Identification Disclosure Request and Cancellation	Identifier	SRDII IR Minimum Requirements
Shareholder Identification Disclosure Request	seev.045.001.02	SRD II IR Article 3 Table 1
Shareholder Identification Disclosure Request Cancellation Advice	seev.046.001.01	
Identification Disclosure Response, Status and Response Cancellation	**Identifier**	**SRDII IR Minimum Requirements**
Shareholder Identification Disclosure Response	seev.047.001.01	SRD II IR Article 3 Table 2
Shareholder Identification Disclosure Response Cancellation Advice	seev.048.001.01	
Shareholder Identification Disclosure Response Status Advice	seev.049.001.01	



General Meeting
ISO 20022 Messaging Solution

General Meeting – 8 Updated (Proxy Voting) ISO 20022 Messages

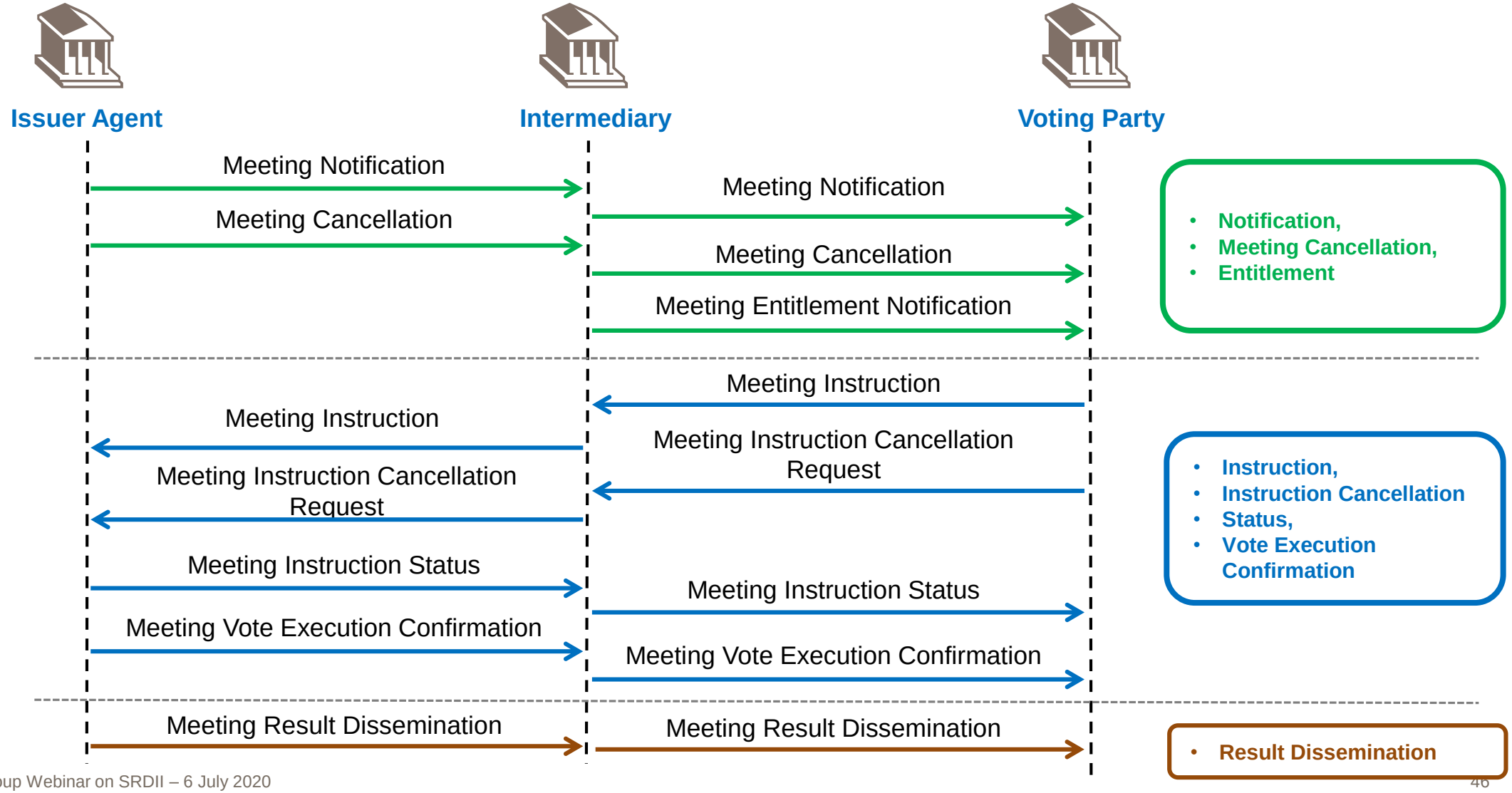
32 Change Requests submitted to ISO for new Version

Meeting Notification and Entitlements	Identifier	SRDII IR Minimum Requirements
Meeting Notification	seev.001.001.07	SRD II IR Article 4 Table 3 – Meeting Notice
Meeting Cancellation	seev.002.001.06	
Meeting Entitlement Notification	seev.003.001.06	SRD II IR Article 5 Table 4 – Confirmation of Entitlement

Meeting Instruction, Status, Vote Execution Conf.	Identifier	SRDII IR Minimum Requirements
Meeting Instruction	seev.004.001.06	SRD II IR Article 6 Table 5 – Notice of Participation
Meeting Instruction Cancellation Request	seev.005.001.06	
Meeting Instruction Status	seev.006.001.06	SRD II IR Article 7 Table 6 – Voting Receipt
Meeting Vote Execution Confirmation	seev.007.001.06	SRD II IR Article 7 Table 7 – Confirmation of the recording and counting of votes

Meeting Results Dissemination	Identifier	SRDII IR Minimum Requirements
Meeting Result Dissemination	seev.008.001.06	No impact

General Meeting Messages – Message Flow Overview Through Custody Chain



Notification of Corporate Action Event ISO Messaging Solution

Notification of Corporate Action Events

ISO 15022 Messaging Solution - SRDII Compliant

ISO 15022 / FIN / MT Messaging Solution	Identifier	SRDII IR Minimum Requirements
Corporate Action Notification and Cancellation	MT 564 (SR2019)	SRD II IR Table 8 – Notification of Corporate Events

ISO 20022 Messaging Solution - SRDII Compliant

	Identifier	SRDII IR Minimum Requirements
Corporate Action Notification	seev.031.001.09 (SR 2019)	SRD II IR Table 8 – Notification of Corporate Events
Corporate Action Cancellation Advice	seev.039.001.09 (SR 2019)	

SRD II ISO Messaging Solution - Market Practices

ISO 20022 Messaging Solution Market Practices Published by SMPG on SMPG Web site (www.smpg.info)

SID

Shareholder Identification Disclosure Messages - Global Market Practice

Final - Version 1.0 – 20 March 2020

GM

General Meeting Messages – Global Market Practice

Final Version 1.0 – 6 July 2020

CA

Corporate Action Messages SRD II Global Market Practice

Version 1.0 – 19 May 2020

Messaging Solutions Deployment on SWIFT

New SWIFT **FINplus Service** for SRD II ISO 20022 Messaging Solution

- Covers 8 GM + 5 SID + 1 CSDR message
- Single many-to-many InterAct Store & Forward service
  - Registration free of charge
  - Message Release on a yearly basis (the "FIN way"):
- Mandatory use of RMA (Relationship Management Application)
  - allows customers to control business traffic with counterparties
- **Deployment Timeline**
  - Pilot Testing: as of **16 March 2020**
  - RMA exchange for Live/production operation: as of **May 2020**
  - Registration for FINplus Live/production: as of **24 July 2020**
  - FINplus LIVE / production: **16 August 2020**
  - SRD II IR Deadline: **3 September 2020**

Useful Links for Messaging Solutions on SWIFT

Web links to SWIFT Resources, Documentation and Tools 1/2

- **General Information**
  - https://www.swift.com/our-solutions/global-financial-messaging/shareholder-rights-directive-ii-srd-ii_
  - https://www.swift.com/our-solutions/global-financial-messaging/shareholder-rights-directive-ii-srd-ii_/interact-service

- **Information about FINplus (need a swift.com account):**
  - FINplus service description: https://www2.swift.com/knowledgecentre/products/FINplus
  - Frequently Asked Questions about SRD II in FINplus
    - https://www2.swift.com/knowledgecentre/publications/stdsmx_faq_shahldr_rght_dir_ii_on_finp/1.0
  - SRD II impact on Alliance products - Frequently Asked Questions
    - https://www2.swift.com/kb/#/tip/5023783
  - Knowledge base tip for FINplus subscription:
    - https://www2.swift.com/kb/#/tip/5023958
  - E-order form to FINplus service:
    - https://www.swift.com/myswift/ordering/order-products-services/finplus-interact-many-to-many-service#topic-tabs-menu

Web links to SWIFT Resources, Documentation and Tools 2/2

- **Specifications in MyStandards (need a swift.com account)**
  - SRD II messages, viewed as a group:
    - https://www2.swift.com/mystandards/#/group/SWIFT/FINplus_For_Securities
  - The same SRD II messages, viewed as part of the "seev" securities events types:
    - https://www2.swift.com/mystandards/#/ISO20022?businessDomain=Securities
- **Message instance testing with MyStandards Readiness Portal (need a swift.com account)**
  - https://www2.swift.com/mystandards/#/c/finplus/securities
- **MX - Business Application Header - Message Definition Reports and Schemas**
  - https://www2.swift.com/knowledgecentre/publications/stdsmx_tech_mdrs/2.0
- **MX - General Meetings - Message Definition Reports and Schemas**
  - https://www2.swift.com/knowledgecentre/publications/stdsmx_gen_mtg_mdrs/1.0
- **MX - Shareholder Identification Disclosure - Message Definition Reports and Schemas**
  - https://www2.swift.com/knowledgecentre/publications/stdsmx_shldr_idfi_disclr_mdrs/1.0

Thank You

Questions

Addressing DN format convention for FINplus

Production BIC[1] in FIN

PPPP	CC	PP	BBB
Prefix	Country	Suffix	Branch
Identifies an entity			a unit

to

Distinguish Names[2] in SWIFTNet FINplus

Distinguish names for production traffic will be derived from the registered BIC11 as follows:

- Always level 3 DN:

  ou=<live branch>,o=<live bic8>,o=swift

  3 2 1

- A valid DN would be:
  - ou=bbb,o=ppppccpp,o=swift

Important note: this convention only applies to FINplus services. Existing SWIFTNet naming and addressing guidelines remain unchanged for all other SWIFTNet services

[1] Sender/receiver BIC used in block 1 and 2
[2] Requestor/Responder DN used in SWIFTNet technical header (RequestHeader block)

QUESTIONS?

CONCLUDING REMARKS AND NEXT STEPS

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WEBPAGE
PLACEHOLDER