

ID	TOPIC	QUESTION	ANSWER	SCORE UPDATE NEEDED?
1	Standard 1	<p>1. Re "meetings"</p> <p>Standards 1F requires messages to be sent to "Collateral Giver and/or Collateral Taker where relevant"; Standard 1H requires messages to be sent to "Collateral Giver and Collateral Taker where appropriate"; Also sections 3.4.6 and 3.4.8 in relation to the above flows show that messages require to go to both Collateral Giver and Collateral Taker;</p> <p>Standard 1G requires messages to be received/sent from/to Collateral Giver only.</p> <p>Also page 63 says "In all cases, the information is remitted to the party holding the right to vote. While this is typically the Collateral Giver in a collateral transaction, it should be noted that in some European markets the issuer would not consider the collateral giver to be the legal owner of the securities once they have been posted as collateral and thus the Collateral Giver would not be the entitled party in such instances."</p> <p>Could we please clarify the flows regarding the meeting events? The standard should be clear and consistent (e.g. standard 1 <-> section 3.4.6?) and the words such as "and/or" or "where relevant" should be avoided. The best would be to have a list of markets with a clear mention between CT and CG who is the legal owner, who should receive the events announcements, who should instruct and who should receive any reporting resulting from the instruction process.</p> <p>The same clarification exercise should be in my view also done for non-meeting events.</p>	<p>Standard 1 : The CT should always receive the announcement.</p> <p>("Where relevant" was included during the Standard definition phase to cater for any potential legal barrier that may exist in a specific market. No legal barriers have subsequently been identified in the NSG Adaptation Plans. This qualification could therefore be removed once all Adaptation Plans have been submitted.)</p>	Yes (remove "where relevant")
2	Standard 10	<p>2. Standard 10 "Blocking of securities":</p> <ul style="list-style-type: none"> • Could you please confirm the blocking can also be applied to the events without RD? • On which account the blocking should take place? On the account of Collateral Taker or Collateral Giver? Normally the blocking is done on the account of the Instructed Party being the Entitled Party. 	<p>Standard 10 "Blocking of securities" with and without RD.</p> <p>Blocking can also be applied to the events without RD.</p> <p>Blocking can only occur on positions in the CT account, irrespective of the instructing party</p>	Yes (description to be enhanced to include additional information)
3	Standard 1	<p>3. Standard 1B: Report "Corporate Action Instructions Statement Report" (CAST seev.042): As this report is optional, our understanding is that the (I)CSD is not forced to implement this report. Please confirm.</p>	<p>Standard 1B: Report "Corporate Action Instructions Statement Report" (CAST seev.042): As this report is optional, the (I)CSD is not obliged to implement this report.</p>	No
4	Standard 1	<p>4. Standard 1C/D/E: Our understanding of Standards 1C (Advice), 1D (Confirmation) and 1E (Reversals) is that the intention is for movement level messages, but with option level information within the message, not option level messages. Otherwise, the standard will be in conflict with CSDR requirements. Please confirm.</p>	<p>Options in messages:</p> <p>Messages shall be sent for each option elected. Agreed to include text in italics on page 52 to clarify "In the case of split elections between options, a separate Movement Confirmation message will be sent for each elected option. <i>Whenever a given elected option results in several movements paid at different time, a separate Movement Confirmation message will be sent for each resulting movement.</i>"</p>	Yes (description on page 52 will be updated to include text in italics)
5	Standard 1	<p>5. Standards 1F/G/H Meeting events: why do ECMS messages appear to be based on old ISO20022 versions and whether there is a plan to uplift them, or whether the later versions in MyStandards already have ECMS standards "built in"?</p>	<p>Versions of ISO20022: The latest version which take into account updates in the context of SRDII will be used (the latest version available is V07 for seev.001 and V06 for seev.002 to seev.008). The SCoRE will be updated to always refer to the latest version.</p>	Yes (variant and version number to be added)
6	Standard 5	<p>6. Standard 5 "Negative cash flows" : Has SMPG TF validated standard 5 and defined the related market practice?</p>	<p>Standard 5 "Negative cash flows" has been developed with the involvement of market participants. The SMPG TF did not indicate the development of a market practice as a dedicated CA event was not deemed necessary.</p>	No
7	Standard 10	<p>7. Standard 10 "Blocking of securities": Has SMPG TF validated standard 10 and defined the related market practice?</p>	<p>Timeline market practice blocking of securities: According to SMPG, the introduction of the blocking indicator would have the following timeline :</p> <ul style="list-style-type: none"> -- Submission of ISO CR by June 2020 -- Approval of CR in Q3 2020 -- Publication of details of SR2021 changes in Q4 2020 -- Change available in production in November 2021 	Yes (blocking indicator will be included in the Rulebook)
8	Standard 15	<p>8. General question on CA messages: All CSDs received the ECMS CA messages ISO20022 for review. As the CMH CA standards trigger only few updates to the existing ISO20022 messages (negative cash flows and blocking rules), we did not expect to be requested to do a full review of ECMS CA messages. To ease the review, could you please indicate what exactly the ECMS CA messages specifics compared to the standard CA messages ISO20022?</p>	<p>A single set of messages for central banks and market participants. As stated in the CA standards, the AMI-SeCo Standards are "a single rulebook based on common business processes, workflows and ISO 20022 messaging for asset servicing and collateral management with central banks and/or with commercial banks."</p> <p>ECMS shall communicate with CSDs and TPAs via ISO 20022 messaging defined in the AMI-SeCo Standards. The message updated triggered by CMH is limited to implementation of blocking rules (Standard 10).</p>	No
9	Standard 1H	<p>Standard 1H "Meeting Event Results" was accidentally omitted from p.20 of the December 2019 version -> to be added</p>	<p>Typo</p> <p>1H will be reincluded as per July 2019 version approved by AMI-SeCo</p>	Yes (1H to be added back to pg.20)
10	Standard 2	<p>Standard 2 "Provision of data necessary for calculating proceeds": The description of this standard says "The account servicer must include harmonised entitlement calculation formulae based on a common set of data elements." We understand that the CA notification should not report a formula but necessary data elements required to calculate the entitlement. If this is correct, the description of the standard should be updated accordingly.</p>	<p>Data elements necessary for calculation of entitlement</p> <p>Correct. The CA notification should not report a formula but rather the necessary data elements per CAEV/CAOP which are required to calculate the entitlement</p>	Yes (description to be updated to provide further clarity)
11	Standard 3	<p>Standard 3 "Consistency of information provided by Issuer (I)CSDs, Investor (I)CSDs and Custodians": which approach Investor CSD should take if the Issuer CSD is not compliant with one of the SCoRE standard? E.g. no blocking indicator is reported or applied? Event is not supported by Issuer CSD but supported by the market? Should Investor CSD follow non-compliance process and reporting of the Issuer CSD or can apply a process and reporting in line with standards?</p>	<p>Investor CSD procedure in case of non-compliance by Issuer CSD</p> <p>[to be discussed in EG particularly in the case of the blocking indicator. For the event itself the event type announced by the Issuer CSD should be followed which is also why there is a large focus in the Rulebook on correct and consistent usage of event types]</p>	No TBC
13	Standard 6	<p>Standard 6: Business day rule</p>	<p>Additional Guidance - S6</p> <p>Guidance note being finalised</p>	Yes. Relevant aspects of final guidance to be reflected in Rulebook
14	Standard 8	<p>Standard 8: Payment time</p>	<p>Additional Guidance - S8</p> <p>Guidance note being finalised</p>	Yes. Relevant aspects of final guidance to be reflected in Rulebook
15	Tax Related Events (CERT, TREC and WTRC)	<p>"The three tax-related events (CERT, TREC and WTRC) will also be further analysed as part of harmonisation activities related to taxation processes": could you please advise when the analysis is planned to be started and targeted for completion?</p>	<p>Tax Related Events (CERT, TREC and WTRC)</p> <p>TREC and WTRC are considered tax events, so will be discussed within Tax Expert Group as part of its current work. For CERT, the rulebook already provides guidance on CERT events related to TEFRA D certifications.</p>	Yes (once tax harmonisation proposals are available)
16	Standard 1E	<p>Standard 1E "Corporate Action reversal": this standard does not cover the repayment as part of the reversal process. The section 5, as regards to TPA model, only refers to the reversal flows to be reported via CAPA and CARE messages to CG. How the repayment should be notified and confirmed to CG? Via CAPA and CACO? Should those messages include a link to the previous messages?</p>	<p>Reversal - linkage to previous messages</p> <p>The CAPA should include a reference to the original "Corporate Action Movement Confirmation" which is subject to reversal. The CAPA and CARE are used respectively to notify and confirm the reversal.</p>	Yes. Rulebook can be updated to clarify this aspect where needed
17	Standard 14	<p>Standard 14 "Processing of foreign currency payments": The corporate action on the debt instrument can result in a distribution of the ISIN which is a) not a debt instrument (eg equities) or b) not a debt instrument issued by one of the EU CSDs (eg US).</p> <p>There is currently no SCoRE standard describing the process of handling such securities not from CSD point of view neither from ECMS point of view.</p> <p>Does it mean that each CSD can keep its current process as today?</p> <p>(NEW) Standard 10 "Blocking of securities": the SMPG CR is ready for country voting end of October and suggests various codes. Should not the standards recommend which codes to be used for which event combination? What Investor CSD should do if the Issuer CSD is not reporting the blocking indicator for an event defined as subject to blocking in the standards? Should the blocking be applied or not?</p> <p>The Blocking indicator is foreseen to be used for seev.031 and for seev.036, whether our understanding is that this indicator should be rather used in seev.031 and in see.035.</p> <p>The codes that are suggested to be used by SMPG are as below:</p> <p>RDDT Blocking Till Response Deadline Blocking occurs until and inclusive of the account servicer deadline for the option. RDTE Blocking Till Record Date Blocking occurs until and inclusive of the record date of the event. MEET Blocking Till Meeting Date Blocking occurs until and inclusive of the meeting date. MKDT Blocking Till Market Deadline Blocking occurs until and inclusive of the market deadline of the option. NARR Narrative Unblocking Date See narrative field for the date until when the securities are blocked. PAYD Blocking Till Payment Date Unblocking will occur on payment date of the option. PWAL Blocking Till End of Election Period Blocking occurs until and inclusive of the end of the election period of the option. UKWN Unblocking Date Unknown Unblocking date is unknown. Blocking of securities can occur until further notice.</p> <p>Do we know which code should be applied to which event?</p>	<p>Foreign currency payments in securities</p> <p>Scenario a) is referring to CONVERTIBLE CA events whereby a security (e.g. bond) is converted into another form of security (e.g. equity). The CONV CA event will be reflected in the update of the Rulebook when focusing on events deemed relevant also to equities.</p> <p>Concerning scenario B, we have investigated in the Asset Servicing EG the volumes of these events and those are deemed not to be sufficient to be part of the rulebook i.e. very rare exceptions.</p>	Yes. (For Scenario a) related to equities)
18	Standard 10	<p>The Blocking indicator is foreseen to be used for seev.031 and for seev.036, whether our understanding is that this indicator should be rather used in seev.031 and in see.035.</p> <p>The codes that are suggested to be used by SMPG are as below:</p> <p>RDDT Blocking Till Response Deadline Blocking occurs until and inclusive of the account servicer deadline for the option. RDTE Blocking Till Record Date Blocking occurs until and inclusive of the record date of the event. MEET Blocking Till Meeting Date Blocking occurs until and inclusive of the meeting date. MKDT Blocking Till Market Deadline Blocking occurs until and inclusive of the market deadline of the option. NARR Narrative Unblocking Date See narrative field for the date until when the securities are blocked. PAYD Blocking Till Payment Date Unblocking will occur on payment date of the option. PWAL Blocking Till End of Election Period Blocking occurs until and inclusive of the end of the election period of the option. UKWN Unblocking Date Unknown Unblocking date is unknown. Blocking of securities can occur until further notice.</p> <p>Do we know which code should be applied to which event?</p>	<p>Blocking codes to be used per event</p> <p>The exact code to be used will depend on the details of the event concerned. The following general guidance can be provided:</p> <p>NARR should not be used in order to facilitate straight through processing by intermediaries</p> <p>MEET should only be used for BMET, CMET, MEET, OMET and XMET events</p> <p>UKWN should only be used in preliminary notifications</p>	Yes. Description in Rulebook to be updated to provide additional details

19	Standard 5	<p>What would be the payment deadlines for negative cashflows? What would be the CSD liability in case if no debit can be executed on the client's account on time or at all due to insufficient funds? Which cash messages should be used to support those flows PACS.009 and CAMT.054 as for "positive" payments? Could the flows be added to the standards? Should TPA debit first CT and then CG?</p>	<p>Negative cash flow - payment deadlines, CSD liability and message flows The same payment deadlines as for positive cash flows should apply i.e. as per Standard 6 guidance.</p> <p>The process in CSDs is to generate a settlement instruction debiting the client and crediting the issuer paying agent. If the client does not have the funds, the settlement instruction will recycle. CSD should not be held liable as the CSD generated the instruction per documented process. The movement will be generated with intended settlement on the payment date of the event. As per standard process in CSDs, the movement are generated "on hold" and the paying agent must give the "green light" once he has reconciled the amount with the expected payment.</p> <p>Regarding the cash messages that settle in T2S, regular cash messages are generated per T2S as other settlement instructions.</p>	
20	Standard 1H	<p>Page 55 says "In all cases, the information is remitted to the party holding the right to vote. While this is typically the collateral giver in a collateral transaction, it should be noted that in some European markets the issuer would not consider the collateral giver to be the legal owner of the securities once they have been posted as collateral, meaning that the collateral giver would not be the entitled party in such instances." As per our knowledge, in the TPA model via a pledge, the voting instructions should be always sent by Collateral Giver. Could you please clarify, in which countries it can be different?</p>	<p>The Triparty Collateral Management Expert Group confirms that the TPA should debit the Collateral Taker. TPA's have a compensation mechanism in place to transfer the proceeds from the Collateral Giver to the Collateral Taker.</p> <p>Potential legal restrictions on voting by CG The sentence was added to reflect a comment by some members during the formulation of the Standards. As per the Adaptation Plans received, we have not identified any countries in which this handling is different.</p>	<p>Yes. Description in Rulebook to be updated to provide additional details</p>
21	Standard 1F, 1G and 1H	<p>For TPA model, we understand that the SCoRE standards require to send MENO, MECN, MENT, MERD (+ CACO) to both CT & CG, while MEIN, MEIS, MEIC and MECO should be sent/received only to/from CG. Could you please confirm this is correct?</p>	<p>Involvement of CT in meeting instruction process in triparty transactions The discussion with TPAs concluded that both parties should be informed / notified but instructions could take place directly between the CG and TPA since the CT will have contractually agreed to allow the CT to instruct on allocated collateral. The CT will be informed of the outcome of these discussions through the relevant notification information.</p>	<p>No</p>
22	Standard 4	<p>Standard 4 "Rounding rule": This standard says that "When calculating cash payment amounts or securities movement amounts relating to a specific securities account, the ratio applicable to the entire issue should be applied to the total holding in the parent ISIN on the securities account. The ratio specified by the issuer CSD in the event notification should be passed on in its entirety in the event notification sent by all account servicers and custodians in the custody chain. There should be no rounding up, or rounding down, or truncation, of the ratio." What would be the maximum number of decimals? Will all AMI SeCo market players will be able to support such number? Will the Agents have to systematically notify the calculated ratio for the fixed interest notes? Instead of unlimited number of decimals, we recommend to have a defined number of decimals in the ratio – 6 decimals - to ensure a consistency of calculated ratio across all entities in the payment flows. The use of 6 decimals is sufficient to avoid discrepancies in entitled amount and to avoid significant systems adaptations for market players to cover rather exceptional cases (as per some simulations, the use of 6 decimals i/o 12 decimals can result in a different entitled amount, however the outstanding amount should be several billions to get the discrepancy of 30 EUR).</p>	<p>Maximum number of decimals Information on the max. no. of decimals to be handled could be added. A proposal to have a defined number of decimals (e.g. 6) was already discussed as part of the formulation of the Standards but was not accepted. The proposal to pass on the no. of decimals notified by the Issuer CSD was the agreed proposal and needs to be supported by AMI-SeCo market players.</p>	<p>Yes</p>
23	Standard 1A	<p>Seev.031 (p. 44): it is mandatory for all Asset Servicers to transmit the unconfirmed CA notifications (ie with UNCO) or can it be dependent on the Asset Servicers' service level?</p>	<p>Unconfirmed CA Notifications All Account Servicers are obliged to pass on the information received from the Issuer CSD. This includes unconfirmed CA notifications. It remains at the discretion of the Issuer CSD however as to whether it wishes to announce unconfirmed events.</p>	<p>No</p>
24	Standard 1B	<p>Seev.034 (p.49): it is mandatory for all Asset Servicers to generate the Instruction Status Advice for default options even if not instructed by the account owners or can it be dependent on the Asset Servicers' service level?</p>	<p>Status Advice for Default Options All Account Servicers must be able to generate the Instruction Status Advice for default options as standard behaviour. If requested, Account Owners may opt not to receive this notification.</p>	<p>No</p>
25	Standard 10	<p>Regarding the Standard 10 from the Harmonisation Report, it is defined: "For all mandatory with choice and voluntary CA events involving a debit of securities, the issuer CSD and all relevant intermediaries must ensure that the elected security position is subject to blocking." Should this behaviour not be extended to mandatory events such as REDM, for which a debit security movement is carried out?</p>	<p>Solicited blocking vs. unsolicited blocking Standard 10 focuses on solicited blocking i.e. blocking following the receipt of a corporate action instruction. For mandatory events the blocking is unsolicited and should be performed by the CSD and relevant intermediaries at close of business of the day preceding the PD, which coincides in most instances with the record date according to Corporate Actions standards, for securities which are subject to redemption.</p>	<p>Yes. Rulebook to be updated to reflect this principle</p>
26	Standard 3	<p>What CA events should have a record date on a mandatory basis? For SMPG, record date is not mandatory for BIDS, CAPI,CHAN,CLSA,CONS,DRAW,DSCL,DTCH, EXOF,TEND, Only mandatory for INTR,LIQU,MCAL,PARI,PCAL,PINK,PRED,REDM,RHDI,WRTH</p>	<p>Record date events For mandatory events with an outturn (i.e. involving a cash and/or security movement) the record date is used to determine the entitled party. Accordingly the record date should be present in the following corporate action event and corporate action participation</p> <ol style="list-style-type: none"> 1. CHAN – MAND (SECU) 2. EXOF – MAND 3. EXTM – MAND (SECU) 4. INTR – MAND 5. LIQU – MAND 6. MCAL – MAND 7. PARI – MAND 8. PCAL – MAND 9. PINK – MAND 10. PLAC – MAND (SECU) 11. PRED – MAND 12. REDM – MAND 13. REDO – MAND (SECU) 14. RHDI – MAND 15. TEND – MAND 16. WRTH – MAND <p>Note: In the case of DRAW – MAND, the lottery date (defined as the date/time on which the lottery is run and applied to the holder's positions) acts as a proxy for the record date. Hence the record date is not mandatory in drawing events (DRAW).</p> <p>For elective events (i.e. mandatory with choice and voluntary events) the entitled party is determined on the basis of the instructions accepted.</p>	<p>Yes. Rulebook to be updated to reflect this principle</p>