

19 April 2017

**Corporate Actions Joint Working Group**  
**Meeting of 6 April 2017, 10:30 – 16:00,**  
**hosted by AFME, Canary Wharf,, London**  
**Minutes**

**Participants**

Edwin De Pauw, Euroclear  
Markus Kaum, EuropeanIssuers / Munich Re (by phone)  
Ben van der Velpen, ING  
Anne Mairesse, LCH.Clearnet  
Christine Strandberg, SEB  
Pierre Colladon, Société Générale  
Paola Deantoni, Société Générale  
Florentin Soliva, SIX SIS  
Jean Littre, SWIFT

Chair: Werner Frey, AFME

**Agenda**

1. Welcome, minutes of meeting of 18 November 2015
2. Information:
  - E-MIG Workshop of 17 November 2016 in Madrid
  - Amended Shareholder Rights Directive
  - EPTF Report
3. Issues for deliberation
  - Standards that require uniform interpretation
  - Issue re. guaranteed participation date
  - Harmonisation of processes re. fiscal treatment of market claims
4. AOB
  - Buyer protection in France
  - Implementation of Record Date in Germany
  - New Chair of CAJWG
5. Way forward / next steps

## Results / conclusions

### ad 1: Welcome, minutes of meeting of 18 November 2015

- The minutes of the 18 November 2015 meeting were approved.
- Pending items:
  - Issue of mandatory use of custody chain when processing corporate actions: Markus Kaum informed that members of European Issuers don't agree with such mandatory use; however, he will table the issue with issuers again in view of the consequence that intermediaries could accept no responsibility for the integrity of the process in such case.
  - In regard of the Q&A a revised version will be produced with a practical example on Q19 provided by **Christine Strandberg**, the re-order of Q14, 15 and 19 to 19 first followed by 14 and 15, and the rewording Edwin De Pauw provided re. Q12 split up in 12a and 12b.

### ad 2: Information

- **E-MIG Workshop of 17 November 2016 in Madrid**
  - Based on distributed documents, participants were informed of this E-MIG Workshop and the conclusions thereof as well as of the continued support in favour of the CEE markets.
  - The next E-MIG Workshop will be held in Copenhagen in November 2017, again with a preceding workshop for CEE markets.
- **Amended Shareholder Rights Directive**
  - Participants were informed of the conclusion of level 1 legislation and its impact on the implementation of the two sets of market standards for corporate actions and for general meetings.
- **EPTF Report**
  - Based on an extract of a draft version of this report, members were informed that the EPTF Report will potentially strongly support the final implementation of the standards.

### Ad 3: Issues for deliberation

- **Standards that require uniform interpretation**
  - **Background:** see Summary Report of E-MIG Workshop November 2016 and respective mandate to CAJWG
  - **Process:** Participants agreed that
    - uniform interpretations are different from the Q&A in as much as they will be embedded in *amendments to standards*
    - to consolidate the documentation the amended standards and the Q&A should be combined in one document
    - amended standards will be subject to consultation with / endorsement by the same constituencies as the original standards
    - they will also be subject to a review on an annual basis and to monitoring in regard of their implementation as from the next year following the endorsement; the implementation period will be 2 years max.

- **Substance, i.e. standards that require uniform interpretation by means of amendment:**
  - Mandatory reorganisations with options, Standard 20: agreed
  - Mandatory with options event types (CHOS): **Mike Collier** to substantiate the proposal in regard of explaining the rationale, objectives and benefits
  - Partial redemptions: **Christine Strandberg** to specify (uniform interpretation or part of Q&A?)
  - Guaranteed participation date see Paola Deantoni's paper
  - Processing of securities distribution with fractions: possibly amendment to Q&A

**ACTION:** **All CAJWG members** are requested to propose additional standards that require uniform interpretation by means of amendment and send their contributions **by 31 May to Edwin De Pauw.**

- **Harmonisation of processes re. fiscal treatment of market claims**

It was agreed that this valid request should be addressed to the expert group on withholding taxes set up by the Commission.

**ad 4: AOB**

- A document provided by Pierre Colladon explains the buyer protection market practices in France; comments to Pierre are welcome.
- Thomas Rockstroh, Clearstream, informed CAJWG members in writing of the implementation of Record Date in the German Market.
- After having performed this role for 10 years and in view of the CAJWG entering a new phase of its activities (amending the standards to achieve higher benefits through uniform interpretation), the Chair informed participants that he herewith hands over the Chair to Edwin De Pauw. The same succession will apply to the E-MIG workshop after the meeting in November 2017 in Copenhagen.

**ad 5: Way forward, next steps**

- **Next meeting of CAJWG:** tbd if and when needed