

## 1. General Information

**CR Raised by:** Message Standardisation SG      **Institute:** ECB      **Date Raised:** 15/05/09

**Change Request Title:** Corporate action reference      **CR Ref.:** T2S URD 219

**Change Request Classification:** Substance  
(Typo, Consistency, Clarification, Substance)      **Status:** Approved by the AG

**Change Type:** Modification  
(New Requirement/Modification/Deletion)      **Requestor Category:** T2S Sub-Group  
(User, 4CB, ECB T2S Project Team)

**Chapter Number/Annex Number:** Chapter 5, Chapter 13      **Req No:** T2S.05.235

**Priority (S,H,M,L):** M      **Proposed Implementation Date/Release:** Version 5.0

### Description of Requested Change:

The Message Standardisation Subgroup recommends the insertion of a reference of the corporate action in an instruction.

### Reason for Change / Expected Benefits / Business Case:

T2S requirements currently foresee identification of settlement instructions that are related to a corporate action (via a transaction code "CORP"). In order for the instruction to be useful to the recipient, the Message Standardisation Subgroup suggests that this information must be complemented with the reference of the corporate action, as allocated by the corporate action managing entity. Otherwise, the corporate action information cannot be reconciled.

### Submitted Annexes / Related Documents:

### Proposed wording for the Change Request:

#### 1. New requirement in section 5.3.1

Corporate action reference for corporate action related settlement instructions.

<b>Reference ID</b>	T2S.05.235
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T2S shall allow the indication of a corporate action reference in a settlement instruction, if the settlement instruction relates to a corporate action.

#### 2. The table 13-3: Message glossary should be modified as follows:

Message name	Message function	Message specific fields/requirements
<b>Settlement instruction</b>	To instruct a settlement.	<ul style="list-style-type: none"> <li>- If settlement is related to a specific activity, the instructing party should be able to communicate this to T2S using an ISO transaction code (e.g. corporate actions, lending &amp; borrowing) <u>and a corporate action reference for corporate actions.</u></li> <li>- Should provide enough flexibility for corporate actions (CA) settlement (i.e. not all fields are necessary when instruction is used to settle a CA).</li> <li>- When used in relation to a CA: should allow mentioning the CA reference that will be used in all messages sent for the settlement processing of the CA (to and from T2S).</li> </ul>

**Outcome of meetings:**

\* SG Meeting of 28 May 2009:

Recommendation to the AG: Approval

\* AG meeting on 15 June 2009

AG sent the CR back to the SG for further analysis

\* URM-SG meeting of 7 September 2009

Recommendation to the AG: Approval

\* AG Meeting on 23 Sep 2009

Approval of SG recommendation

As an outcome of the June meeting, a clarification was provided in a letter to the UK registrars in order to explain that the purpose of the request is to facilitate the reconciliation of settlement instructions sent for corporate actions purposes, and not to replace any existing corporate action message (such as asset servicing) in ISO 20022. In that sense our request to ISO for this reference is in line with the standards. The above-mentioned letter will be circulated as a background document to the AG for its next meeting.