

OUTCOME

**AD-HOC MEETING OF THE ADVISORY GROUP ON MARKET
INFRASTRUCTURES FOR SECURITIES AND COLLATERAL (AMI-SeCo)**

20 October 2021, 14:00 –16.00 (CET)

Webex teleconference

Updates to the SCoRE corporate action (CA) standards

The chair of the Asset Servicing Expert Group of the Collateral Management Harmonisation Task Force presented the updates made to the SCoRE corporate action standards based on the market consultations and discussions within the CMH-TF since the June 2021 AMI-SeCo meeting.

Outcome:

The AMI-SeCo welcomed the updates of the SCoRE corporate actions Rulebook, which were the result of extensive discussions in the Asset Servicing Expert Group also including consultation with other market stakeholders and NSGs on the open items in the SCoRE CA rulebook identified by the AMI-SeCo in June 2021. The SCoRE CA rulebook has been updated accordingly with additional guidance and clarifications. These updates concerned workflows and events (Section 3), rules on handling of negative cash flows (Standard 5), the handling of existing securities in relation to business day rules (Standard 6), further granularity on rules related to securities amount data (Standard 7), updates to the requirements regarding payment times (Standard 8) and the announcement and confirmation of meeting fees (Standard 12). None of these updates changed the key requirements and general directions of the standards as communicated to all stakeholders before. The AMI-SeCo agreed that the standards with no open items provide a stable basis for progressing on implementation.

The AMI-SeCo agreed that the focus should now be on the following items for which – based on additional input from stakeholders – further clarification should be provided by the December 2021 AMI-SeCo:

- Timing of application of CA standards to non-debt instruments
- Additional guidance on the usage of 2 tax-related events (WTRC and TREC) in CA Tax messages (Section 3)
- Further guidance on using UNIT or FAMT for securities amount data for some special types of instruments (Standard 7)

- Reusing existing CA messages to handle confirmation of fees for meeting events (Standard 12)
- Further specification to the payment time standard (Standard 8, based on further input received from CAJWG)
- Review of blocking rules for instructions on elective events (Standard 10, based on further input received from CAJWG)

It was noted that non-debt instruments are outside the scope of the ECMS. Upon the next publication of the Rulebook in December 2021, there should be a clear communication to the market actors on the finalised items in view of the need for full clarity to further progress on their implementation plans for the SCoRE standards. This makes finalisation of the above-mentioned items important prior to the December 2021 AMI-SeCo.

The AMI-SeCo endorsed the updates made to the SCoRE CA rulebook to date and mandated the CMH-TF to work on the remaining open items (as highlighted above) also relying on input from all stakeholders with the objective of presenting a final proposal on these items for endorsement in the December 2021 meeting of the AMI-SeCo. The objective is to publish the updated single Rulebook immediately after the December 2021 AMI SeCo meeting.