
AMI-SeCo Standards

Spotkanie AMI-SeCo NSG_PL
19 października 2020

- **Single Collateral Management Rulebook for Europe (SCoRE)**
- **Ami-SeCo Corporate Actions Standards**
- **Ami-SeCo Standards for Billing Processes**
- **Ami-SeCo Standards for Triparty Collateral Management**
- **Adaptation Plans**

What is SCoRE?

The Eurosystem's Advisory Group on Market Infrastructures for Securities and Collateral (AMI-SeCo) is working towards developing a Single Collateral Management Rulebook for Europe (SCoRE), which defines common rules for managing collateral.

SCoRE Monitoring

1. Define market-wide standards with industry players
2. Ask them for a plan for adoption of the Standards within agreed timelines
3. Monitor their progress against the plans

What activities are covered?

- Triparty Collateral management
- Corporate Actions
- Taxation Processes
- Bilateral Collateral Management
- Margin collateralised
- Billing Processes
- Cut-Off Times
- Collateral Dynamic and Static Data
- Sourcing of Collateral
- Non-Euro Collateral

AMI-SeCo Standards

Part of 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.

What standards have been agreed?

- **Triparty Collateral Management**
 - A single triparty model for Europe with common processes for interaction between all major European triparty service providers and their participants, including the Eurosystem, using ISO 20022 messaging
- **Billing Processes**
 - A single set of rules for the transmission of billing information by post-trade service providers related to custody and collateral management, including the alignment of billing frequency and dates and using ISO 20022 messaging.
- **Corporate Actions**
 - A first set of harmonised business processes and workflows for debt instruments, foreseeing the use of ISO 20022 messaging. Work on other instruments, such as equities, is ongoing

AMI-SeCo markets

Financial markets and relevant financial market stakeholders active in the European Union, the United Kingdom and Switzerland

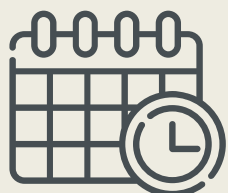
AMI-SeCo

Corporate Actions Standards

The AMI-SeCo CA Standards cover three distinct areas:

- **processing of corporate actions (through the chain of (I)CSDs and intermediaries)**
- **processing of corporate actions for bilateral collateral management (also involving Eurosystem central banks)**
- **processing of corporate actions for triparty collateral management**

CA STANDARD 1: Harmonised business processes and workflows for corporate actions

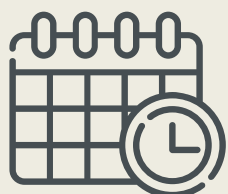


CA STANDARD 1A: Corporate Action Notification

The account servicer must notify the account owner about the details of a CA event in accordance with a set of harmonised business processes, workflows and key data elements

Business Processes & Workflows	Key Data Elements	KDPW
1a. Notify [ca.1.01]	Table 1	Implementation Started
1b. Update [ca.1.02]	Table 1	Implementation Started
1c. Cancel [ca.1.03]	Table 2	Implementation Started

CA STANDARD 1: Harmonised business processes and workflows for corporate actions

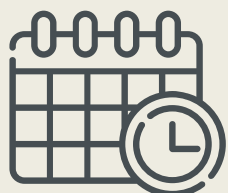


CA STANDARD 1B: Corporate Action Instruction

Instructions for elective corporate actions must be processed in accordance with a set of harmonised business processes, workflows and key data elements

Business Processes & Workflows	Key Data Elements	KDPW
2a. Instruction [ca.2.01]	Table 3	Implementation Started
2b. Instruction Status Advice [ca.2.02]	Table 4	Implementation Started
2c. Instruction Cancellation Request [ca.2.03]	Table 5	Implementation Started
2d. Instruction Cancellation Request Status Advice [ca.2.04]	Table 6	Implementation Started

CA STANDARD 1: Harmonised business processes and workflows for corporate actions

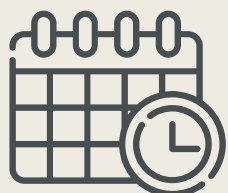


CA STANDARD 1C: Corporate Action Advice

The account servicer must provide preliminary advice notifications in accordance with a set of harmonised business processes, workflows and key data elements

Business Processes & Workflows	Key Data Elements	KDPW
3a. Movement Preliminary Advice [ca.3.01]	Table 7	Implementation Started
3b. Movement Preliminary Advice Cancellation [ca.3.02]	Table 8	Adaptation Required

CA STANDARD 1: Harmonised business processes and workflows for corporate actions

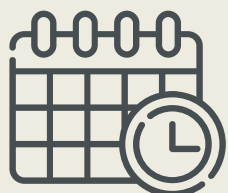


CA STANDARD 1D: Corporate Action Confirmation

The account servicer must confirm that a corporate action has been carried out in accordance with a set of harmonised business processes, workflows and key data elements

Business Processes & Workflows	Key Data Elements	KDPW
4a. Movement Confirmation [ca.4.01]	Table 9	Implementation Started
4c. CA Event Processing Status Advice [ca.4.03]	Table 12	Implementation Started

CA STANDARD 1: Harmonised business processes and workflows for corporate actions

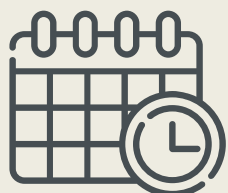


CA STANDARD 1E: Corporate Action Reversal

The account servicer must carry out the reversal of a corporate action in accordance with a set of harmonised business processes, workflows and key data elements

Business Processes & Workflows	Key Data Elements	KDPW
5a. Movement Preliminary Advice [ca.5.01]	Table 13	Adaptation Required
5c. Movement Reversal Advice [ca.5.03]	Table 14	Adaptation Required

CA STANDARD 1: Harmonised business processes and workflows for corporate actions

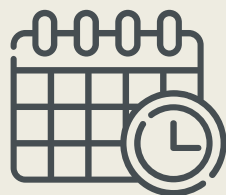


CA STANDARD 1F: Meeting Event Notification

The account servicer must notify the account owner about the details of a meeting event in accordance with a set of harmonised business processes, workflows and key data elements

Business Processes & Workflows	Key Data Elements	KDPW
1a. Meeting Notification [me.1.01]	Table 15	Implementation Started
1b. Meeting Cancellation [me.1.02]	Table 16	Implementation Started
1c. Meeting Entitlement Notification [me.1.03]	Table 17	Implementation Started

CA STANDARD 1: Harmonised business processes and workflows for corporate actions

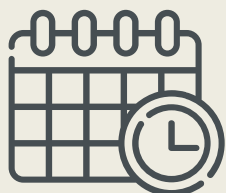


CA STANDARD 1G: Meeting Event Instruction

The account owner (or the party holding the right to vote) must provide instructions on meeting events in accordance with a set of harmonized business processes, workflows and key data elements

Business Processes & Workflows	Key Data Elements	KDPW
2a. Meeting Instruction [me.2.01]	Table 18	Implementation Started
2b. Meeting Instruction Cancellation Request [me.2.02]	Table 19	Implementation Started
2c. Meeting Instruction Status [me.2.03]	Table 20	Implementation Started
2d. Meeting Vote Execution Confirmation [me.2.04]	Table 21	Implementation Started

CA STANDARD 1: Harmonised business processes and workflows for corporate actions



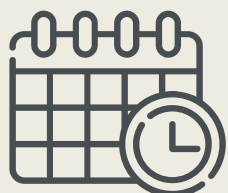
CA STANDARD 1H: Meeting Event Results

The Account Servicer shall disseminate meeting results in accordance with a set of harmonised business processes, workflows and key data elements

Business Processes & Workflows	Key Data Elements	KDPW
3a. Meeting Result Dissemination [me.3.01]	Table 22	Adaptation Required

CA STANDARD 2: Provision of data necessary for calculating proceeds

The CA notification, as communicated by the account servicer, must include the necessary data elements required to calculate the cash and/or securities movements



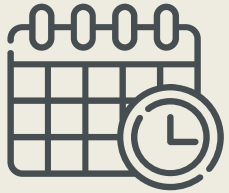
CA Event ID	CA Event Name	KDPW
ACTV	Trading Status: Active	Not Applicable
BIDS	Repurchase Offer / Issuer Bid / Reverse Rights	Implemented
BMET	Bond Holder Meeting	Not Applicable
BPUT	Put Redemption	Adaptation Required
BRUP	Bankruptcy	Adaptation Required
CAPI	Capitalisation	Adaptation Required
CERT	Non-US TEFRA D Certification	Adaptation Required
CHAN	Change	Implementation Started
CLSA	Class Action / Proposed Settlement	Adaptation Required
CMET	Court Meeting	Not Applicable
CONS	Consent	Not Applicable
CREV	Credit Event	Not Applicable
DFLT	Bond Default	Not Applicable
DLST	Trading Status: Delisted	Not Applicable
DRAW	Drawing	Adaptation Required
DSCL	Disclosure	Not Applicable
DTCH	Dutch Auction	Adaptation Required
EXOF	Exchange	Implementation Started
EXTM	Maturity Extension	Adaptation Required
INCR	Increase in Value	Not Applicable
INFO	Information	Not Applicable

CA Event ID	CA Event Name	KDPW
INTR	Interest Payment	Implemented
LIQU	Liquidation Payment	Implementation Started
MCAL	Full Call / Early Redemption	Implemented
OTHR	Other Event	Adaptation Required
PARI	Pari-Passu	Implementation Started
PCAL	Partial Redemption Without Pool Factor Reduction	Implemented
PINK	Payment in Kind	Adaptation Required
PLAC	Place of Incorporation	Not Applicable
PPMT	Instalment Call	Adaptation Required
PRED	Partial Redemption With Pool Factor Reduction	Adaptation Required
REDM	Final Maturity	Implemented
REDO	Redenomination	Adaptation Required
REMK	Remarketing Agreement	Not Applicable
RHDI	Intermediate Securities Distribution	Implementation Started
SUSP	Trading Status: Suspended	Not Applicable
TEND	Tender / Acquisition / Takeover / Purchase Offer	Adaptation Required
TREC	Tax Reclaim	Adaptation Required
WTRC	Withholding Tax Relief Certification	Implementation Started
WRTH	Worthless	Implementation Started

CA STANDARD 3:

Consistency of information provided by issuer (I)CSDs, investor (I)CSDs and custodian

Investor (I)CSDs and custodians must remit information on CA events in accordance with the information received from the issuer (I)CSD. All CA event types announced by the issuer CSD must be supported by all investor (I)CSDs/custodians. All issuer CSDs must use CA event types in a consistent manner

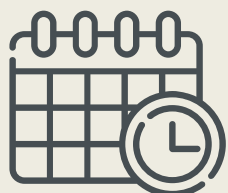


CA Event ID	CA Event Name	KDPW
ACTV	Trading Status: Active	Adaptation Required
BIDS	Repurchase Offer / Issuer Bid / Reverse Rights	Implementation Started
BMET	Bond Holder Meeting	Adaptation Required
BPUT	Put Redemption	Adaptation Required
BRUP	Bankruptcy	Adaptation Required
CAPI	Capitalisation	Adaptation Required
CERT	Non-US TEFRA D Certification	Adaptation Required
CHAN	Change	Implementation Started
CLSA	Class Action / Proposed Settlement	Adaptation Required
CMET	Court Meeting	Adaptation Required
CONS	Consent	Adaptation Required
CREV	Credit Event	Adaptation Required
DFLT	Bond Default	Adaptation Required
DLST	Trading Status: Delisted	Adaptation Required
DRAW	Drawing	Adaptation Required
DSCL	Disclosure	Adaptation Required
DTCH	Dutch Auction	Adaptation Required
EXOF	Exchange	Implementation Started
EXTM	Maturity Extension	Adaptation Required
INCR	Increase in Value	Implementation Started
INFO	Information	Adaptation Required

CA Event ID	CA Event Name	KDPW
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MCAL	Full Call / Early Redemption	Implemented
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PRED	Partial Redemption With Pool Factor Reduction	Adaptation Required
REDM	Final Maturity	Implemented
REDO	Redenomination	Adaptation Required
REMK	Remarketing Agreement	Adaptation Required
RHDI	Intermediate Securities Distribution	Implementation Started
SUSP	Trading Status: Suspended	Adaptation Required
TEND	Tender / Acquisition / Takeover / Purchase Offer	Adaptation Required
TREC	Tax Reclaim	Adaptation Required
WTRC	Withholding Tax Relief Certification	Implementation Started
WRTH	Worthless	Implementation Started

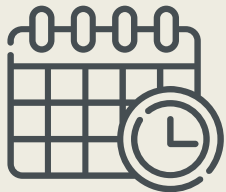
CA STANDARD 4: Rounding rules

Harmonised rounding rules should be applied for calculating cash payments and securities movements



		KDPW
Rounding rule no. 1	For cash payments, the cash amount to be paid is to be rounded down to the number of decimals permissible in the payment currency (i.e. to 2 decimals in case of EUR payments). Accordingly, and as an example, a cash amount of EUR 2.556 should be rounded down to EUR 2.55	Adaptation Required
Rounding rule no. 2	For securities movements, the securities amount should be rounded down to the nearest full unit.	Adaptation Required
Rounding rule no. 3	For the calculation of 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. (There should be no intermediate step whereby a ratio per 1,000 nominal is calculated, and then applied).	Adaptation Required
Rounding rule no. 4	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).	Implemented

CA STANDARD 5: Negative cash flows



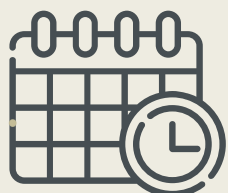
Issuer CSDs and investor CSDs must support the processing of corporate actions where the underlying security has a fixed negative interest rate or a floating rate coupon.

Any negative interest will result in a cash flow from the investor to the issuer which should be processed using the Interest Payment (INTR) event

KDPW
Implemented*

* KDPW accepts only securities with a positive interest rate (or floating rate coupons with a floor)

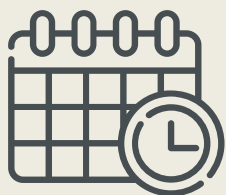
CA STANDARD 6: Business day rule



**If the payment date of a corporate action falls on a non-business day
(in the country of the currency in which the payment is due),
the payment should be made on the next business day**

KDPW
Implemented

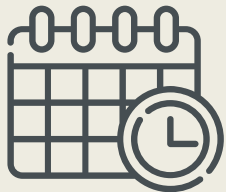
CA STANDARD 7: Securities amount data



Securities amount data should be defined using nominal value for debt instruments (FAMT) and units for non-debt instruments (UNIT)

KDPW

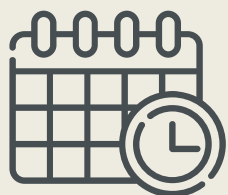
Adaptation Required



The cash proceeds of a corporate action should be distributed as early as possible (as described below), but no later than 12 noon on the payment date.

For any CA event involving a partial or full redemption, the cash proceeds should be made available by the issuer CSD at the same time as the partial or full redemption is processed on the payment date, thus ensuring that relevant parties are compensated/paid in a timely fashion for the partial or full redemption.

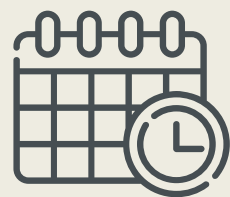
		KDPW
Payment time for government bonds	For government bonds issued in domestic CSDs cash proceeds are paid no later than open for business of the payment system (i.e. 07:00 for TARGET2).	Adaptation Required
Payment time for corporate bonds	For corporate bonds, the current minimum requirement is that cash proceeds be distributed no later than noon in the time zone of the Issuer CSD (consistent with existing CAJWG Standards). In line with recent improvements in market infrastructure in Europe (e.g. through the introduction of T2S) there are opportunities to improve the current latest time by which payments should be made with a latest cut-off time of 10:30 already feasible in many markets.	Implemented



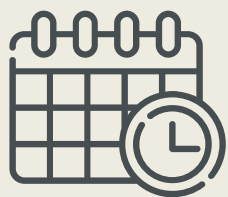
If an issuer, issuer’s agent or issuer CSD cannot process a corporate action on the previously announced payment date, all account servicers must inform account owners about the delay as soon as possible based on information received from higher up the custody chain

KDPW
Implementation started

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



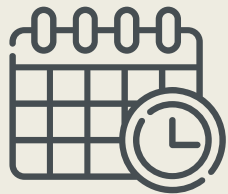
CA Event	Participation Type (Mandatory / Voluntary)	KDPW
BIDS	VOLU	Implemented
BPUT	VOLU	Adaptation Required
CERT	CHOS	Adaptation Required
CONS	VOLU	Adaptation Required
DSCL	VOLU	Adaptation Required
DTCH	VOLU	Adaptation Required
EXOF	VOLU	Adaptation Required
	CHOS	Adaptation Required
EXTM	CHOS	Adaptation Required
INTR	CHOS	Adaptation Required
LIQU	CHOS	Adaptation Required
MCAL	CHOS	Adaptation Required
OTHR	CHOS	Adaptation Required
	VOLU	Adaptation Required
REDM	CHOS	Adaptation Required
TEND	VOLU	Adaptation Required



Account servicers must ensure that a CA event notification message identifies the default option for that event

KDPW
Implemented

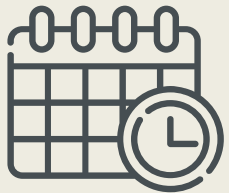
CA STANDARD 12: Handling of fees for meeting-related CA events



All fees (e.g. solicitation fees, consent fees) to be credited/debited as a result of participation in an event must be confirmed via a confirmation message

KDPW

Implementation started



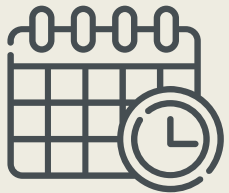
A pre-advice message should be issued in advance of any reversal of a corporate action.

In the event of a cash reversal, the pre-advice should be sent sufficiently in advance of the reversal so that recipients have adequate time for cash management.

KDPW

Adaptation Required

CA STANDARD 14: Processing of foreign currency payments

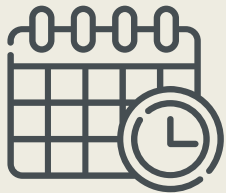


To process payments in currencies not eligible in the settlement system, the CSD must instruct the cash correspondent to debit the account of the paying agent and pay the funds to an account of the security holder. The CSD must only send the CA confirmation to the security holder upon receipt of the confirmation from the cash correspondent that the cash has been transferred successfully.

KDPW

Implementation started

Account servicers must have the capability to support ISO 20022 messages for processing corporate actions



Message Name	Message Identifier	KDPW
Corporate Action Notification	seev.031	Implemented
Corporate Action Event Processing Status Advice	seev.032	Implemented
Corporate Action Instruction	seev.033	Implemented
Corporate Action Instruction Status Advice	seev.034	Implemented
Corporate Action Movement Preliminary Advice	seev.035	Implemented
Corporate Action Movement Confirmation	seev.036	Implemented
Corporate Action Movement Reversal Advice	seev.037	Adaptation Required
Corporate Action Cancellation Advice	seev.039	Implemented
Corporate Action Instruction Cancellation Request	seev.040	Implemented
Corporate Action Instruction Cancellation Request Status Advice	seev.041	Implemented
Corporate Action Instruction Statement Report	seev.042	Adaptation Required
Corporate Action Movement Preliminary Advice Cancellation Advice	seev.044	Adaptation Required
Meeting Notification	seev.001	Implementation Started
Meeting Cancellation	seev.002	Implementation Started
Meeting Entitlement Notification	seev.003	Implementation Started
Meeting Instruction	seev.004	Implementation Started
Meeting Instruction Cancellation Request	seev.005	Implementation Started
Meeting Instruction Status	seev.006	Implementation Started
Meeting Vote Execution Confirmation	seev.007	Implementation Started
Meeting Result Dissemination	seev.008	Adaptation Required

Implementation timeframe:

- **Standards 1 – 14: By November 2022**
- **Standard 15 (ISO 20022):**
 - **Wave 1: by November 2022:**
 - **CSDs** - in their role as provider of account services and/or collateral management services to Eurosystem NCBs as collateral takers,
 - **Eurosystem central banks/Eurosystem counterparties** - in their role as collateral taker/giver exchanging information on CA events occurring on securities provided as collateral in Eurosystem credit operations,
 - **TPAs** - in their role as Eurosystem-eligible TPA providing CA information to Eurosystem central banks as collateral takers.
 - **Wave 2: by November 2025: account servicers** should offer / support ISO20022 messaging to clients that have the capability to use the ISO20022 protocol.

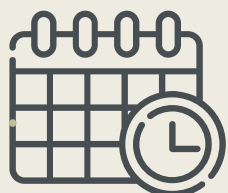
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Standards for Billing Processes

The AMI-SeCo Billing Processes Standards cover the harmonisation of billing processes in AMI-SeCo markets:

- **processing of billing data through the standard custody chain of (I)CSDs and intermediaries,**
- **processing of billing data for bilateral collateral management (also involving Eurosystem central banks),**
- **processing of billing data for triparty collateral management.**

BILLING STANDARD 1: ISO 20022 messages for billing information

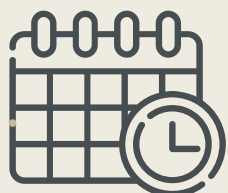


Dissemination of billing information must be offered using an ISO 20022 message.

KDPW

Adaptation Required

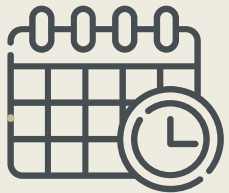
BILLING STANDARD 2: Harmonised billing cycles



Billing information must be offered on a monthly basis. The billing period runs from the first day of the month to the last day of the month inclusive.

KDPW
Implemented

BILLING STANDARD 3: Cut-off date for provision of billing information by (I)CSDs

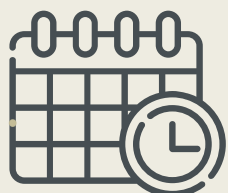


(I)CSDs must provide billing information to their clients no later than the 8th calendar day of the month (or the next business day if the 8th calendar day is not a business day) for fees related to core (I)CSD services and/or triparty collateral management services.

KDPW
Implemented*

* for fees related to core CSD services

BILLING STANDARD 4: Harmonised dates for payment of fees to (I)CSDs



Cash payments to the (I)CSDs must be processed on the 15th calendar day (or the next business day if the 15th calendar day is not a business day) of each month for fees related to core (I)CSD services and/or triparty collateral management services.

KDPW

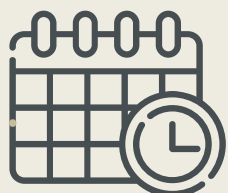
Adaptation Required

Implementation timeframe:

- **Standard 1 (ISO 20022):**
 - **Wave 1: by November 2022:**
 - **CSDs** - in their role as account servicers providing information to account owners,
 - **Eurosystem central banks/Eurosystem counterparties** - in their roles as collateral takers and collateral givers sending/receiving billing information on securities provided as collateral in Eurosystem credit operations,
 - **TPAs** - in their role as TPAs providing information to collateral givers and collateral takers.
 - **Wave 2: by November 2025: account servicers** should offer / support ISO20022 messaging to clients that have the capability to use the ISO20022 protocol.
- **Standards 2 – 4: By November 2022**

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Standards for Triparty Collateral Management



1. TRIPARTY STANDARD 1: ISO 20022 messages for triparty collateral management
2. TRIPARTY STANDARD 2: Initiation of a triparty transaction
3. TRIPARTY STANDARD 3: Increase of a triparty transaction
4. TRIPARTY STANDARD 4: Decrease of a triparty transaction
5. TRIPARTY STANDARD 5: Revaluation of a triparty transaction
6. TRIPARTY STANDARD 6: Cancellation of a triparty instruction
7. TRIPARTY STANDARD 7: Unilateral removal process
8. TRIPARTY STANDARD 8: Reporting on flows
9. TRIPARTY STANDARD 9: Reporting on stocks
10. TRIPARTY STANDARD 10: Closure of a triparty transaction
11. TRIPARTY STANDARD 11: Handling of corporate actions
12. TRIPARTY STANDARD 12: Partial allocation
13. TRIPARTY STANDARD 13: Reference data
14. TRIPARTY STANDARD 14: Use of baskets
15. TRIPARTY STANDARD 15: Future-dated processing
16. TRIPARTY STANDARD 16: Operating hours
17. TRIPARTY STANDARD 17: Cut-off times

Implementation timeframe:

- **By November 2022:**
 - **providers must be able to offer services according to the Standards**
 - this applies to TPAs
 - **key users must be able to apply the services according to the Standards**
 - this applies to central banks and CCPs

Adaptation Plans

There are two Compliance Indicators per year.



* źródło: SCoREBOARD



Dziękujemy za uwagę