

Barrier 3

Harmonisation of Corporate Actions Processing in Europe

Progress Report

Agenda

- Mandatory Distributions – implementation in progress
- General Meeting related operational processes – standard setting well advanced
- Reorganisations, Transaction Management – standard setting process reorganised

Mandatory Distributions

- Common deliverables have become a revised set of agreed standards
- State of implementation in major markets: Market Implementation Groups (MIG) are set up, implementation in progress
- Scheduled conclusion of implementation in major markets: by 2009
- CEE countries: implementation supported and monitored by EBF

General Meeting related operational processes

- Process 1: notice to convene general meeting
 - Standard setting largely concluded, endorsement currently underway
 - Cooperation with ISO in defining messaging standards
- Process 2: record date to determine entitlement
 - Standard setting in progress, scheduled to be finalised by end November
- Process 3: notification of attendance
 - Standard setting scheduled to be finalised by end January 2008

Reorganisations, Transaction Management

- Deliberations of Corporate Actions Steering Group end July:
 - Sober assessment of current situation – slow progress, crowding out effect (Code of Conduct, T2S) in regard of expert resources, change of key persons, need to change modus operandi and to speed up progress
 - Agreed reorganisation of standard setting process for remaining areas:
 - Joint working group chaired by ESF with experts from all associations
 - Focus standard setting in remaining areas
 - Build on work already performed
 - Ambitious project plan
 - Expected product: document with all sets of standards

Reorganisations, Transaction Management

- Results of meeting of joint working group of 9 October:
 - Adequate representation of relevant constituencies and major markets in joint working group
 - Agreed basic principles for standard setting work
 - Overall objective on the timeline: standard setting and first round of consultation concluded at the time of the last meeting of CESAME Group
 - Scope:
 - Distributions with options
 - Reorganisations
 - Transaction management
 - No interdependence / division of labour with other corporate actions related initiatives (ISMAG, AGC)

Reorganisations, Transaction Management

- Results of meeting of joint working group of 9 October (ctd.):
 - Inventory of relevant work already performed
 - Modus operandi of joint working group
 - Project plan until end 2007
 - 31 October, London
 - 20 November, Paris
 - 17 December, Milan
 - Principles for consultation, implementation

Conclusions

- Implementation of agreed standards on mandatory distributions well under way – monitoring of implementation process through EBF and ECSDA
- Standard setting for GM related processes by joint working group chaired by EALIC: work in progress
- New impetus for standard setting process in remaining areas by joint working group chaired by ESF
- Common objective: By mid 2008 standard setting concluded, first round of consultation indicating major issues and gaps