



FOCUS

# CA – Eu Std

Version 2 – Updated in November 2018



**SOCIETE GENERALE**  
Securities Services

### REGULATORY EVOLUTION

- 1 CA Standards and Key Dates: European standards on CA has been set up in 2009 and updated in 2012 to have common approach of these event by defining Key Dates, their sequences and the processing in regards. Their implementation is sequenced by Euroclear Deliveries (ISO announcement (2014), mandatory events processing (2015) elective events processing (initially planned for March 2018 and postponed in November 2018 and January 2019). For elective events a Market Deadline is defined as the time when the CA is processed at CSD level to deliver preferably the day after results and proceeds on Pay Date. Shareholders Rights Directive Implementing Acts (SRD II) published on September the 3<sup>rd</sup> retain the global principles of these standards.
- 2 Transaction Management in T2S
- 3 Subscription and trading periods of rights will be slightly be different

### FOCAL POINTS

Standards are considered as a common minimum to comply with. They are required by SRD II and by T2S standards.

Few CA may still be not compliant.

Regarding deadlines : the Market Deadline will impose custodians to propose custodian deadlines that will be matter of competition between them. SRD II impose greater pressure to transfer information and give time for investor to make decisions in case of options that will make STP processing mandatory to mitigate risks.

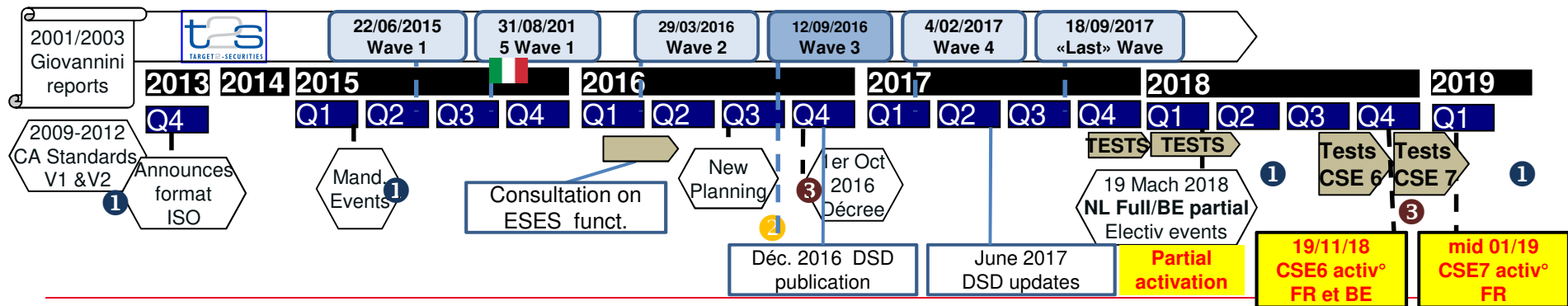
Issuer Agents will have to adapt themselves from a domestic model to an ISO one.

Differences between different K dates and way to process cash payment could occur in the cross border context of T2S.

Trading of rights begins two days (a settlement cycle) before the delivery of these rights when the elective period begins. The trading period should stop two days before the end of this elective period.

This is the third postponement from Euroclear. Euroclear has delivered on 19/03/2018 evolution for the Dutch and Belgium markets but has been postponed for France (unanimous decision from French stakeholders) to November the 19<sup>th</sup> and mid January.

IT architecture of Euroclear leads to a dual environment. Euroclear takes over some issuer agents tasks with high risk in terms of knowledge management. France is under strict monitoring from ECB (T2S HSG) and European MIG

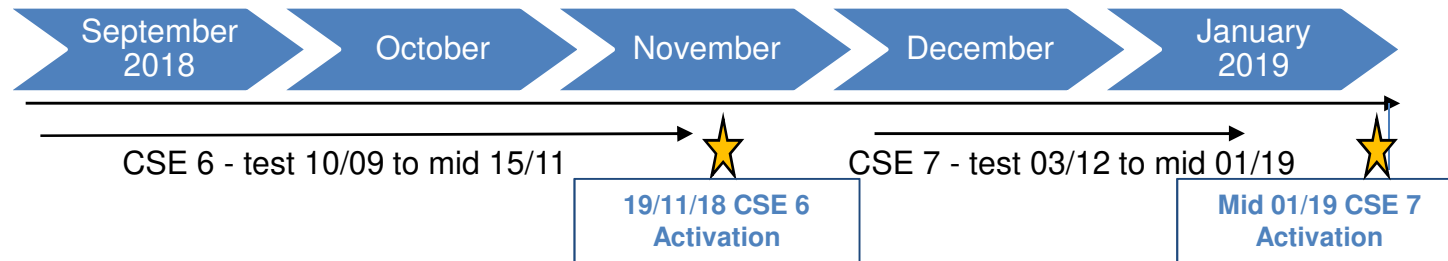


Updated on 20 November 2018

- CSE 6 activated on 2018, March the 19<sup>th</sup>
- French Market Place's Task Force activated to monitor first events (one is on going)
- SWIFT Change Request agreed by SMPG vote

## STATEMENT

- ❑ **CSE 6 activated : 2018 March, the 19<sup>th</sup>** for the Dutch Market, and in November the 19<sup>th</sup> for Belgium and France (excepted for optional dividend).
- ❑ **SWIFT Change Request** for optional dividend with an immediate whole number rounding up option voted by SMPG (waiting for confirmation of full acceptance)
- ❑ **Planning :**



## FOR YOUR CONSIDERATION

- ❑ **Non compliance to European Standard for the French Market** (strict monitoring by European MIG and T2S HSG)
- ❑ **CA Form population continue to be matter of major risk due to the complexity of the tool and lack of knowledge management.**
- ❑ **ONGO events** : DSD to be up graded to meet the markets' needs. ONGO activation to be planned with tests period accordingly by end of 2019
- ❑ **SRD II impact** : Implementing acts published in 2018 September the 3<sup>rd</sup> introduce high pressure on deadlines and on standards implementation

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