Frequently Asked Questions (FAQ)
on the SCoRE Corporate Actions (CA) Standards

The purpose of this document is to provide answers to NSG questions on the SCoRE CA Standards and to guide the reader to the relevant parts of the SCoRE CA Rulebook where further information can be found. Further topics will be covered in the document at a later stage. Once the document is reviewed and complemented, it could also be published on the ECB website.

SCoRE CA Standard 1: Harmonised business processes and workflows for corporate actions

Q1.1: Where can I find details of the business processes, workflows and data elements for CA and meeting events?
A: The business processes (with related workflows and data elements) are divided into 8 parts as follows:
1A. Corporate Action Notification:
1B. Corporate Action Instruction
1C. Corporate Action Advice
1D. Corporate Action Confirmation
1E. Corporate Action Reversal
1F. Meeting Event Notifications
1G. Meeting Event Instructions
1H. Meeting Event Results
Full details of the business processes, workflows and data elements for each of these 8 areas can be found in Section 3.4 (Business processes and workflows) of the SCoRE CA Rulebook.

Q1.2: When should the initial CA Notification be sent by the Account Servicer (in particular for CA events where the event details are known long in advance of the payment date)?
For CA events occurring on securities with a long lifecycle where the event details may already be known at the time of issuance (such as interest payments and redemptions), the initial CA announcement should be sent by the issuer CSD at least 5 days in advance of a CA with a payment date.
For CA events occurring on T-Bills which have a very short lifecycle (i.e. between 1 and 7 days) and where trading takes place up to maturity date, the notification (seev.031) message may be sent to participants holding the asset one day before the redemption date after closing of the operational day.

Q1.3: What happens if a party acquires a holding in a security after the initial CA notification has been sent?
Account Servicers are expected to send the CA notification to any party who acquires a position in the security after the initial CA notification has been issued (the notification should be sent within a day of acquiring the security, while noting that any party with a pending instruction should already be informed at the time the original CA notification was sent).

Q1.4: For meetings, should the detailed agenda points be indicated in the client communication? Should notifications for general meetings be sent only for equities, which are traded on a regulated market?
The data elements are specified in SCoRE CA Rulebook and should include agenda items (with identifier, title of the agenda item and voting options) in order to facilitate straight through processing of meeting notifications and instructions. Notifications for meetings should be sent for all instruments in the scope of SCoRE i.e. debt instruments, equities and investment funds (e.g. ETFs) issued in an (I)CSD in Europe.

Q1.5: Where should information on the payment date be reported in the CA notification?
The payment date should be reported at movement level. If an option includes multiple movements (e.g. both a cash movement and a security movement) then the payment date must be reported in each block.

The CA event PLAC is also relevant for non-US companies as per the event definition ''Changes in the state of incorporation for US companies and changes in the place of incorporation for foreign companies'.

Q1.7: What if instruments are not using an ISIN Code for identifying the security?
Instruments that are not identified using an ISIN Code (e.g. NBP-bills) are identified by the maturity date and security type.

Q1.8: Can a cancellation be requested only for the full quantity previously instructed or also for part of the quantity previously instructed?
It should be possible to cancel part of the instruction in an omnibus account scenario. Otherwise, all instructions would have to be cancelled if one party holding securities in the omnibus account decided to cancel their instruction.

SCoRE CA Standard 2: Provision of data necessary for calculating proceeds

Q2.1: *Where can I find the data elements required to calculate the entitlement?*
The relevant data elements for calculating expected payment amount, security movement for a given option for each event are set out in Section 4 of the SCoRE CA Rulebook.

Q2.2: Should the offer price (OFFR) be reported as a percentage (PRCT) or an actual (ACTU) amount?
If the security has a nominal value and is thus quoted as percentage (i.e. face amount) then the offer price is reported as percentage. If the security has no nominal value (i.e. is quoted in UNITs) then the offer price is reported as an actual amount.

Q2.3: Which percentage price type should be used when reporting information on the Offer Price?
For Offer Price, the percentage price type (PRCT) must always be used (DISC, PREM or YIEL should not be used as otherwise the cash movement calculated in accordance with the formula would be incorrect)

Q2.4: Which data element should be used for reporting New to Old information (NEWO) or Additional for Existing Securities information (ADEX) in the CA notification?
New to Old information (NEWO) should be reported in the following message element: CorpActnNtfctn/CorpActnOptnDtls/SctiesMvmntDtls/RateDtls/NewToOd
Additional for Existing Securities (ADEX) should be reported in the following message element: CorpActnNtfctn/CorpActnOptnDtls/SctiesMvmntDtls/RateDtls/AddtlQtyForExstgScties

Guidance on population of Amount and Quantity information
Amount (Amt) and Quantity (Qty) information should be reported as follows:
- <QtyToQty> should be used when both the new ISIN and the old ISIN are denominated in UNITs
- <AmtToAmt> should be used when both the new ISIN and the old ISIN are denominated in FAMT
- <AmtToQty> shoulld be used when the new ISIN is denominated in FAMT and the old ISIN is denominated in UNITs (e.g. for convertible securities)
- <QtyToAmt> should be used when the new ISIN is denominated in FAMT and the old ISIN is denominated in UNITs (e.g. for convertible securities)

SCoRE CA Standard 3: Consistency of information provided by issuer (I)CSDs, investor (I)CSDs and custodians

Q3.1: *What types of events are relevant to securities issued in ICSDs in Europe?*
The list of events relevant to securities issued in ICSDs in Europe can be found in Table 1 (page 23) of the SCoRE CA Rulebook.

Yes, the relevant events differ per instrument type (i.e. debt and non-debt instruments).
Further details can be found in Table 1 (page 23) of the SCoRE CA Rulebook, which identifies the relevant events per instrument type

Q3.3: *What events / options need a record date (CA events and meetings)?*
The record date must be included for all mandatory events with an outturn (i.e. involving a cash and/or security movement). In addition, a record date must also be included in certain events, namely CAPI, CONS, DSCL, PRIO and TREC events.
Further details can be found in Table A2.2 in Annex 2 of the SCoRE CA Rulebook, which provides the full list of event and option combinations for which a record date must be present for CA events and meetings.
If an event is notified without a Record Date by the issuer/agent, the issuer CSD should ensure that the record date is added.

Q3.4: *How do I know if an option under a given event will result in a distribution or a reorganisation?*
This information can be found in the SCoRE CA Rulebook in the SCoRE events overview table A2.2. For further details please refer to the Column ''Attributes/Option Categorisation'' in Table A2.2 in Annex 2. The column "Option categorisation" defines the type of processing for the given option, i.e. General (no debit or credit of resources), Distribution or Reorganisation.

Q3.5: *Why is consistent information needed? How is this achieved?*
There should be consistency in the use of event types to ensure that issuers, issuer CSDs and custodians provide consistent information which is passed down the holding chain.
SCoRE sets out common rules for the management of each CA and meeting event detailing workflows and key data elements for each. This ensures that each event is defined in the same way and this is communicated to CSD participants (including investor CSDs) in a consistent manner. This facilitates straight through processing and ensures that one rule can be followed for the management of a CA or meeting event regardless of where the security is issued or held. In case information is missing/not provided in accordance with the CA Rulebook, the issuer CSD should be contacted to complement/correct the information.

SCoRE CA Standard 4: Rounding rules

Q4.1: *What are the rounding rules? How do rounding issues occur today?*
Rounding rules are market practices for dealing with rounding to eliminate the occurrence of rounding differences (which may occur, for example, when securities are held in omnibus accounts), which may lead to cases of reconciliation failure. Currently, rounding rules differ when entitlements are passed through the custody chain. Currently differences are observed in calculation methods, the ratio specified by the issuer CSD or custodians and differing approaches for rounding up and rounding down of cash and security entitlements. This could lead to the creation of untradable positions if approaches are not respecting the Minimum Settlement Unit (MSU) and the Settlement Unit Multiple (SUM) for a given security.

Q4.2: *Does the security movements round down rule only apply to a credit of securities?*
Yes

Q4.3: *How should security movements with a debit of securities be handled?*
The MSU/SUM must be adjusted downwards in accordance with the redemption amount up to the minimum amount which exists for that type of security (i.e. 0.01 for debt instruments) e.g. a 1% redemption must also result in a 1% reduction of the MSU/SUM (until the MSU/SUM is at the minimum level of 0.01 for debt instruments).

Q4.4: *How is the rounding for Partial Redemption Without Pool Factor Reduction (PCAL)?*
For the processing of PCAL events, the amount to be redeemed as well as the new multiple amount should have maximum two decimals. Issuers, Issuer CSDs and other intermediaries should comply with this rounding rule.

SCoRE CA Standard 9: Notification of processing status

Q9.1: Should the notification of processing status be sent for all event types i.e. mandatory, mandatory with choice and voluntary events?

Yes, the notification of processing status is applicable to all mandatory, mandatory with choice and voluntary event types which involve a cash and/or security movement. It is not required for debit payments, reversals and market claims. It is required for rolling events (when the payment date becomes available).

Q9.2: Should Standard 9 be applied for events where there is no payment date?

Standard 9 is relevant for all events with a cash and/or security movement, each of which should have a payment date.

Q9.3: What time should the notification of processing status be sent for CA events which result only in securities outturns?

CA events paying only securities proceeds are expected to be paid no later than the opening of the settlement system (with the first CA processing batch). Accordingly, the notification of processing status should be sent no later than 15 minutes after the after the first CA batch payment following the opening of the settlement system.

Q9.4: How is Standard 9 to be applied for events where several elections have been received resulting in cash and securities outturns, where proceeds are paid at different times/days (i.e. on payment date one type of proceeds is paid and the other is still delayed)?

For events with CASH and SECU options, where clients may instructed CASH or SECU options: If CASH is delayed but SECU is paid on time, the status is generated at event level and both clients should be notified with the status that the CASH is delayed (while the client who instructed SECU has already received his securities proceeds).

Q9.5:   When should the Status advice be sent for the event paying both cash and securities, where the securities are denominated in a currency (e.g. JPY) different from the currency of the cash payment (e.g. GBP)?

The notification of the processing status should be sent according to the denomination (i.e. cash payments that are denominated in a non-European currency are notified by 16:45 (issuer CSD time), while cash in European currencies are notified by 12:15 (issuer CSD time). Securities are late if not paid at the first CA batch payment following the opening of the settlement system.

SCoRE CA Standard 10: Elective events

Q10.1: How do I know if a security is subject to (soft) blocking upon submission of an election instruction?

The list of event-option combinations, which result in the (soft) blocking of the elected position, can be found in the column ''subject to blocking?'' in Table A2.2 in Annex 2 of the SCoRE CA Rulebook. Account servicers will also include an indicator in the CA notification message to to inform the account owner that securities will not be available for settlement after instructing a specific option. Please refer to Standard 10 for further details on the blocking Indicator which will be included in the CA notification.
No blocking should take place for meetings so no end of blocking period should be reported for meeting events.

SCoRE CA Standard 11: Availability of default options

Q11.1: Can the default option as announced by the Issuer CSD be changed at any point by an intermediary? Is it allowed to amend the default option towards the underlying client (retail investors)?

The default option as announced by the Issuer CSD should not be changed by an intermediary. However, an account servicer may offer to act on behalf of the underlying client (retail investor) e.g. account servicer may offer a service to its underlying client to act on their behalf to buy/sell certain options even if no action was the default option.

SCoRE CA Standard 13: Reversal of a corporate action

Q13.1: Account holders should be granted enough time for covering the account before executing the reversal/cancellation. Could this lead to risk factors on the one hand for the intermediaries and on the other hand for the account owner, depending on the direction of the booking (credit or debit of securities/cash), e.g. falling stock prices, sale of securities before receiving the cancellation advice (especially when the first received amount of shares is higher than the new amount, the same for cash proceeds)?

No. Standard 13 covers two elements concerning the procedure to follow when a need for reversal is identified. Firstly, a pre-advise message must be issued in advance of any reversal of a corporate action. This is to inform the party that a correction is needed prior to the reversal being executed. Secondly, if the payment was made, the announcement to reverse should, where possible, be made within (up to) two business days of (after) the original payment date of the corporate action. This is to reduce the risk that corrections are made too late after the original payment date. (The reversal may also be announced later if the need for reversal had been identified later).

Q13.2: Which reason code should be used if there are several reasons? Should other reversal reasons codes be included in the reversal notification, such as Funds not Received (FNRC) and Payment Outside Clearing System (POCS)?

Issuer CSDs should determine the appropriate reason for CA reversal. The reversal reasons Funds not Received (FNRC) and Payment Outside Clearing System (POCS) should not be included. They have no practical use since a reversal relates only to events where movements are confirmed. Accordingly, if funds are not received, nor paid through the clearing system, they cannot be confirmed by the account servicer and thus cannot be subject to reversal.

Q13.3: Which events are subject to reversals?

All CA and meeting events with a cash and/or security movement are subject to a reversal. Please refer to the column ''Subject to Reversal'' in Table A2.2 in the SCoRE CA Rulebook for full details.

Q1: Where can I find the rulebooks?

The Rulebooks can be found on the SCoRE page of the ECB website:

- SCoRE Rulebook Corporate Actions (December 2021):
  https://www.ecb.europa.eu/paym/intro/publications/pdf/amiseco202112_corporateevents.en.pdf?9e8015813c7d61b3b16e5ad90861779d
- SCoRE Rulebook Triparty Collateral Management (June 2021):
  https://www.ecb.europa.eu/paym/intro/publications/pdf/ecb.amiseco202106_tripartycollateralmanagement.en.pdf
- SCoRE Rulebook Billing Processes (June 2021):
  https://www.ecb.europa.eu/paym/intro/publications/pdf/ecb.amiseco202106_scorebillingprocessesrulebook.en.pdf

Q2: When will the SCoRE CA Standards become applicable?

The SCoRE CA Standards should be implemented as follows:

- By 8 April 2024, SCoRE CA Standards 1 to 14 should be implemented for all CA and meeting events by actors involved in the processing of CA and meeting events i.e. CSDs, TPAs, Custodians, Issuers, the Eurosystem and their counterparties.
- By November 2025, specific events related to non-debt instruments (i.e. Table 1 of the SCoRE CA Rulebook on page 23) should be implemented.
- SCoRE CA Standard 15 on the implementation of ISO 20022 messaging, will be introduced in a two-wave approach. In Wave 1, all (I)CSDs, Eurosystem central banks and Eurosystem counterparties will implement ISO 20022 messaging by 8 April 2024. All other market participants will be part of Wave 2. They will process CA and meeting events in compliance with Standard 15 as of November 2025.

Please refer to the executive summary CA Rulebook and text (page 6)
(https://www.ecb.europa.eu/paym/intro/publications/pdf/amiseco202112_corporateevents.en.pdf?9e8015813c7d61b3b16e5ad90861779d)

Q3: Do all intermediaries/custodians in a custody chain have to implement SCoRE Corporate Actions Standards 1 to 14 from the time when the CSD starts the Standards to non-debt instruments?

Yes. If a CSD implements one or more standards that only apply to non-debt instruments before November 2025, the entire chain of intermediaries will have to do so as well (The SCoRE Adaptation Plans explain the implementation timeline foreseen by CSDs for events relevant to non-debt instruments).

Q4: Should the SCoRE Standards apply to retail clients as well?

The SCoRE Standards apply to the exchange of information within the custody chain, which cover market infrastructures (CSDs and TPAs) and Intermediaries. Market infrastructures and Intermediaries (as account servicers) should inform end investors (retail and wholesale clients) in a clear and transparent way as agreed in the service level agreement and in accordance with local law (and according to CSD rulebooks and local law in end-investor markets).

Q5: Have any legal barriers been identified in cross-border business?

No legal barriers have been reported at European level in the Adaptation Plans prepared by NSGs to date (some markets are still in the process of preparing their Adaptation Plan).

Q6: What are the SCoRE Adaptation Plans? Where can I find the plans of each market?

Adaptation Plans describe the roadmap for achieving compliance with the SCoRE Standards (for triparty collateral management, corporate actions, and billing processes SCoRE Standards). Adaptation Plans are endorsed by the National Stakeholder Groups (NSGs) and form the basis for other implementing actors to prepare for their adjustments

The SCoRE Adaptation Plan Status Report provides an overview of the latest status of the plans. It includes a link to the individual plans submitted by each entity:
https://www.ecb.europa.eu/paym/integration/collateral/implementation/html/index.en.html

Q7: What version of the corporate action and meeting messages will the Eurosystem implement as of ECMS go-live (scheduled for 8 April 2024)?
The Eurosystem will implement the latest versions of the corporate action messages available as of ECMS go-live (i.e. the SR2023 version available as of November 2023 will be used). Regarding meeting messages, only meeting announcements (seev.001) will be handled initially. The remaining meeting messages (seev.002 to seev.008) will be implemented in a subsequent release.