Market Notice

31 October 2016
MN_90/2016

Update on format of Custody messages of the SWIFT type and support of new functionalities

For the attention of:	**DCPs - ICPs**
Priority:	**Medium**
Re:	**Management of Custody messages through the SWIFT and RNI networks**

Dear Client,

Please note that on Monday 21 November 2016, Monte Titoli will be introducing some improvements and format changes in the management of SWIFT type messages.

The following are the most significant changes that will be made available on that date:

Characteristic	Description
Full support of capital increases with multiple stock rights	Full support in terms of SWIFT messaging has been extended to share capital increases, both free and against payment, also for operations with multiple stock rights.
MT567: improvement in the management of messages in response to Corporate Action instructions	The rules for the management of incoming MT565 Corporate Action instructions and the production of the respective MT567 response messages have been amended. This change involves a clearer, more systematic management of the error codes for the most common cases (incorrect information and instructions sent after the deadline), with the aim of providing fast feedback that is as accurate and clear as possible.

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Characteristic	Description
MT566: date management has been changed	Information regarding the ex-date and record date will be removed from MT566 messages for the payment of EXRI capital increases.
	This information will remain available in messages MT564 and MT566 for allocating RHDI rights.
MT564: possibility of inserting longer narrative texts	It will soon be possible to receive announcement and notification messages of the MT564 type containing fuller information in the ADDINFO (additional information) sequence than is currently available.
	It will now be possible to repeat the 70E ADTX field up to the limit of a total of 10,000 characters envisaged by SWIFT for messages of the MT564 type.

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We would like to use this market notice to introduce a new section on developments that Monte Titoli is planning in the medium term

In the pipeline – Future developments

Characteristic	Description
MT202: change to payment messages in currencies other than the euro	A new reference model should be released by first quarter 2017 for MT202 payment messages, used for payments in currencies other than the euro.
	The objective of the decision to make changes to the format of this message is to facilitate participants' payment activities and STP management, in accordance with the principles defined by the Payments Market Practice Group (PMPG).
	In the format currently in use, Monte Titoli reports the words MONTE TITOLI FAV CONTO...' in field 72, together with the ISIN code reference to which the payment is linked.
	With the new model, Monte Titoli plans to eliminate field 72 and move the ISIN code to field 21.
Support for MT568 narrative text messages relating to a special operation	By second quarter 2017, it should be possible to link an MT568 narrative text message for Custody activity in the event of particularly long texts.
	This implementation includes support of the narrative tag of the 70F type, which supports 8,000 characters in a single field.