



*Data quality
beyond
the standard*

Benefits

- Improve compliance with industry market practice
 - Event Interpretation Grid
 - D versus E guidelines
- Deal with local variations in various world markets
- Improve counterparty automation
- Reduce manual steps and exception processing
- Benchmark progress for corporate actions improvement projects

Simulation Testing and Qualification Service (STaQS) for Corporate Actions

Helping customers conform to industry market practice

SWIFT's Simulation Testing and Qualification Service (STaQS) has been developed to support the SWIFT community working to implement standards and conform to market practice. STaQS for Corporate Actions testing is now available for testing market practice compliance with published industry guidelines

STaQS helps overcome the cumbersome problem of evaluating, self-policing and benchmarking compliance. Regular STaQS updates help keep the automated processing in step with global as well as local market practice as it coalesces and is published.

Market practice testing

The Securities Market Practice Group (SMPG), with the help of its more than 35 national market practice member groups, develops guidelines for corporate actions. The Event Interpretation Grid (EIG) clarifies the use of mandatory-voluntary indicators and options across more than 60 event types defined in ISO 15022.

The EIG identifies a Global Grid of preferred practice and also deals with exceptions for 19 markets as defined by contributing national market practice groups. STaQS allows customers to test their messages against the current EIG and, when available, the EIG for the next ISO 15022 standards release.

The SMPG also publishes market practice guidelines for element locations of dates, periods, rates and prices known as the D versus E guidelines (DvE). Referencing the technical blocks in the MT 564 and MT 566 message formats, the DvE guidelines recommend placement of elements in more specific locations to avoid doubt and to reduce multiple, conflicting entries in a message. The STaQS DvE testing is generally applicable regardless of the Event Type. Using STaQS helps to focus usage within the flexibility of the ISO 15022 standard.

Multi-level reporting

STaQS for CA provides you with summary and error reporting as well as details suitable to support business analysis and programmer maintenance. The summary and error reports are designed to be uploaded into Excel, allowing generation of graphs and comparison across multiple test runs. The detailed report shows all errors found for each message as well as overall statistics for the test run.

Corporate Action Event Short Description	Mandatory/Voluntary Indicator: CAMV		Global Grid is the SMPG agreed preference for global market practice		Austria (AT) market restricts VOLU to only SECU option		Markets covered by 2008 EIG: AT, AU, BE, CH, DE, DK, ES, FI, FR, XS (Eurobonds), JP, LU, NL, NO, SE, GB&E, US, ZA	
	CAEV	CAMV	CAMV	CAOP	CAMV	CAOP	CAMV	CAOP
Event Code: CAEV over 60 event types in ISO 15022	EXOF	VOLU	VOLU	SECU CASH CASE NOAC	VOLU	SECU NOAC	VOLU	SECU CASH CASE NOAC SLLE BUYA
Exchange		MAND	MAND	SECU CASH CASE	n/a			
CHOS means mandatory event with choices; instruction required		CHOS	CHOS	SECU CASH CASE	n/a			

France (FR) market allows more options for a VOLU movement than the global market practice

Blank entry for MAND and CHOS means France defaults to global market practice - the Global Grid

"n/a" entry for MAND and CHOS means Austria does not support these indicators for this event

Ⓐ Simplified view of the Event Interpretation Grid, illustrating guidance for which STaQS will test

Easy to use

STaQS is accessible from your Alliance WebStation interface. No additional software is required. The STaQS GUI enables you to upload files of MT 564 and/or MT 566 test messages gathered from your systems. These messages must be in RJE format and pass SWIFT's network validation. Invalid or extraneous messages are skipped. Although file size is limited, the number and frequency of tests is not. Immediately after upload, the test messages are analysed. When complete, the summary and detailed reports are available for up to three months for the 50 most recent tests.

Benefits

- Use the results to reduce risk and improve processing efficiency.
- Your counterparties and clients can deploy vendor solutions that are market compliant.
- Reduce manual processing thanks to enhanced predictability of message structure.
- Investment managers can more easily automate elections for voluntary events.

Q&A

How is STaQS for Corporate Actions being offered?

STaQS is available on an annual subscription basis per module. Pricing is based on the parent BIC traffic tier. Once subscribed, any BIC under the parent may use the STaQS module.

When will STaQS be updated?

Updates will be provided at least annually to support the maintenance cycle ahead of the annual Standards Release (normally in November). Out of cycle releases will be prepared when needed to support significant or emerging market practice changes.

Will SWIFT protect the test results as sensitive and company private?

SWIFT will only disclose test results to the institution submitting test data.

Will STaQS be required for SWIFT Partners?

SWIFT's Partner Management team uses STaQS as a validation tool in support of the qualification required to award the SWIFTReady Corporate Actions label to third-party applications.

Will STaQS for Corporate Actions add testing beyond EIG and DvE?

STaQS planning will consider testing of additional market practice guidelines based on technical feasibility, input from participants, and industry support and interest.

An extensible and expandable testing platform

STaQS also supports the qualification of payments applications for the Single Euro Payments Area (SEPA) credit transfers and direct debits reflecting the European Payments Council implementation guidelines.

Now that Corporate Actions is available, the STaQS platform will continue to be extended to support testing of other SWIFT solutions.

For more information, please contact your SWIFT account manager or visit www.swift.com