



# LINK! Connecting the Chairpersons Community

## Special issue on the Corporate Rules

*News for SWIFT Chairpersons and their community*

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Dear Chairpersons,

We are pleased to share with you this special issue of the Chairpersons newsletter focusing exclusively on matters of SWIFT's governance.

SWIFT has updated its Corporate Rules. They have been published and are effective as from 1 May 2016.

You can read a summary of the main changes on page 2.

Did you know that the Corporate Rules also have a dedicated section on the responsibilities of National Member and User Groups?

With more than 20 new Chairpersons appointed each year, we take this opportunity to highlight some aspects of the roles and responsibilities, including in the area of data confidentiality.

As already shared with you in the previous issue we would welcome your support in preparation of this year's AGM. It is an important one for financial institutions and their

corporate counterparties as the Board of Directors will propose for approval a change in the SCORE model for Corporates.

This change will require a quorum representation of 75% of the shareholders. Please ensure that shareholders within your community submit their proxy in order to reach this quorum and have a successful meeting.

We trust you find this issue insightful.

*Kristien*

Kristien Peelman  
National Groups Centre of Expertise,  
SWIFT



## Corporate Rules Updated

The Corporate Rules have been updated to reflect SWIFT's current shareholder and user admission process. At the same time we took the opportunity to simplify and clarify the wording.

The Corporate Rules are effective as of 1 May 2016.

The major changes in terms of the content of the Corporate Rules are:

- SWIFT admission process has been split into two parts: SWIFT user admission process and SWIFT shareholder admission process.
- Reference has been added that an applicant or a SWIFT user must be located in a country/nation or territory universally recognised by the international community, and that SWIFT uses the countries and country codes lists as confirmed by ISO in ISO 3166.
- SWIFT reserves the right to consult the KYC Registry data with regard to the admission process of an applicant or the status of a SWIFT user.
- SWIFT reserves the right to inform authorities or other persons concerned if it believes, based on reasonable grounds, that an application to become a SWIFT user is fraudulent.
- SWIFT reserves the right to re-use documents and data

collected as part of the admission process, to populate SWIFT services and products in particular the KYC Registry.

- SWIFT reserves the right to share shareholding data with the National Member Group for matters such as collection of proxies. It also reserves the right to share SWIFT user details for the National Groups' organisation or governance, or to assist SWIFT in organising regional or local events.
- Under the SWIFT user category Corporate, within the 'Note' section, references to the monitoring process have been removed as monitoring and verification of the SWIFT user's compliance with eligibility criteria and other conditions is already set out under section 3 "SWIFT User and SWIFT Shareholder Admission and Termination".
- SWIFT's Liability section has been fully updated to reflect SWIFT's liability under the Corporate Rules.

## SWIFT National Member and User Groups

The Corporate Rules defining the roles and responsibilities of the National Member and User Groups have been reworded but no changes have been made to the content.

### National Member Group

The National Member Group acts as the representative of the local community of shareholders towards SWIFT. The National Member Group is a forum for discussions and is consulted from time to time by SWIFT or the Board of Directors on specific topics, including on local practices and regulations that may have an impact on the SWIFT community.

It has an advisory role on policy and strategic issues that are addressed at Board level and that could affect shareholders.

In addition, the National Member Group presents to the Board of Directors the candidate for Directorship from the nation in line with the profile as defined by the Board.

The SWIFT shareholders of the nation elect a Chairperson who chairs the National Member Group. To fulfil this role, the National Member Group Chairperson must be well informed about SWIFT policy matters and be recognised as fully independent by all shareholders of the nation.

### National User Group

The National User Group consists of SWIFT users within the same nation that organise themselves to discuss SWIFT matters of an operational nature.

The National User Group serves as a key contributor on proposals pertaining to the maintenance and development of Standards.

They also help identify business opportunities for SWIFT's products and services that are beneficial to the local community.

The User Group Chairperson is responsible for chairing the National User Group. To fulfil this role, the User Group Chairperson must be well versed in operational and technical matters about SWIFT's operations and be in close contact with the SWIFT users at an operational level.

In most countries, the National Member Group or the steering committee of that National Member Group elects the User Group Chairperson.

Both the National Member Groups and User Groups are independent from SWIFT's legal and governance structure and may organise themselves as they deem appropriate.

They are tasked with functioning and operating in an objective and neutral manner.

*Whilst not explicitly mentioned, it goes without saying that the Chairperson:*

- *Must be able to devote sufficient time to the NMG/UGC organisation and role*
- *Organises National Group meetings on a regular basis*
- *Is well informed about SWIFT's strategy and policy matters, and subsequent decisions taken at Board level*
- *Well versed in operational and technical matters related to SWIFT's operations*
- *Be able to function fully independently from his/her employer*
- *Avoids conflicts of interest*

## Annual General Meeting (AGM) 9 June 2016

This year's AGM is important for financial institutions and their corporate counterparties as the Board of Directors will propose for approval a change in the [SCORE model for Corporates](#).

The AGM documents including the proxy form will be made available to all shareholders and NMGCs on 10 May 2016 via the [SWIFT shareholder page](#) on swift.com [restricted area]. We will notify you as soon as the documents are posted.

A resolution to extend the SCORE model eligibility criteria from shareholders and sub-members to all financial institutions in the SWIFT user category 'Supervised Financial Institution' (approved by the Board - Dec 2015) requires a quorum of 75% of the SWIFT shares present or represented at the meeting. Your support in reminding the shareholders of your country to send in their proxies and/or collect and send us the proxies would be very much appreciated to ensure a 75% quorum and make the AGM a success.

## Data confidentiality

In your role as SWIFT National Member/User Group you receive on a regular basis emails and have access to information useful in your role as SWIFT Chairperson for your community.

May we kindly remind you to restrict the distribution and disclosure of information to the SWIFT shareholders and/or users in your community and not communicate them to third parties.



### Email advisories

Recently we have received questions to clarify what can be shared or distributed and what is confidential to the Chairperson. Our aim going forward is to be more transparent in what can be shared and what is considered as restricted information.

A few recent examples:

**– Distribution to the members of the SWIFT National Member and User Group within the country allowed:**

E.g. Peak days – management changes – Board highlights – LINK! Newsletter (or extracts of) – Country Watch reports (as per the confidentiality statement on the reports).

- **Distribution restricted to the Chairpersons to be able to fulfil their role as a SWIFT Chairperson:**

Members/users statistics – share re-allocation information.

- **Confidential and legally privileged**
- **No further distribution allowed**

Updates on the recent Security Awareness Campaign.



## Stay connected

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## Housekeeping

To ensure you continue to receive updates from us and also to make sure our records are up to date, it is imperative you inform us of any changes to your professional role/function and contact details related to SWIFT National Member/User Group activities.

## 2016 SWIFT Board meetings

Thursday 9 June  
Saturday 24 September (Geneva)  
Wednesday 14 December