

Listed@ASX Compliance Update no. 07/22

16 August 2022

1. Half yearly, preliminary final and change of balance date announcements: order of announcements and early release of announcements during reporting periods

A reminder for listed entities that when releasing Appendix 4D/E/F and associated documents, the order in which the documents should be released is:

1. As applicable:
 - Appendix 4D and other documents required to be given to ASX under ASX Listing rule 4.2A (half yearly report); or
 - Appendix 4E and other documents required to be given to ASX under ASX Listing Rule 4.3A (preliminary final report); or
 - Appendix 4F and other documents required to be given to ASX under ASX Listing Rule 4.4A (report upon change of balance date).
2. Dividend/distribution online form (if and when applicable).
3. Any other material, for example, media releases and investor or analyst presentations.

Regardless of the order in which documents/online forms are e-lodged with ASX by listed entities, ASX will release the Appendix 4D/4E/4F to market first and other documents in the order set out above.

For further guidance, please refer to section 15 of [ASX Listing Rule Guidance Note 14](#).

Listed entities are also reminded that during Appendix 4D and 4E reporting periods, they can request early release arrangements for their financial reports if they have special requirements around the timing of the release of such announcements. The request must be made by email to [ASX Market Announcements](#). Please note that release under these arrangements is on a best endeavours basis.

2. Allow enough time for ASX to review your draft notice of AGM

Almost 90% of ASX's listed entities have a balance date of 30 June and therefore would ordinarily have to hold their AGMs by 30 November each year.

Under Listing Rule 15.1.7, draft notices of general meeting that contain Listing Rule resolutions must be submitted to ASX for review before they are sent to security holders. Listing Rule 15.1 provides that ASX may take 5 business days to advise whether it objects to a draft document and may extend that deadline if it needs further time to review the document.

ASX asks listed entities to bear these timing requirements in mind and allow sufficient time when they submit their draft notices of meeting for ASX to review. This is particularly important if there are a number of resolutions or complex transactions to be considered. If you will require waivers from any Listing Rules in connection with your notice of AGM, additional time should be allowed to obtain the waiver as the 5 business day period referred to above does not include the time needed to obtain a waiver. Listed entities should contact their Listings Compliance Adviser to seek advice on how long ASX needs to process a waiver request.

3. Annual listing fees FY2023 reminder

Listed entities are reminded that annual listing fees for FY2023 were due on 31 July 2022.

If payment is not received in full by 5.00pm AEST Friday 19 August 2022, ASX will suspend trading in the entity's securities before trading commences on Monday 22 August 2022 in accordance with Listing Rule 17.6. ASX will not waive this rule.

Further, should payment still remain outstanding by 5.00pm AEST on Friday 26 August 2022, ASX will remove the entity from the official list that day under Listing Rule 17.15. ASX will not waive this rule.

For queries on how the fee was calculated please refer to [ASX Guidance Note 15](#) paragraph 2.4. For queries in relation to the suspension and delisting process please contact your Listings Compliance Adviser. For all other enquiries please contact ASX Accounts Receivable via the email address accounts.receiveable@asx.com.au

4. CHES Replacement: Response to Public Consultation on Tranche 3 and Combined Rules Package

Overview

To facilitate the implementation of the new system that will replace CHES, certain amendments to the ASX Settlement Operating Rules, ASX Clear Operating Rules, ASX Operating Rules and ASX Enforcement and Appeals Rulebook are necessary.

On 31 August 2021, ASX released a [consultation paper](#) on the third tranche of operating rule amendments required for CHES Replacement, together with the combined package of rule amendments across the three tranches.

While the rule amendments naturally focus on changes to CHES functionality relating to clearing and settlement of trades which are relevant to clearing and settlement participants and their vendors, they also relate to changes to CHES functionality concerning asset registration and other post trade services which are relevant to issuers and their share registries.

Information on the proposed rule amendments (broken down across the three tranches), focussing on changes with a potential impact on issuers and their share registries, is set out for reference below. The draft tranche 1 and 2 rule amendments (included in the consolidated rules package) incorporate changes made as a result of feedback received through ASX's previous consultation on those amendments.

We continue to expect most impacts for issuers, including to system and operational processes, will be managed on their behalf by their share registries, however note that the direct support of issuers is required to facilitate certain aspects of the new functionality. In particular for:

- amendments to existing plan rules to support the new DRP and BSP electronic election service; and
- any changes issuers seek to make (at their discretion) to their constitutions to allow for up to four joint holders to reflect the new CHES capability.

Further information in respect of such aspects is contained in the "[Issuer Update](#)" released in April 2021.

Tranche 3 rule amendments

The amendments covered in tranche 3 relate to netting, settlement, reporting and miscellaneous amendments for 'Day 1' implementation of the new system.

These include:

- Transitional rules to support the remediation, conversion and migration of holder records to the new system. Further information on those transitional rules to support the migration of holder records to the new system is contained in section 1.8 of the consultation paper.
- Changes relating to the following functionality: reporting and static and pass-through investor data as well as changes relating to data governance. Further information on those changes is contained in sections 1.4, 1.5 and 1.11 of the consultation paper.

Tranche 1 rule amendments (consolidated rules package)

As part of the consolidated rule amendments, the [consultation paper](#) also covered rule amendments that were part of the first tranche of operating rule amendments relating to accounts, participants, securities and pre-settlement aspects.

These include changes relating to the following functionality: account and holder creation (including changes to holder details), locking and unlocking of accounts and holdings, security state and settlement instructions, SRN enquiry, transfers and conversions and settlement locks for CHES holdings. Further information on those changes is contained in sections 2.2, 2.3, 2.5, 2.9, 2.10 and 2.12 of the consultation paper.

Tranche 2 rule amendments (consolidated rules package)

As part of the consolidated rule amendments, the [consultation paper](#) also covered rule amendments that were part of the second tranche of operating rule amendments relating to corporate actions, mFund and RTGS payment aspects.

These include:

- The new corporate actions service for electronic notifications of elections (and cancellation of elections) for DRP and BSPs via CHES, which is to operate in addition to existing notification processes (e.g. paper based or issuer registry portal) directly to the issuer for CHES holdings. Further information on the DRP/BSP election functionality is contained in section 3.2 of the consultation paper.
- Changes relating to the following functionality: takeover and buybacks (where issuers opt to use CHES for processing of acceptances in respect of non-takeover offer events) and holding adjustments for corporate actions. Further information on such changes is contained in sections 3.5 and 3.7 of the consultation paper.

Rule amendments which had previously formed part of tranche 2 and dealt with entitlement acceptances and payments occurring electronically via CHES were removed from the consolidated rules package as they no longer form part of the functionality for Day 1 of the new system and will be included in a future release.

Response to Consultation

The consultation paper invited feedback from users and other stakeholders on the operation of the draft tranche 3 rule amendments, including any unintended consequences of the proposed amendments, as well as the combined package of rule amendments.

ASX sought feedback from impacted stakeholders on the proposed changes. Written submissions in response to the consultation paper were requested by Tuesday 14 December 2021.

Stakeholders provided feedback on a range of matters, including batch settlement, reporting, static and pass through investor data, system authentication and set up, transitional rules (including migration), and data governance. In addition, some feedback was provided by stakeholders specifically relating to tranche 1 (account and holder creation; locking and unlocking, and holding adjustments; issuer sponsored transfers; and demand and settlement instructions) and tranche 2 (corporate actions).

Following careful consideration of the feedback received and engagement with regulatory agencies, ASX's response to the consultation feedback was published on 30 June 2022. The tranche 3 and combined rule amendments [response to consultation feedback](#) includes:

- A summary of the feedback received in stakeholder submissions and ASX's response to that feedback, including addressing respondents' requests for clarification and further information (at Attachment A).
- The draft rule changes made to the ASX Settlement Operating Rules and Procedures and ASX Clear Operating Rules and Procedures, which take into account feedback received (summary of these rule changes at Attachment B).
- A full set of consolidated rule amendments (including the rule changes identified in Attachment B), which encompass the ASX Settlement Operating Rules and Procedures (Attachment C), ASX Clear Operating Rules (Attachment D), ASX Operating Rules (Attachment E) and ASX Appeals and Enforcement Rules (Attachment F).

ASX also released a CHES replacement project update on 3 August 2022 which is available [here](#).

5. Upcoming deadlines for periodic reports

Listed entities are reminded of upcoming deadlines for periodic reports:

- Preliminary final reports (June year-end) – Wednesday 31 August 2022
- Statutory half year financial reports (except mining exploration entities) (December year-end) – Wednesday 31 August 2022
- Statutory half year financial reports for mining exploration entities (December year-end) – Tuesday 13 September 2022
- Statutory audited annual accounts (June year-end) – Friday 30 September 2022
- Annual reports (June year-end) – Monday 31 October 2022
- Quarterly Reports for Mining and Commitments Test Entities – Monday 31 October 2022

Listed entities are also reminded that a failure to lodge the relevant documents on time will result in an automatic suspension of the entity's securities under Listing Rule 17.5.
