



ASX Investment Products

mFund Update - October 2017

1. Confirmation of the issuance of mFund products

mFund Issuers are reminded of the requirement under [ASX Operating Rule Schedule 10A.4.5](#).

Extract:

10A.4.5 Managed Funds Service additional requirements.

An AQUA Product Issuer that issues Managed Fund Products which are settled through the Managed Fund Settlement Service must:

- a. not issue Managed Fund Products to a client without confirmation through the Managed Fund Settlement Service through messages received by the participant of the Approved Settlement Facility responsible for settling the transaction (Settlement Participant) that the current version of the relevant disclosure documents (identified by date) have been given to the client. However, this does not apply if the AQUA Product Issuer is not required to comply with section 1016A of the Corporations Act in relation to the issue of those Managed Fund Products;*
- b. contact clients, within 5 business days of the issuance, to:*
 - i. confirm in writing the issuance of Managed Fund Products, and*
 - ii. inform clients that they should have received a copy of the most recent Product Disclosure Statement or Combined Product Disclosure Statement (as applicable) (and specify the date of the Product Disclosure Statement and each Supplementary Product Disclosure Statement) and if they have not, they should contact the AQUA Product Issuer to obtain a copy of the disclosure documents free of charge;*

As part of an mFund Issuer's compliance with the above requirement, ASX generally expects a 'Welcome Letter' to be issued along with confirmation that the Investor has received a copy of the PDS. Issuers are reminded to review ongoing compliance with ASX rules and contact the [Investment Products](#) team for any queries.

2. CRS/CHESS 10 working groups

Further to the [mFund CRS Update - August 2017](#) and ongoing communication by ASX regarding the upcoming 'CHESS 10' development work, ASX is now finalising the technical specifications to enable the development work to commence.

ASX has now either held or scheduled working groups with each of the mFund Issuers and PISPs to run through the proposal and enable an opportunity for feedback to be provided. Once all of the working groups have been held, ASX will consider any feedback received and amend the technical specifications where appropriate. The final technical specifications will be circulated to all mFund Issuers and PISPs. We will endeavour to send communication to investment managers who sit under the mFund Issuer however we are not obligated to do so and anticipate that the mFund Issuer will share the information with the investment managers. ASX rules/procedures will also be amended to incorporate the extended requirements.

It is important that all mFund Issuers and PISPs consider the proposal as the new application process seeks to address certain obligations under FATCA and CRS.

It is worth noting that the CHESS 10 development will not allow straight through processing of a number of the more complex entity types and some follow up outside of mFund/CHESS will be necessary in relation to FATCA and CRS compliance.

If you have not been contacted by ASX to schedule a CHESS 10 working group and you would like to discuss the proposal, please contact Charmaine Breadon (02) 9227 0654 or email charmaine.breadon@asx.com.au.

3. New ISO Financial Instrument Identifiers

ASX in its capacity as National Numbering Agency is a full member of the Association of National Numbering Agencies (ANNA) for Australia. ANNA is the international organisation that governs financial instrument identification and has recently introduced new standardised financial instrument identifiers to be assigned alongside ASX Code and ISINs are:

- Classification of Financial Instrument (CFI): identifies the type of financial instrument and the main attributes.
- Financial Instrument Short Name (FISN): a unique and standardised naming convention for a financial instrument.
- Legal Entity Identifier (LEI): identifies the issuer of a financial instrument.

The CFI and FISN will be automatically assigned by ASX for every financial instrument. **Issuers will be requested to provide Legal Entity Identifiers (LEI) on a voluntary basis to ASX and this is intended to assist Issuers in connection with international reporting regimes where the Issuer LEI is mandated.**

For mFund products which have an ISIN issued by APIR, the existing ISIN format will continue to apply.

Further information can be found [here](#).

If you have any questions please email steven.ball@asx.com.au or julie.dang@asx.com.au.

4. Subscribe to the ASX Investment Products - mFund Update

The mFund Update is for all Issuer and their providers about ASX rules, compliance, operational and general matters for mFund products. To subscribe, email investment.products@asx.com.au. Past updates can be accessed [here](#).

Visit:
asx.com.au

Contact us:
[ASX Investment Products](#)

Follow us on:



© Copyright 2017 ASX Limited ABN 98 008 624 691. All rights reserved 2017.
