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Description	Please complete the details below
Your Organisation Name	AUSIEX
Do you want your response to be treated as confidential?	No
What role does your organisation play in the Australian market?	Brokers, clearing and settlement participants (including retail, institutional and custodians)
What role does your organisation play in the Australian market? - Other (Please specify) - Tex	0

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(Should the respondent have a view please answer those questions that they consider to be applicable). This section is not mandatory.

Question Reference	Case for T+1 (reasons)	Response (free format)	Guidance Notes
Q1	Would a decision to adopt, or not adopt, T+1 settlement affect the Australian market's international competitiveness as a destination for foreign investment? (refer to section 3.2 of Whitepaper)	There is no case to suggest that a difference in settlement cycle from T+1 versus T+2 will negatively impact the Australian market. There are many differences between the capital markets globally that are more fundamental in nature than this. e.g. US markets predominantly operate on an omnibus model and the role of the broker there is quite different to one in Australia with its HIN based system. These differences are not limiting factors to global capital flows.	(free text) Topic: Capital Flows
Q2	Would Australia staying on T+2 pose any restrictions on trading volumes for trading participants? (refer to section 3.2 of Whitepaper)	Refer response to Q1.	(free text) Topic: Capital Flows
Q3	Can you quantify the likely impact to your organisation's fail rate of a move to T+1 (for example, based on your organisation's experience in other markets)? (refer to section 3.3.2 of Whitepaper)	It would be impossible to quantify, but one major impact would be the added pressure on back-office operations to complete settlement. Potentially bookings would need to be extended past 7pm, with other downstream implications. Extending the working day for those teams to unrealistic levels and removing any margin to resolve problems. It would add to the challenge of attracting and retaining staff to perform these complex roles.	(free text) Topic: Settlement Risk
Q4	What is the scale of investment and technology change required for your organisation to support a move to T+1 settlement, from both a cost and lead time perspective (for those organisations involved in overseas transitions would you estimate Australia to be more/less work than specific overseas markets)? (refer to section 3.4 of Whitepaper)	The required changes are significant, complicated and costly. The benefits are not obvious and unlikely to be significant. The opportunity cost will be high, as it will divert attention away from other important initiatives such as the CHESSE upgrade project.	(free text) Topic: Operational Risks and Processes
Q5	What technology upgrades would your organisation (and clients) need to do to support T+1? (refer to section 3.4 of Whitepaper)	AUSIEX's iStar back office system has already delivered significant benefits from long term, deep, investment in automation and straight through processing. Australian settlement is effectively on T+1.5 currently. This system is optimized and working effectively. Brokers are required to invest in other areas in their business to cope with regulatory and technology change. R&D spend across the industry should be targeted to improve commercial outcomes in an holistic way, not on single point issues that are fully functional.	(free text) Topic: Operational Risks and Processes
Q6	What market-wide technology or infrastructure adoption would be needed to support a move to T+1? (refer to section 3.4 of Whitepaper)	Without being able to make any specific comments, expectation is that industry wide investment is likely to be significant. The move from T+3 to T+2 was simpler in nature due to the redundant time inherent in that arrangement. Moving from T+2(T+1.5) to T+1 will likely result in downstream system changes, with potential implications on the banking system.	(free text) Topic: Operational Risks and Processes
Q7	What could impact your organisation's capacity to move to T+1? (refer to section 3.4 of Whitepaper)	Shorter settlement cycles also limit the time available for recovering from mistakes, outages, or issues leading to increased pressure on contingency planning. If these risks cannot be effectively mitigated and managed, it could significantly change the risk profile of the business and bring into question the long-term commercial viability.	(free text) Topic: Operational Risks and Processes
Q8	To ensure all investors have time to match instructions, what options/solutions do you consider viable, or necessary, to be in place prior to any transition to T+1, such as trade matching confirmation platforms, system/rule changes etc? (refer to section 3.4.1 of Whitepaper)	Unable to comment	(free text) Topic: Trading Activity and Middle Office Processes
Q9	From the perspective of ETF issuers which scenario best fits the needs of the Australian ETF market? (refer to section 3.4.2 of Whitepaper)		0 select the applicable response from the drop down Topic: ETF Management
QID17	Can you tell us why?	No comment	(free text) as to why you responded as you did for question 9 Topic: ETF Management

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Question Reference	Case for T+1 (reasons)	Response (free format)	Guidance Notes
Q10	In the event that Australia adopts T+1, what potential measures need to be considered to alleviate the challenges for ETF issuers? (refer to section 3.4.2 of Whitepaper)	No comment	(free text) Topic: ETF Management
Q11	In the event that Australia remains on T+2, what potential measures need to be considered to alleviate the challenges for ETF issuers? (refer to section 3.4.2 of Whitepaper)	No comment	(free text) Topic: ETF Management
Q12	What changes would be required to the securities lending market to facilitate/enable a move to T+1 (e.g. centralised, regulatory changes)? Would the changes need to be in place prior to a move to T+1? (refer to section 3.4.3 of Whitepaper)	No comment	(free text) Topic: Securities Lending
Q13	What are the key changes that would need to be made to the CHES batch settlement process to facilitate T+1 settlement (including potentially moving the batch settlement in RITS to later in the day)? (refer to section 3.4.4 of Whitepaper)	Potentially bookings would need to be extended past 7pm to ensure everything is booked out with settlement the next day, priming the settlement HIN would have to be done earlier and moving the batch settlement later in the day to give some time for DVP matching prior to settlement, meaning payments would go out later to clients and Trust movements to close trust would need to be later and end of day processes. There are a lot of scheduled processes that would need to change.	(free text) Topic: Australian Banking System
Q14	In the broader banking eco-system, what (if any) changes would be required to facilitate post-CHES batch settlement processes? (refer to section 3.4.4 of Whitepaper)	If Chess batch was to move later in the day there would be potentially more time for debits to clear meaning less use of Intraday credit lines; but payments would be later to clients, meaning later to clear from the bank account pushing EOD processes back.	(free text) Topic: Australian Banking System
Q15	Please provide perspectives from investors (both retail and institutional) regarding demand to move to T+1? (refer to section 3.5.2 of Whitepaper)	There is no investor demand for T+1 from retail investors.	(free text) Topic: Investors Domestic and Global
Q16	Please provide information on the impacts of a move to T+1 in Australia on global investors (including investors who use intermediaries), and what pre-conditions or tools would need to be in place to support a move to T+1? (refer to section 3.5.2 of Whitepaper)	No comment	(free text) Topic: Investors Domestic and Global
Q17	For investors requiring foreign exchange to fund trades, if Australia moved to T+1 would you be able to fund AUD bank accounts in time for daily settlement, and if not, what changes or solutions would be required to make this viable? (refer to section 3.5.2 of Whitepaper)	No comment	(free text) Topic: Investors Domestic and Global
Q18	Please provide further information on the impacts of a move to T+1 on issuers, including changes that would be required to support issuers in a move to T+1? (refer to section 3.5.3 of Whitepaper)	No comment	(free text) Topic: Issuers / listed companies, corporate actions
Q19	How much lead-time would your organisation (including service providers) require before implementation if a decision was made to move to T+1 in Australia?	+24 months to allow sufficient time to plan and prepare	(free text) Topic: Other
Q20	Is there any other feedback or information you would like to share?	No	(free text) Topic: Other