



CHES Replacement Project

**Clearing & Settlement
Participant Readiness
working group**

16 March 2022

Important Information – Competition Law Policy

Working group members are reminded to have regard to their obligations under competition law. In particular, please note changes to the Competition and Consumer Act to prohibit a corporation from engaging with one or more persons in a concerted practice that has the purpose, effect or likely effect of substantially lessening competition.

Housekeeping

- Meeting is being recorded for ASX's internal audit and record keeping purposes only and will not be made available
- You can access MS TEAMS via an alternative device
- Calendar invitation includes today's presentation slides
- Please keep your microphones on mute and your cameras turned off
- Floor open for questions either after the agenda item has been presented or where there is a natural break point
- Please raise your hand if you have a question
- Please switch on your cameras when talking / switch off cameras when you are not talking
- We will endeavor to be fair in managing questions from multiple parties
- To keep the agenda moving, some questions may need to be followed up and answered outside of the meeting
- Presentation materials and Q&A to be published to the CHES replacement web page
- Chatham house rules to be observed

Agenda

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- MDR preparation
 - Entry criteria
 - CHES user cutover plans
 - Communication channels during MDRs and go-live
 - Critical success factors
-
- Customer migration reports
 - Sample reports
 - Discussion topics
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- Q&A
-
- Next steps
-

MDR preparation

Preparing for MDR

- Following the release of the [Cutover and Migration Strategy](#) in December, a number of areas were called out as topics for engagement or discussion as part of these CHES user working groups and consequently today's meeting will be covering the following topics:
 - MDR Entry Criteria
 - CHES user cutover plans
 - Critical Success Factors
 - Customer Migration Reports
- Snapshot of data for MDRs, using either current versus prior dated data, to be confirmed shortly

MDR Entry Criteria

ASX will hold an internal Go / No-Go readiness at least 2 weeks prior to each MDR ensuring both ASX and market participants are ready. Entry Criteria below will be used to assess CHES user readiness moving into the MDR phase.

MDR Entry Criteria	How criteria will be measured	What ASX requires
<ul style="list-style-type: none">CHES users confirmed readiness for coming event	<ul style="list-style-type: none">Readiness will be based on resourcing confirmed and cutover plans provided. ASX will seek confirmation prior to the Go / No-Go readiness checkpoint	<ul style="list-style-type: none">Confirmation of readiness 2 weeks prior to the scheduled event
<ul style="list-style-type: none">CHES users high level MDR plan including rollback timing to be provided to ASX in order for critical milestones to be tracked	<ul style="list-style-type: none">CHES users plan received and incorporated into the ASX Master Schedule by Jun 22	<ul style="list-style-type: none">High level CHES user cutover plan provided Jun '22 (see template slide)Final updates provided as part of the MDR readiness checkpoint
<ul style="list-style-type: none">CHES user connectivity to ASX “to be” production environment proven prior to the event	<ul style="list-style-type: none">ASX will commence connectivity and onboarding prior to MDR1 to allow CHES users to confirm connectivity with security controls in place by end Sep '22	<ul style="list-style-type: none">To-be production environment form submittedConfirm connectivity to MDR environment

MDR Entry Criteria continued

ASX will hold an internal Go / No-Go readiness at least 2 weeks prior to each MDR ensuring both ASX and market participants are ready. Entry Criteria below will be used to assess CHES user readiness moving into the MDR phase.

MDR Entry Criteria	How criteria will be measured	What ASX requires
<ul style="list-style-type: none">Customer Migration Report format understood and download/extract process proven	<ul style="list-style-type: none">CHES users to provide any feedback by Jun '22CHES users to confirm the Customer Migration Report can be successfully downloaded/extracted	<ul style="list-style-type: none">CHES users confirmation
<ul style="list-style-type: none">Weekend communication contacts confirmed for both CHES user change managers and ASX support staff	<ul style="list-style-type: none">CHES users to confirm weekend roster and contact details prior to each MDR readiness checkpoint	<ul style="list-style-type: none">CHES user roster for key contacts (see template slide)

CHESS User Cutover Plan

The following template provides a simple example for capturing key activities and timings associated with each CHESS user's cutover plan. This will form part of the ASX master schedule and will inform key milestones including point of no return.

ID	CHESS user activity	Start time	End time	Dependency (if any)
1	<i>Download CHESS messages and process</i>	<i>2am Saturday</i>	<i>10am Saturday</i>	<i>CHESS EOD completes (ASX)</i>
2	<i>Confirm to ASX CHESS connection is no longer needed</i>	<i>10am Saturday</i>	<i>10am Saturday</i>	<i>ID1</i>
3	<i>CHESS Replacement change activity (Description of change)</i>	<i>10am Saturday</i>	<i>7am Sunday</i>	<i>ID2</i>
4	<i>CHESS user verification steps (breakdown what activities will be performed including reports that will be generated)</i>	<i>7am Sunday</i>	<i>12pm Sunday</i>	<i>ASX confirmation that Migration was successful and that access to CHESS Replacement has been enabled</i>
5	<i>Review customer migration reports and confirm outcome to ASX (Description of review approach)</i>	<i>7am Sunday</i>	<i>12pm Sunday</i>	<i>ASX confirmation that customer migration reports have been distributed</i>
6	<i>Rollback activity</i>	<i>Rollback commencement</i>	<i>Duration in hh:mm</i>	

Communication during events

To ensure CHES users are informed of status throughout each event, ASX will provide live updates to the System Status page or similar, advising of current status including any known high impact issues.

For scenarios where CHES users are required to contact ASX, existing support teams will be leveraged to provide dedicated support during MDRs and the Go Live cutover event. Support phone contact details will be provided that will allow CHES users to contact ASX during weekend hours to either request updates on status tracking, or to provide information on how their respective change activity is tracking.

ASX will need to reach out to CHES users throughout each event to either follow up on task updates or to provide timely updates for any open case related to the weekend. ASX requires a roster from each CHES user outlining primary and secondary contacts.

CHES user roster	Start time	End time	Contact details
<i>Primary contact 1</i>			
<i>Secondary contact 1</i>			

The event communication plan will be provided as part of the MDR overview document to be published in July 2022.

MDR & Go-live Critical Success Factors

Critical success factors (CSF) are used to inform Go-live event success. Each CSF is a measurable verification scenario that is performed as part of the cutover weekend and is fundamental in determining a Go or No-Go decision.

CHES user critical success factors	How criteria will be measured
<ul style="list-style-type: none">• CHES users to confirm their internal change activity was successful and are ready for Monday start of business	<ul style="list-style-type: none">• Based on CHES user internal success measures. Confirmation of outcomes must be provided to ASX in order for the Go / No-Go checkpoints to consider CHES user readiness
<ul style="list-style-type: none">• CHES users to have proven connectivity and performed the agreed verification task	<ul style="list-style-type: none">• CHES users to confirm connectivity and verification outcomes. ASX support will monitor logging
<ul style="list-style-type: none">• CHES users to have received and reviewed the relevant Customer Migration Reports	<ul style="list-style-type: none">• CHES users to escalate if not downloaded/extracted

Customer Migration Reports

Customer Migration Reports

Background

- As noted in the February Implementation and Transition webinar, ASX seeking your feedback
 - How will my organisation review the customer migration reports supplied by ASX on the cutover weekend?
 - What tools or arrangements are required to be in place?
 - Do we have adequate level of information to perform a review and confirm back to ASX?
- On Sunday, after ASX has completed the data migration, customer migration reports will be provided to CHES users
- The customer migration reports are generated, based on ASX reconciled data, prior to being published at 7am for your consumption
- During MDRs, ASX and CHES users must replicate and rehearse all steps that will be performed for actual cutover weekend, this includes ASX generating the reports and CHES users to extract/download the reports

Preparations for customer migration reports

Including support provided by ASX

- ASX is targeting to provide 'sample' customer migration reports to all CHES users via ASX documentation portal in April 2022
 - Purpose: to aid CHES users in defining their internal processes for the MDR & Go-live weekends
 - Characteristics:
 - The reports will use sample data only
 - The reports will be specific to each cohort type
 - The reports are subject to change if deemed necessary by ASX or as determined by customer feedback
- A month prior to MDR1, ASX will provide customer migration reports from a live ASX Dress Rehearsal
 - CHES users to confirm they have extracted or downloaded reports

'Sample' customer migration reports

Reports for Controlling Participants

Reports shown here are only for illustration purposes only using sample data

Sample Account
Summary Report



Microsoft Excel
Worksheet

Sample Security
Summary Report



Microsoft Excel
Worksheet

Sample Settlement
Instruction Details



Microsoft Excel
Worksheet

Discussion topics for Customer Migration Reports

- How will your organisation review the customer migration reports supplied by ASX on the cutover weekend? For example,
 - Build a tool to compare data in your back office systems with data from ASX customer migration reports
 - Perform a checksum of the data in your back office systems with total counts provided by ASX
 - Where applicable, use the 'non-migrated accounts' and 'remediated accounts' reports to update records in your back office systems
 - Where applicable, use the 'outstanding' request reports and resubmit those requests on Monday
- What tools or arrangements are required to be in place? For example,
 - Do you need to build pre-positions from data in your back office systems
- Do you have adequate level of information to perform a review and are there any show stopper?
 - What would you consider to be a show stopper based on your review of the customer migration reports?

Q&A

Next steps

Review and feedback:

- Slides and Q&A will be published on the CHES Replacement webpage
- Provide feedback or additional questions by contacting CHESReplacement@asx.com.au – use “CSPR – WG” as the subject heading

Next working group meeting:

- TBC: Pending feedback from working group members

Thank you.



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