Stakeholder Feedback and ASX Response – Investor Data

Stakeholder Feedback and ASX Response

ASX values the feedback it receives from stakeholders to determine the optimal solution design for each new business requirement. As part of its stakeholder engagement process, ASX has published a summary of the feedback it has received from stakeholders from the relevant Focus Groups and ISO 20022 Technical Committee meetings on the solution design of this new functionality.

This feedback is presented in the form of a table, and lists the key topics raised by stakeholders across both forums. The table provides a summary of stakeholder feedback and ASX's response to that feedback, highlighting where relevant the evolution of the functional specifications of each new business requirement based on stakeholder feedback and further analysis done by ASX. While ASX has considered the issues, comments and suggestions made by each impacted stakeholder, the differing and at times conflicting needs of various stakeholder groups mean that final functional specifications may not support suggestions received or retain aspects notwithstanding concerns raised.

The table does not identify any organisation or individual who raised a particular topic or question for discussion, nor does it intend to capture individual responses received from stakeholders; rather it is intended to be a summary only.

Investor Data

Focus Group	15 October 2019
Technical Committee	10 December 2019
Number of respondents (on final proposal)	7
Related presentation materials	https://www.asx.com.au/services/iso20022-technical-committee.htm
Related Day 1 Consultation Paper Requirement(s)	2.2.3 – Account information – Centralised data capture and storage

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Topics	Stakeholder Feedback	ASX Response
Investor Data - Should any additional attributes be collected	Feedback received from participants, requested the below attributes be included in CHESS Replacement functionality: • Where advisor details are included in a notification, the email address of the advisor should also be supported; and • Whether Foreign Tax Identifiers (TIN) would be supported. Confirmation was sought that Foreign Bank account details and currency elections would be supported.	Where advisor details are provided for mFunds, CHESS Replacement will provide the functionality to include an email address. CHESS Replacement will support the pass through of additional Investor Types for the provision of tax related data; additional attributes have been included to support the collection of data pertaining to Foreign Tax, for example: TIN and TIN Absent Reason codes. CHESS Replacement will support the pass through of foreign bank account details and currency elections; noting that one bank account per HIN would continue to be supported by Issuer Registries. Rejection or acceptance of the relevant foreign account details or foreign currency will be at the discretion of the relevant Issuer.
Investor Data – data retention	A Participant raised concerns relating to the retention of data by CHESS Replacement.	Data will not be stored for reuse in CHESS Replacement unless there is a purpose for the use of it, such as email address for the electronic provision of CHESS Holding Statements.
Investor Data - collection of email addresses and /or mobile phone numbers to support the digitisation of Holding Statements.	Participants provided mixed feedback in relation to the provision of email addresses and mobile phone numbers. A Participant noted that should ASX make the provision of this data mandatory, it could result in an improved investor experience. Participant concerns included, bounce-back management, duplication of effort and privacy issues.	ASX confirmed that it will not seek to mandate the provision of additional investor data, unless required to support an underlying business process. Where an investor has elected to receive digitised Holding Statements, CHESS Replacement will enable functionality to record email addresses and mobile phone numbers for the purposes of statement dissemination. Where the investor chooses continued paper based statements, the provision of email and / or mobile phone number will remain optional.
Investor Data - mFund specific attributes for advisor and Foreign Tax details	A Participant raised an issue in relation to Participants readiness to utilise mFund functionality. Concerns were raised in relation to Participants being fully compliant both from a system and operational readiness perspective. Participants requested that where an mFund Application included advisor details that the Dealer Group AFSL number be made mandatory rather than optional.	The accreditation process for CHESS Replacement ensures all Participants will represent that all mandatory (and where applicable, optional) functional requirements can be supported. As a result of feedback received, CHESS Replacement will, where a Financial Adviser is indicated on the Investor Data message, require the Dealer Group AFSL number be included on the message.

	Confirmation in relation to Foreign Tax Residency indicator, TIN notification and Passive non-Financial Entity reporting requirements was requested.	CHESS Replacement will support:
		
		• A Foreign Tax Residency indicator
		• Recording of TIN; and / or TIN absent reason. The TIN Absent Reason codes being:
		   • Country of tax residency does not issue TINs to tax residents;
		   • Investor has not been issued with a TIN;
		   • Country of tax residency does not require a TIN to be disclosed
		
		Additional attributes have been added to CHESS Replacement to support requirements for Entity Characterisation:
		
		• Financial Institution;
		• Public Listed Company;
		• Active Non-Financial Entity;
		• Passive Non-Financial Entity; and
		• Reporting requirements for Foreign Resident Controllers.

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