



CHES Replacement Project

**Implementation & Transition
Webinar**

29 July 2020

Housekeeping: trouble shooting

- Check your system requirements
- Audio options:
 1. Use your computer's mic and speakers ("Computer audio"). Check that your computer's audio is unmuted
 2. Use a telephone to dial in ("Phone call")
 - Phone number: **+61 2 8355 1054**
 - Access code: **544-101-607**
 - No need to enter an Audio PIN as audience is muted
 3. If you are still experiencing audio difficulties, try downloading the GoTo Webinar Application on your smart phone, and enter the Webinar ID: **615-670-195**

Further information:

<https://support.goto.com/webinar/how-to-join-attendees>

GoToWebinar Attendee System Check for Webcast Webinars

Looks good! You can join a webinar.

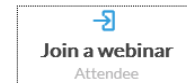


- ✔ OS - Windows 8.1
- ✔ Browser - IE 11
- ✔ Internet connection - Strong
- ✔ Flash - Enabled

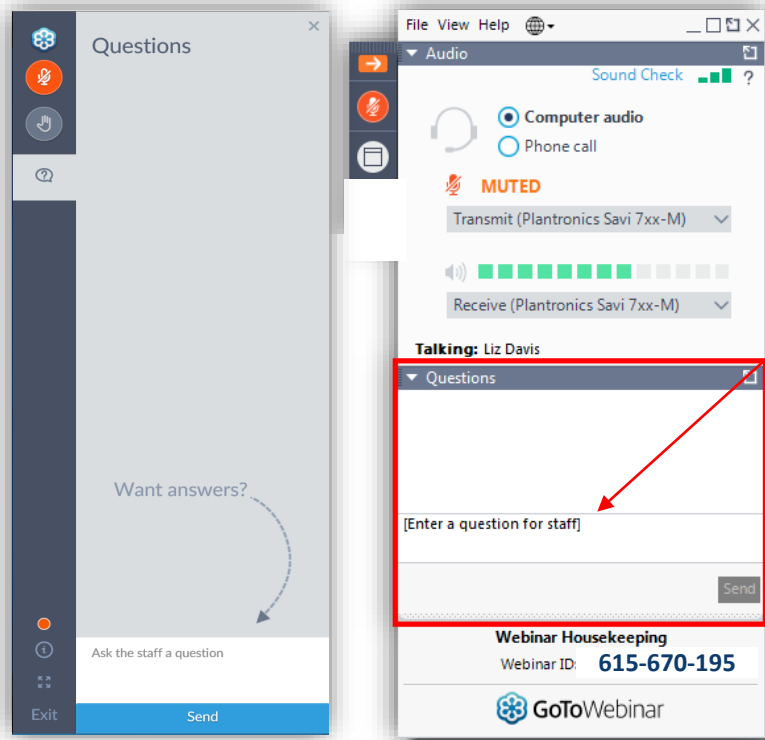
Test your system again

View System Requirements

Next steps



Housekeeping: how to submit questions



Your Participation

- To submit your text questions and comments use the Questions panel
- Note that your questions will not be seen by other attendees

For more information - refer to the webinar tips published on the ASX [CHES](#)
[Replacement web page](#)

Agenda

-
- CHES UI Overview
-
- CHES UI Demo
-
- Corporate Actions
-
- Q&A
-
- Next steps
-

Presenters and introductions

Keith Purdie - Senior Manager, Equity Post Trade Services

Chris Boyes - Lead Business Analyst, Delivery

Ngai Ghi - Senior Business Analyst, Delivery

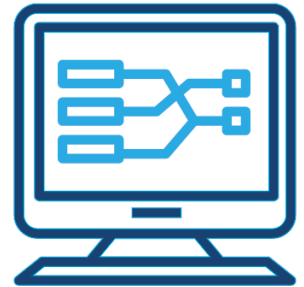
Karen Webb - Senior Manager, Equity Post Trade Services

Sue Julian - Manager, Equity Post Trade Services

CHESS UI Overview

CHESS UI Overview

- > The CHES UI is a secure browser-based user interface that provides access to CHES Replacement
- > It is primarily a replacement for the CHES PC desktop application which is a tool to provide an alternate connectivity option for low volume customers
- > The CHES UI, which has been built in partnership with Industrie&Co, takes advantage of the new technology and operates using ledger API. This provides real-time access to mutualised data and the ability to submit messages to the ledger and query responses.
- > It is not, however, a message gateway and will not allow upload/download of XML files
- > UI connectivity is interoperable with ledger API, AMQP and SWIFT. All messages submitted from the UI are available on the ledger, and will generate responses over all channels.
- > The CHES UI will be released to customers for testing at the start of ITE-1. It is not planned to be released into CDE



CHESS PC vs. CHESS UI

021-02 Certificated to CHESS Transfer Request

Close Send Edit Delete Print Authorise Unauthorise

No.	Msg Sent/Received	Security Code(M)	Balance Instruction(O)	Certificate Number(M)	Transaction Basis(M)	Rec
1	S000002866	BHP		A56970	M - Market	
2	S000002867	BHP		A10121	M - Market	
<< End of listing >>						

Message Type Selection

CHESS Message Category: Demand

CHESS Message Source: All User CHESS

CHESS Message Type: 021 - Certificated to CHESS Transfer Request

Version: 2

Criteria: All Sent Not Sent

UIC Criteria: []

Entry: Date:

From: [] Date: [] Time: []

To: []

Close

Click 'Ok' or 'Close' to close the screen.

Summary

Time of Report: 24/07/2000 10:32:41

Criteria	Message Type	Message Name	Message Count
<input type="checkbox"/> Date	1 Demand	Single Entry CHESS to CHESS Transfer Request	95
Start Date: []	13	CHESS to Certificated Conversion Request	15
End Date: []	101	Dual Entry Settlement Notification	1
Message Status: <input checked="" type="radio"/> All <input type="radio"/> Received <input type="radio"/> Sent <input type="radio"/> Not Sent <input type="checkbox"/> Exported			Total = 111

Refresh Select Print Close

ASX CHESS

Account Name: 01119 SPONSORED PARTY 2

HIN: 000501191 Controlling Participant UIC: 01119

Created At: 01/12/2014 11:00 Last Updated At: 14/06/2020 23:31

ACCOUNT & HOLDERS

Account status: ACTIVE

Account details

Account identifier (HIN)	000501191	Account type	SPSD - Sponsored Account
Account name	01119 SPONSORED PARTY 2	Ownership type	SIGL - Single
Controlling participant UIC	01119	Residency Indicator	FRGN - Foreign
Controlling participant name	21110 CDE TEST USER 2	Communication preference	POST - Post
Designation	-	Email address	-

CHESS UI Features

Feature	Description	Applicable to	Available
Message Entry	Manual entry of all ISO 20022 Messages including application of schema and business validations and notification of success or failure.	All CHESS UI users	ITE-1
	Query historical ingress and egress messages across all connectivity channels	All CHESS UI users	ITE-1
	Bulk upload data in CSV format for limited use cases*	All CHESS UI users	Post ITE-1
Accounts (HINs)	Create, modify, lock and cancel accounts. Query current state of accounts, holders, holdings and sub-positions and historical holding movements and account updates.	Participants, Issuer Registries	ITE-1
Settlement Instructions	Query scheduled and recently settled settlement instructions	Participants	ITE-1
mFund	Submit, query and action outstanding mFund Application & Redemption Orders	mFunds Participants, PISPs	Post ITE-1
Payments	View and manage outstanding Batch Settlement and RTGS payment obligations	Payment Providers	ITE-1 (<i>batch</i>)
User Management	User on-boarding and registration (including 2FA), switching between multiple UICs, creation and management of users by enterprise administrator	All CHESS UI users	ITE-1
Workflow	“Four eyes” approval workflow and audit history	All CHESS UI users	Post ITE-1

CHESS UI Access & Compatibility

- > The CHESS UI will not be available over the public internet and can only be accessed over ASX Net (including IPSEC)
- > All users will be required to set up 2 factor authentication (SMS or Authenticator App) with strong passwords prior to accessing the UI
- > An up-to-date version of one of the following browsers will be required on either Windows or macOS:
 - > Google Chrome
 - > Microsoft Edge
 - > Safari
 - > Firefox
 - > Internet Explorer 11
- > The UI will conform to WCAG 2.0 (Web Content Accessibility Guidelines) level AA

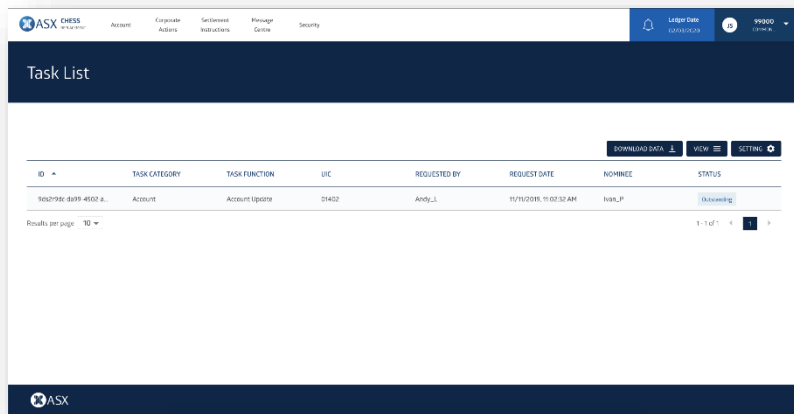


CHESS UI On-boarding & Security

- > ASX Operations will on-board at least two Enterprise Administrators per organisation to the CHESS UI
- > Enterprise Administrators can be associated with one or more UICs. This can include all Issuer UICs associated with a Registry, or a subset. Users permitted to access multiple UICs may switch between these in the UI
- > Once on-boarded Enterprise Administrators are permitted to create and manage permissions for additional users within their organisation within the CHESS UI
- > User-level permissions include:
 - > read-only access (view and enquiry only)
 - > read/write access (allowing submission of CHESS messages)
 - > download data (permitted to export data to CSV)
- > The UI can also be configured to include a secondary approval workflow for message submission and an auditable history of the requestor, approver, date/time and related message

CHESS UI Demonstration

“Four Eyes” Approval Workflow



The screenshot shows the ASX CHES Task List interface. At the top, there are navigation tabs for Account, Corporate Actions, Settlement Instructions, Foreign Cashes, and Security. A user profile for '99900' is visible in the top right. The main area is titled 'Task List' and contains a table with columns: ID, TASK CATEGORY, TASK FUNCTION, LIC, REQUESTED BY, REQUEST DATE, NOMINEE, and STATUS. A single task is listed with ID '1620796-d099-4502-a...', Task Category 'Account', Task Function 'Account Update', LIC '01402', Requested By 'Andy_L', Request Date '10/10/2019, 11:02:32 AM', and Nominee 'Ivan_P'. The status is 'Outstanding'. Below the table, there are controls for 'Results per page' (set to 10) and pagination (1 of 1).

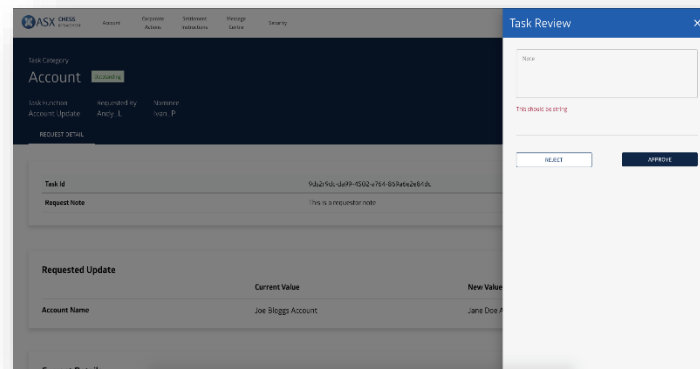
ID	TASK CATEGORY	TASK FUNCTION	LIC	REQUESTED BY	REQUEST DATE	NOMINEE	STATUS
1620796-d099-4502-a...	Account	Account Update	01402	Andy_L	10/10/2019, 11:02:32 AM	Ivan_P	Outstanding

Ability to view and query messages pending approval, including details of the requestor and the ability to nominate an approver.

No message is sent to the ledger until it has been approved by another user with appropriate permissions

Detailed view of the message pending approval with the ability to approve or reject the submission

Approval will send the message to the ledger. Rejection will discard the message and require resubmission



The screenshot shows the 'Task Review' modal in the ASX CHES system. It displays details for a task with ID '1620796-d099-4502-a761-0194e2d8f0a'. The task function is 'Account Update', requested by 'Andy_L', and the nominee is 'Ivan_P'. The modal includes a 'REQUEST DETAIL' section with fields for 'Task ID', 'Request Note', 'Requested Update', and 'Account Name'. The 'Requested Update' section shows 'Current Value' and 'New Value'. At the bottom, there are 'REJECT' and 'APPROVE' buttons. A red warning message 'This must be RTTY' is visible above the buttons.

CHESS UI Summary

- > The CHESS UI will be available in ITE1
- > Documentation is available online and will be enhanced with more information prior to release:
<https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/23233725/CHESS+User+Interface+Connectivity>
- > ASX anticipates releasing further information on pricing for access to CHESS UI later this year

Corporate Actions

Corporate Actions

Corporate Actions STP Phase 2 project - Update on releases

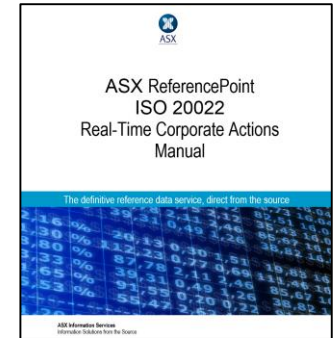
Release 2 – implemented 18 July 2020

For issuers:

- Updates to online forms: Appendix 3B – Proposed issue of securities, Appendix 3A.1 – Dividends, Appendix 3A.2 – Interest Payments
- Updates to related word forms
- Key changes outlined in [Listed@ASX Compliance update 06/20](#) published 17 June 2020

For market information subscribers:

- All ISO 20022 corporate action event notifications in production – SWIFT, FTP channels
- Finalised usage guidelines available in MyStandards
- Updated ReferencePoint manual, updated SWIFT Readiness guide
- Includes introduction of ISIN for non-renounceable entitlement (available in ISO 20022 event notification, ReferencePoint Master List)
- new tax fields for Distributions (available in ISO 20022 event) per finalised ATO AIIR list agreed with STP Distribution sub-group



Corporate Actions

Corporate Actions STP Phase 2 project - Update on releases

All ISO 20022 usage guidelines for corporate action notifications (24 events + Cancellation + BAH) published in [SWIFT MyStandards](#):

Community: ASX STP Corporate Action Working Group Community

Collections:

ASX_AU_CHS_evnt_STP

ASX_AU_CHS_comm_STP

The guidelines use same naming conventions as for CHES Replacement. Same BAH as for CHES Replacement.

Community access available on request by email to: ASXCorporateInformation.STP@asx.com.au

Subscription queries by email to: Information.Services@asx.com.au

Corporate Actions

Corporate Actions STP Phase 2 project - Update on releases

Release 3 target – March 2021

For issuers:

- Online forms with full STP* for announcement all capital raising/capital change activities:
 - Appendix 3B – Notification of proposed issue
 - Appendix 2A – Application for quotation
 - Appendix 3G – Notification of issue, conversion or payment up of unquoted equity +securities
 - **NEW** - Appendix 3H - Notification of cessation of +securities
 - Appendix 4A – Statement of CDIs on issue – already STP
- Online forms for Buy Backs (review current Appendix 3C, 3D, 3E, 3F)
- Online form with full STP for Appendix 3A.5 – Return of Capital (In-Specie)
- Assess any further improvements – unlisted product events
- Digital issuer tracking dashboard – ASX Online

*noting some of these notifications do not result in ISO 20022 event output

For market information subscribers:

- Additional ISO 20022 event – Reinvestment offers
- More events notified in real time

Corporate Actions

CHESS APG

Soon after a company announces an event, attributes such as the Corporate Action Event Identification Number, Corporate Action Event Type and option numbers which are consumed by CHESS will become available.

The new APG will provide information about each of those attributes as it relates to specific corporate action events. The first release of this documentation is scheduled for Friday, 31 July

The Corporate Actions principles section (section 10) contains a summary table of events which includes the relevant:

- a) Corporate Action Type
- b) Corporate Action Event Type Code
- c) Corporate Action Sub-Type Code (where applicable)
- d) Option Number(s) or Option Number ranges
- e) Associated Holding Adjustment Reason Code



Corporate Actions

CHESS APG

In addition, in sections 11 and 12 the procedural content references those specific attributes as they relate to each event; for example for non-renounceable issues:

Event type code is RHTS with a sub-type code of NRNI, and the option numbers will be 001 = Exercise, 002 = Oversubscribe (where applicable), 999 = no action by CHESS.

Holding adjustment reason code = NRNI

Finally, ASX will also provide an end to end workflow diagram for all Corporate Actions (similar to a workflow diagram presented at the Implementation and Transition Working Group in May of this year). These diagrams will be released in a subsequent APG release drop (timing to be determined)



Q&A

Next steps

Next steps

Review and feedback:

- Webinar recording, slides and Q&A will be published on the CHES Replacement webpage
- Provide feedback by contacting CHESReplacement@asx.com.au – use “*I&T webinar*” as the subject heading
- Feedback welcome by **COB Wednesday, 12 August 2020**

Next meeting:

- Topic: Inflight transactions, accounts and registration details
- Date: Wednesday, 26 August 2020

Thank you.



Disclaimer

This document provides general information only. ASX Limited (ABN 98 008 624 691) and its related bodies corporate (“ASX”) makes no representation or warranty with respect to the accuracy, reliability or completeness of the information. To the extent permitted by law, ASX and its employees, officers and contractors shall not be liable for any loss or damage arising in any way (including by way of negligence) from or in connection with any information provided or omitted or from anyone acting or refraining to act in reliance on this information.

© 2020 ASX Limited ABN 98 008 624 691