

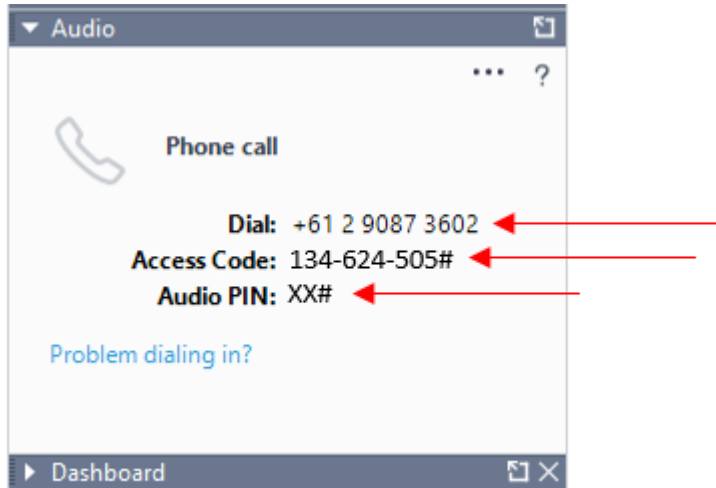


ISO 20022 Technical Committee Meeting

28 May 2019

Joining by webinar

Please note that ASX is now using the GoToWebinar platform for this meeting. Details provided by email. Once you have registered and clicked on the link to join the webinar you will need to join the audio by phone, not PC. Each attendee will have a unique PIN assigned, as shown below. Please follow any instructions to check your system, PC.



Attendee Participation

Join audio:

- Choose Telephone and dial using the information provided
- You will need the unique 2 digit audio pin to ask questions.

If you are not speaking during the meeting, please mute your phone

Important information – Competition Law Policy

Committee members are reminded to have regard to their obligations under competition law. In particular, please note recent 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.

Agenda

1. Agenda overview

2. Minutes from last meeting, open actions

3. Matters for Consideration:

3a Focus Group update – Give-Ups

3b Re-cap on Transfers, Conversions, SRN Enquiry

3c Preliminary review of member feedback on published ‘to-be’ messages

3d Change of controlling participant

3e Holding adjustment

3f Issuer’s Agent Transfer Flow (Warrants)

3g ‘To-be’ messages for review

4. Standing agenda items:

4a CHES Replacement project update by ASX

4b ISO 20022 project update by ASX

4c Update from Business Committee (verbal)

5. Closing and next meeting

Appendices

2. Minutes and actions

Minutes for 7 May 2019 meeting available on [CHES Replacement web page](#). Open action items:

#	Meeting Date	Open Action Items	Owner	Due Date	Status
20	2 May 2017	Provide details of a proposed plan including potential topics for the remaining training webinars for feedback, including identification of business vs. technical topics.	ASX	On hold	On hold
62	4 Sep 2018	ASX to review <ol style="list-style-type: none">the intended timing for housekeeping of unmatched messages, any standardisation opportunities; (Dependent on #79)whether settlement requests could be future dated; (this item was closed – ASX response that future dating would not be supported)ASX would also consider the visibility of holding locks to issuers on an intra-day basis.	ASX	28 May 2019	Open
79	7 May 2019	Members to provide feedback on the housekeeping of unmatched DvP and bilateral demand messages end of day (related to Action item 62 – item 1).	Members	28 May 2019	
80	7 May 2019	ASX to consider feedback regarding transparency of changes to scope, and consider how it could better bring changes to the Committee’s attention.	ASX	28 May 2019	

2. Minutes and actions

Cont'd:

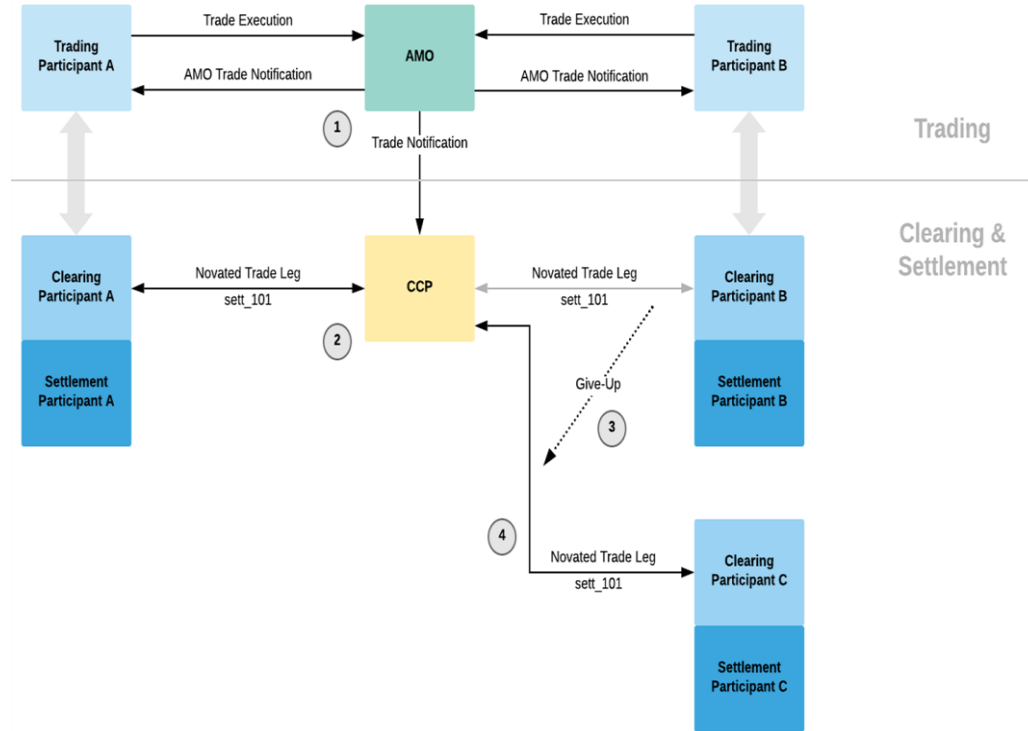
#	Meeting Date	Open Action Items	Owner	Due Date	Status
81	7 May 2019	Vendors to provide feedback to ASX if any changes in scope or time delays start to present challenges for their build.	Vendors	28 May 2019	
82	7 May 2019	ASX to confirm the date when DAML SDK will be made available for Windows.	ASX	28 May 2019	
83	7 May 2019	ASX to consider feedback received regarding the proposed model and messages for Transfer/Conversions and respond to members with final outcomes	ASX	28 May 2019	

3. Matters for consideration

3a Focus Group update

Transfer of Novated Equities Transactions between Clearing Participants (Give-Ups)

- > Focus group held 7 May 2019 – *Transfer of Novated Equities Transactions between Clearing Participants (Give-Ups)*
- > Allow novated equity transactions to be transferred between clearing participants on the trade execution date (T) and prior to netting
- > Feedback by participants due 21 May 2019
- > Next focus group 18 June 2019 on Corporate Actions related requirements



The proposed solution is subject to regulatory approval and may require further consultation and rule changes.

3b Re-cap on Transfers, Conversions, SRN Enquiry

Focus Group feedback

- > 7 respondents provided feedback on focus group
- > Increased complexity with the introduction of requirement to sequence two messages (holder registration details followed by transfer request). Members proposed some alternatives including
 - allow sending account and transfer messages together
 - send one message, containing both registration and transfer details, and the CSP is responsible for the splitting the messages to pass to the Issuer
- > Frequency of housekeeping; members requested increased time period beyond EOD for temporary identifier
- > Changes provide greater investor protection for stock held on SRN
- > Changes are an improvement to current practices

3c Review of member feedback on published 'to-be' messages

Updated guidelines, with 9 guidelines for review

Technical Committee 7 May 2019 : **preliminary review as feedback due date is 31 May 2019**

- 'Transfers and Conversions' and 'SRN Enquiry'
- Comments on 6 of 9 guidelines by 4 members (2 Vendors, 2 Participants)
- 27 comments, 23 are 'no issues', 2 minor annotation corrections.
- Some of the review comments are being analysed and responses will be published when the review window closes.

Themes:

- ✓ hold_217 message: What values should be used in 'Safekeeping Account' and 'Registration Reference' fields when submitting a SRN/SRN Balance Enquiry?
 - The 'Safekeeping Account' is an optional element in the message. This field will be populated with a SRN when the participant wants to initiate a 'SRN Balance Enquiry'. The 'Registration Reference' is a mandatory element and should be populated with either a HIN or a 'Registration Identifier' (RGID).
- ✓ hold_211 message: Is the 'Registration Reference' mandatory in the message and what value should be populated while initiating a 'Conversion' request.
 - 'Registration Reference' is an optional element in hold_211 message. Although the element appears as a mandatory element in the usage guideline, the usage of parent element (i.e. the supplementary data) is optional. Participants are not required to populate 'Registration Reference' field for conversion requests. Hence the supplementary data should not be used in case of 'Conversion' requests.
- ✓ Received feedback on the usage of two messages for requesting Transfers and housekeeping of Registration Identifiers.
 - Focus group feedback slide 9

3d Change of Controlling Participant

Overview



- An Account (HIN) can only be controlled by one Participant at a time.
- A Participant can take control of an Account from another Participant, if circumstances change.
- The control of the Account, its HIN and all Holdings contained therein can be moved.
- Typically performed when a Participant on-boards a new investor who chooses to move an existing Account from another Participant.

Changes to the Workflow



- None

3d Change Controlling Participant

'To-be' Change Controlling Participant message consolidation

Message Type	'As-is' Message Id	'To-be' Message Id
Request	EIS 245 - Change Controlling Participant Request EIS 248 - Change Controlling Participant Authorisation Request	hold_220 - Change of Controlling Participant Request
Status Advice	EIS 246 - Accepted Change Controlling Participant Request EIS 251 - Change Controlling Participant Authorisation EIS 253 - Change Controlling Participant Rejection EIS 256 - Applied Change Controlling Participant Rejection	hold_221 - Change of Controlling Participant Status Advice and Acknowledgement
Confirmation	EIS 252 - Effected Change Controlling Participant	hold_222 - Change of Controlling Participant Confirmation
Cancellation Request	EIS 247 - Change Controlling Participant Cancellation Request	hold_223 - Change Controlling Participant Cancellation Request
Cancellation Response	EIS 250 - Cancelled Change Controlling Participant Request	hold_224 - Change of Controlling Participant Cancellation Confirmation
Cancellation Response Housekeeping	EIS 048 - Cancelled Transfer Request EIS 694 - Unactioned Transfer or Conversion EIS 250 - Cancelled Change Controlling Participant Request	hold_215 -Securities Message Cancellation Advice

Technical documentation:

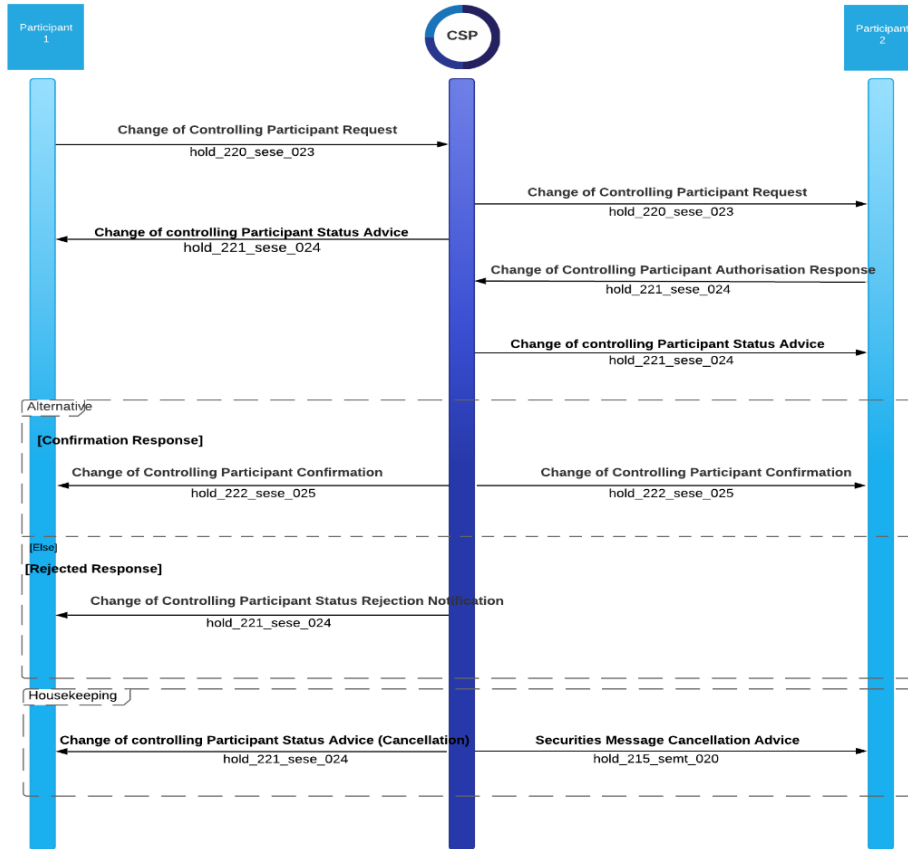
ISO 20022 Messaging - Technical Manual (TM) >

ISO 20022 Messaging - TM - EIS to ISO 20022 Cross Reference Guide

12 messages were consolidated to 5 messages

3d Change Controlling Participant

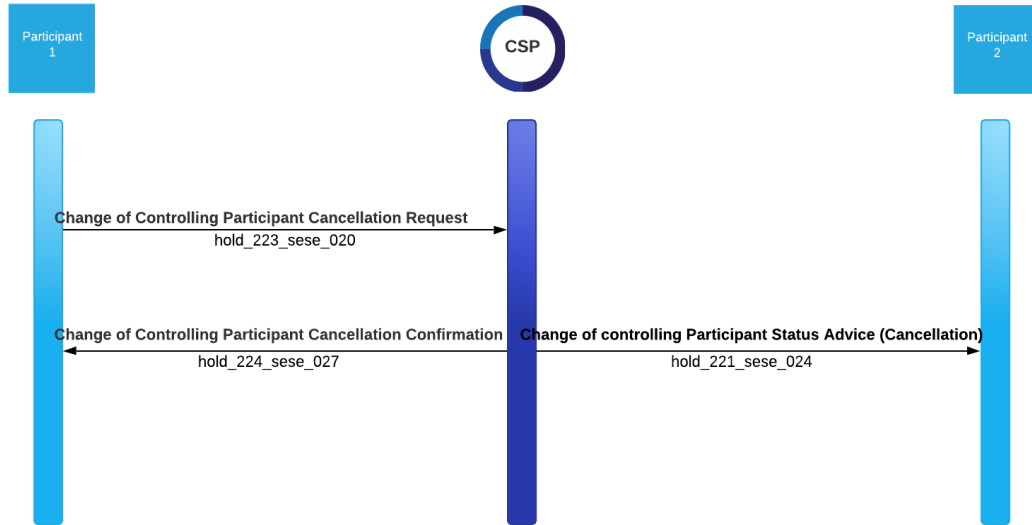
Change Controlling Participant flow



Change Controlling Participant flow

- **ASX housekeeping:** all 'Pending' Change of Controlling Participant requests that were requested on a date that is 10 business days or more before the current business date.

3d Change Controlling Participant Cancellation flow



Cancellation flow

- **Participant Initiated Cancellation:** enable the requesting Participant to cancel an outstanding change of Controlling Participant request.
- Participant will be able to request the cancellation after authorisation, until before the hold.222 – Change Controlling Confirmation is sent.

3d Change Controlling Participant

hold_220 - Change of Controlling Participant Request

Name	XML Tag	Mult	Type / Code	Restr
Securities Settlement Transaction Instruction V07 (sese.023.001.07)	<SciesSttlmTxInstr>			
Safekeeping Account	<SfkgpAcct>	[1..1]		
Identification	<Id>	[1..1]	text{1,35}	T/C
Settlement Parameters	<SttlmParams>	[1..1]		
Securities Transaction Type	<SciesTxTp>	[1..1]	Choice	
Code	<Cd>	[1..1]	text	
Portfolio Move			PORT	
Delivering Settlement Parties	<DlvrSttlmPties>	[0..1]		[1..1]
Party 1	<Pty1>	[0..1]		[1..1]
Identification	<Id>	[1..1]	Choice	
Any BIC	<AnyBIC>	[1..1]	text [A-Z]{6,6}[A-Z2-9][A- NP-Z0-9]([A-Z0- 9]{3,3}){0,1}	
Proprietary Identification	<PrtryId>	[1..1]		
Identification	<Id>	[1..1]	text{1,35}	T/C
Issuer	<Issr>	[1..1]	text{1,35}	T/C
XASX			XASX	
Receiving Settlement Parties	<RcvgSttlmPties>	[0..1]		[1..1]
Party 1	<Pty1>	[0..1]		[1..1]
Identification	<Id>	[1..1]	Choice	
Any BIC	<AnyBIC>	[1..1]	text [A-Z]{6,6}[A-Z2-9][A- NP-Z0-9]([A-Z0- 9]{3,3}){0,1}	
Proprietary Identification	<PrtryId>	[1..1]		
Identification	<Id>	[1..1]	text{1,35}	T/C
Issuer	<Issr>	[1..1]	text{1,35}	T/C
XASX			XASX	

Change Controlling: hold_220 (Request).

Safekeeping Account (1..1): HIN

Securities Transaction type (1..1): Portfolio Move

Delivering Settlement Participant (1..1): Controlling Participant

Receiving Settlement Participant (1..1): New Controlling Participant

3d Change Controlling Participant hold_221 (Status Advice)

Name	XML Tag	Mult	Type / Code	Restr
Securities Settlement Transaction Status Advice V08 (sece.024.001.08)	<SctiesSttlmTxStsAdv>			
Processing Status	<PrcgSts>	[0..1]	Choice	[1..1]
Acknowledged Accepted	<AckdAcptd>	[1..1]	Choice	
No Specified Reason	<NoSpcfdRsn>	[1..1]	text	
No Reason			NORE	
Reason	<Rsn>	[1..*]		[1..1]
Code	<Cd>	[1..1]	Choice	
Proprietary	<Prtry>	[1..1]		
Identification	<Id>	[1..1]	text [a-zA-Z0-9]{4}	T/C
Authorised			AUTD	
Issuer	<Issr>	[1..1]	text{1,35}	T/C
XASX			XASX	
Rejected	<Rjctd>	[1..1]	Choice	
Reason	<Rsn>	[1..*]		[1..1]
Code	<Cd>	[1..1]	Choice	
Proprietary	<Prtry>	[1..1]		
Identification	<Id>	[1..1]	text [a-zA-Z0-9]{4}	T/C
Issuer	<Issr>	[1..1]	text{1,35}	T/C
XASX			XASX	
Cancelled	<Canc>	[1..1]	Choice	
Reason	<Rsn>	[1..*]		[1..1]
Code	<Cd>	[1..1]	Choice	
Proprietary	<Prtry>	[1..1]		
Identification	<Id>	[1..1]	text [a-zA-Z0-9]{4}	T/C
Issuer	<Issr>	[1..1]	text{1,35}	T/C
XASX			XASX	
Settlement Parameters	<SttlmParams>	[1..1]		
Securities Transaction Type	<SctiesTxTp>	[1..1]	Choice	
Code	<Cd>	[1..1]	text	
Portfolio Move			PORT	

Change Controlling: hold_221 (Status Advice)

Acknowledge Accepted:

- Request to change the Controlling Participant has been accepted by the CSP;
- Request to change the Controlling Participant has been authorized by the 'old' controlling participant

Rejected:

- Indicates the reason why the requested change was rejected

Cancelled:

- Indicates the reason why the requested change was cancelled

Securities Transaction Type: Portfolio Move

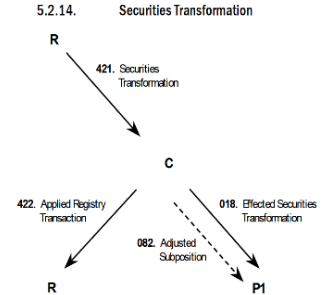
3e Holding Adjustment

EIS 421 - Securities Transformation and EIS 425 Holding Adjustment

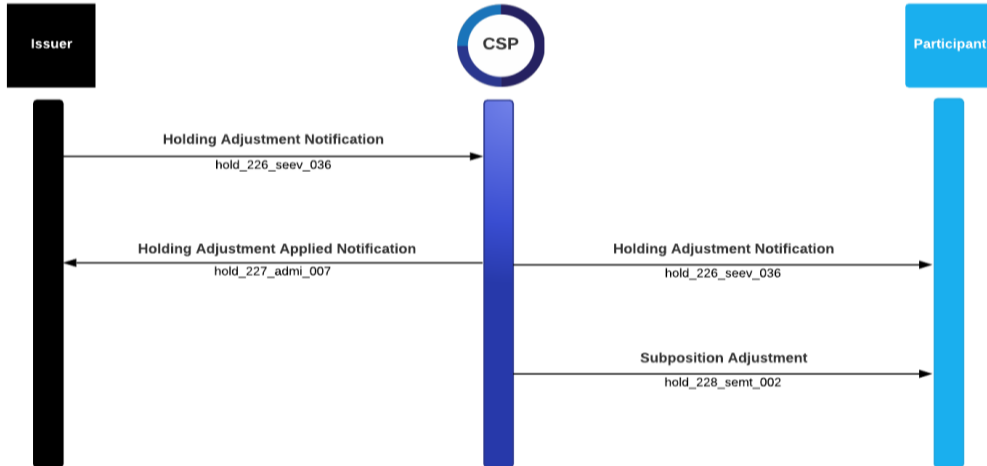
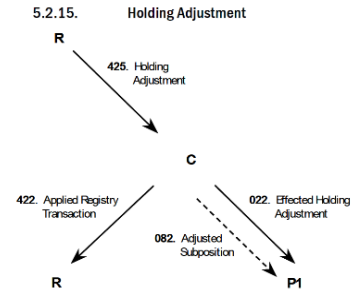
Securities Transformation:

- as-is mapping:** Send 2 messages EIS 425 Holding Adjustment (sese.023 - Settlement Messages). Feedback from market indicated preference for single message.
- to-be mapping:** seev.036- Corporate Action Movement Confirmation, the message supports reduces and increase holding in security code in the same message (EIS 425 and EIS 421).

Bit Position	Field Name
2	Reducing Security Code
10	Increasing Security Code
16	HIN
33	Reason
34	Registry Reference
48	Transaction Id
52	Reducing Unit Quantity
53	Increasing Unit Quantity



Bit Position	Field Name
2	Security Code
16	HIN
33	Reason
34	Registry Reference
38	Override Basis of Movement 1
39	Override Basis of Movement 2
40	Override Basis of Movement 3
41	Override Basis of Movement 4
42	Override Basis of Movement 5
43	Increase or Decrease
48	Transaction Id
52	Unit Quantity



3e Holding Adjustment

'To-be' Holding Adjustment message consolidation

Message Type	'As-is' Message Id	'To-be' Message Id
Confirmation	EIS 421 - Securities Transformation EIS 425 - Holding Adjustment EIS 018 - Effected Securities Transformation EIS 022 - Effected Holding Adjustment EIS 732 - Unit Adjustment EIS 733 - Effected Fund Unit Adjustment	hold_226 - Holding Adjustment Notification
Acknowledge	EIS 422 - Applied Registry Transaction	hold_227 - Holding Adjustment Applied Confirmation
Report	EIS 082 - Adjusted Subposition	hold_228 - Securities Balance report

Technical documentation:

ISO 20022 Messaging - Technical Manual (TM) >

ISO 20022 Messaging - TM - EIS to ISO 20022 Cross Reference Guide

8 messages were consolidated to 3 messages

3e Holding Adjustment

hold_226 - Holding Adjustment Notification

Name	XML Tag	Mult	Type / Code
Corporate Action Movement Confirmation V10 (seev.036.001.10)	<CorpActnMvmntConf>		
Corporate Action General Information	<CorpActnGnlInf>	[1..1]	
Corporate Action Event Identification	<CorpActnEvtId>	[1..1]	text{1,35}
Event Type	<EvtTp>	[1..1]	Choice
Proprietary	<Prtry>	[1..1]	
Financial Instrument Identification	<FinInstrmId>	[1..1]	
ISIN	<ISIN>	[0..1]	text [A-Z]{2,2}[A-Z0-9]{9,9}[0-9]{1,1}
Other Identification	<Othrid>	[0..*]	
Identification	<Id>	[1..1]	text{1,35}
Type	<Tp>	[1..1]	Choice
Proprietary	<Prtry>	[1..1]	text{1,35}
INFO			INFO
Account Details	<AcctDtls>	[1..1]	
Safekeeping Account	<SfkgAcct>	[1..1]	text{1,35}
Balance	<Bal>	[1..1]	
Confirmed Balance	<ConfdBal>	[1..1]	Choice
Balance	<Bal>	[1..1]	
Short Long Position	<ShrtLngPos>	[1..1]	text
Short			SHOR
Long			LONG
Quantity Choice	<QtyChc>	[1..1]	Choice
Quantity	<Qty>	[1..1]	Choice
Unit	<Unit>	[1..1]	decimal td = 18 fd = 17

Holding Adjustment (EIS 425 and EIS 421): hold_226 - Holding Adjustment Notification

Event Type (1..1): BP33 Reason

New Financial Instrument Identification(1..1): From ISIN / Security Code

New Balance (1..1): From Balance

3e Holding Adjustment

hold_226 - Holding Adjustment Confirmation

Name	XML Tag	Mult	Type / Code	Restr
Corporate Action Movement Confirmation V10 (seev.036.001.10)	<CorpActnMvmntConf>			T
Securities Movement Details	<SeciesMvmntDtls>	[0..*]		[1..2]
Financial Instrument Identification	<FinInstrmid>	[1..1]		
ISIN	<ISIN>	[0..1]	text [A-Z]{2,2}[A-Z0-9]{9,9}[0-9]{1,1}	
Other Identification	<Othrid>	[0..*]		[0..1]
Identification	<Id>	[1..1]	text{1,35}	
Type	<Tp>	[1..1]	Choice	
Proprietary	<Prtry>	[1..1]	text{1,35}	T/C
INFO			INFO	
Credit Debit Indicator	<CdtDbtind>	[1..1]	text	
Credit			CRDT	
Debit			DBIT	
Posting Quantity	<PstngQty>	[1..1]	Choice	
Quantity	<Qty>	[1..1]	Choice	
Unit	<Unit>	[1..1]	decimal td = 18 fd = 17	
Date Details	<DtDtIs>	[1..1]		
Posting Date	<PstngDt>	[1..1]	Choice	
Date	<Dt>	[1..1]	date	
Additional Information	<AddtInf>	[0..1]		
Additional Text	<AddtITxt>	[0..*]	text{1,350}	[0..1]
Supplementary Data	<SplmtryData>	[0..*]		[0..1]
Place And Name	<PlcAndNm>	[0..1]	text{1,350}	
Envelope	<Envlp>	[1..1]		T/C
Additional Details	<AddtDtIs>	[0..1]		A
Basis Of Movement	<BsisOfMvmnt>	[1..3]	text{4}	(A)

Holding Adjustment (EIS 425 and EIS 421): seev.036 (Confirmation)

New Securities Movement Details (1..2)

ISIN or Security Code

Credit/ Debit Indicator (1..1)

Credit: Increase
Debit: Decrease

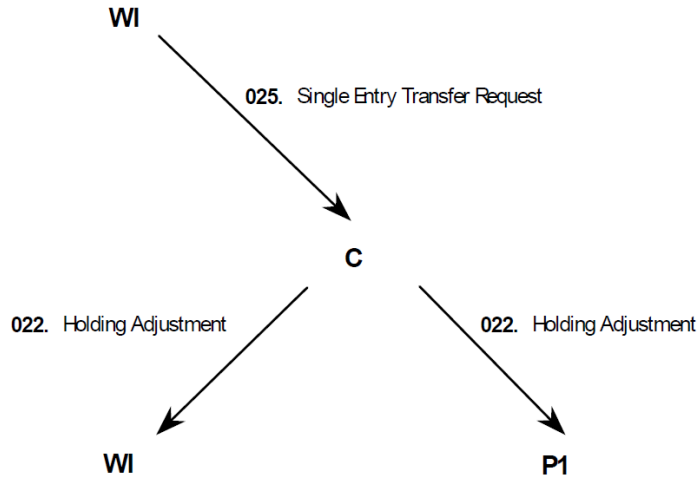
Unit Quantity (1..1)

New Posting Date (1..1)

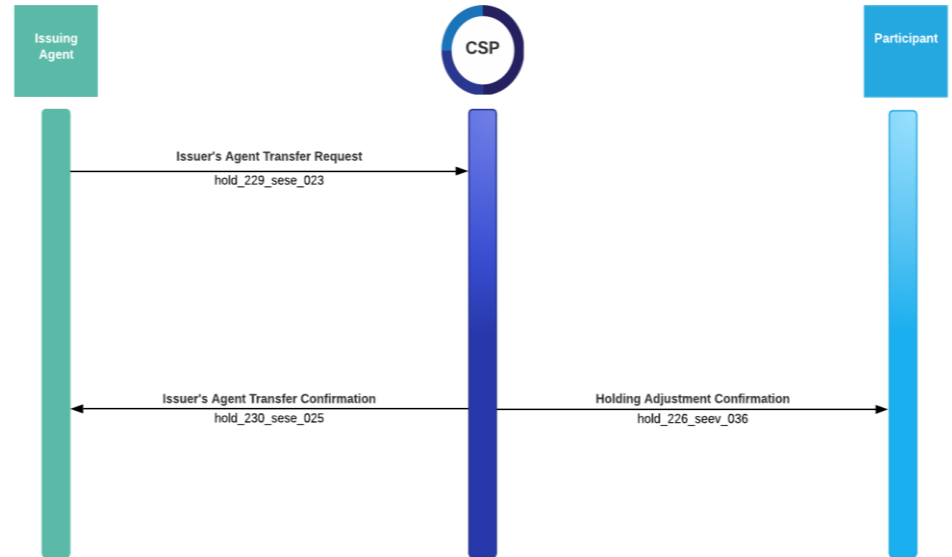
3f Issuer's Agent Transfer flow (Warrants)

Current

5.2.75. Warrant Processing



To-be



3g 'To-be' messages for review

Change of Controlling Participant, Holding Adjustment, Warrants

To-be Message Id	Collection
hold_220	draft_hold
hold_221	draft_hold
hold_222	draft_hold
hold_223	draft_hold
hold_225	draft_hold
hold_215	draft_hold
hold_226	draft_hold
hold_227	draft_hold
hold_228	draft_hold
hold_229	draft_hold
hold_230	draft_hold

MyStandards 'to-be' documentation

Community: ASX ISO 20022 Technical Committee

Collection: ASX_AU_CHS_draft_hold

Further details (attached to Message Definitions in MyStandards)

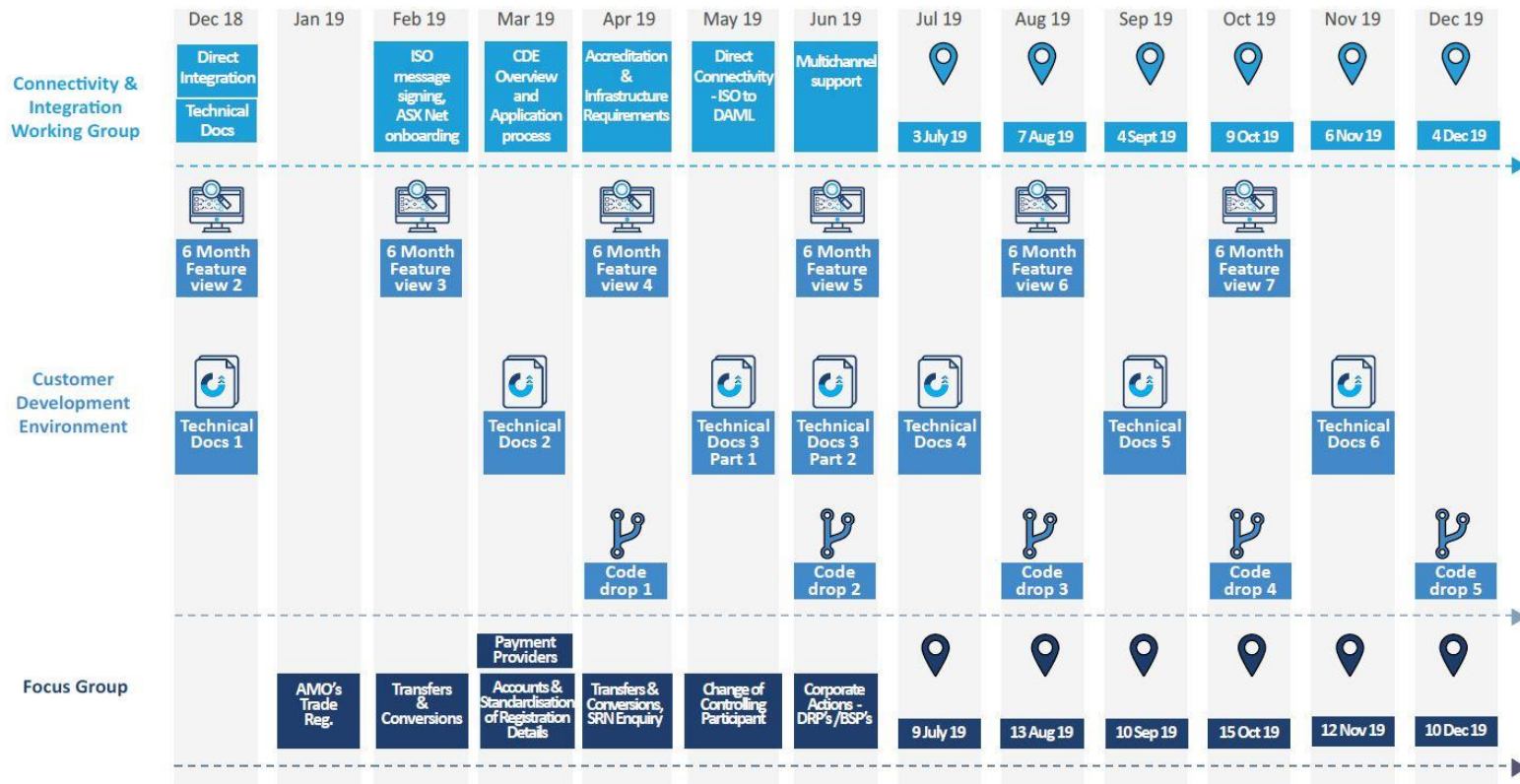
- Message Model
- Sample .xml
 - Valid .xml samples to illustrate message structure
 - Not intended to cover full business usage
- ASX Proprietary Code list (attached to collection)

ASX requests TC member feedback via comments in MyStandards by Friday 7 June 2019 ready for ASX review

4. Standing agenda items

4a CHES Replacement Project update

Engagement plan 2019



4b ISO 2022 project update by ASX

To-be' mapping:

- > Topics in progress:
 - Change of Controlling Participant
 - Settlement
 - Transfer of Novated Equity Transactions between Clearing Participants (Give-up and Take-up)
 - Holding Adjustment
 - Warrants
 - Corporate Actions
 - mFunds

- > Global ISO 2022 engagement
 - ISO 2022 Securities Standards Evaluation Group (SEG)
 - T2S Evaluation Team (sub group of SEG)
 - BAH change request
 - Business Justification for new messages

4c Update from Business Committee

5. Closing

5. Closing and next meeting

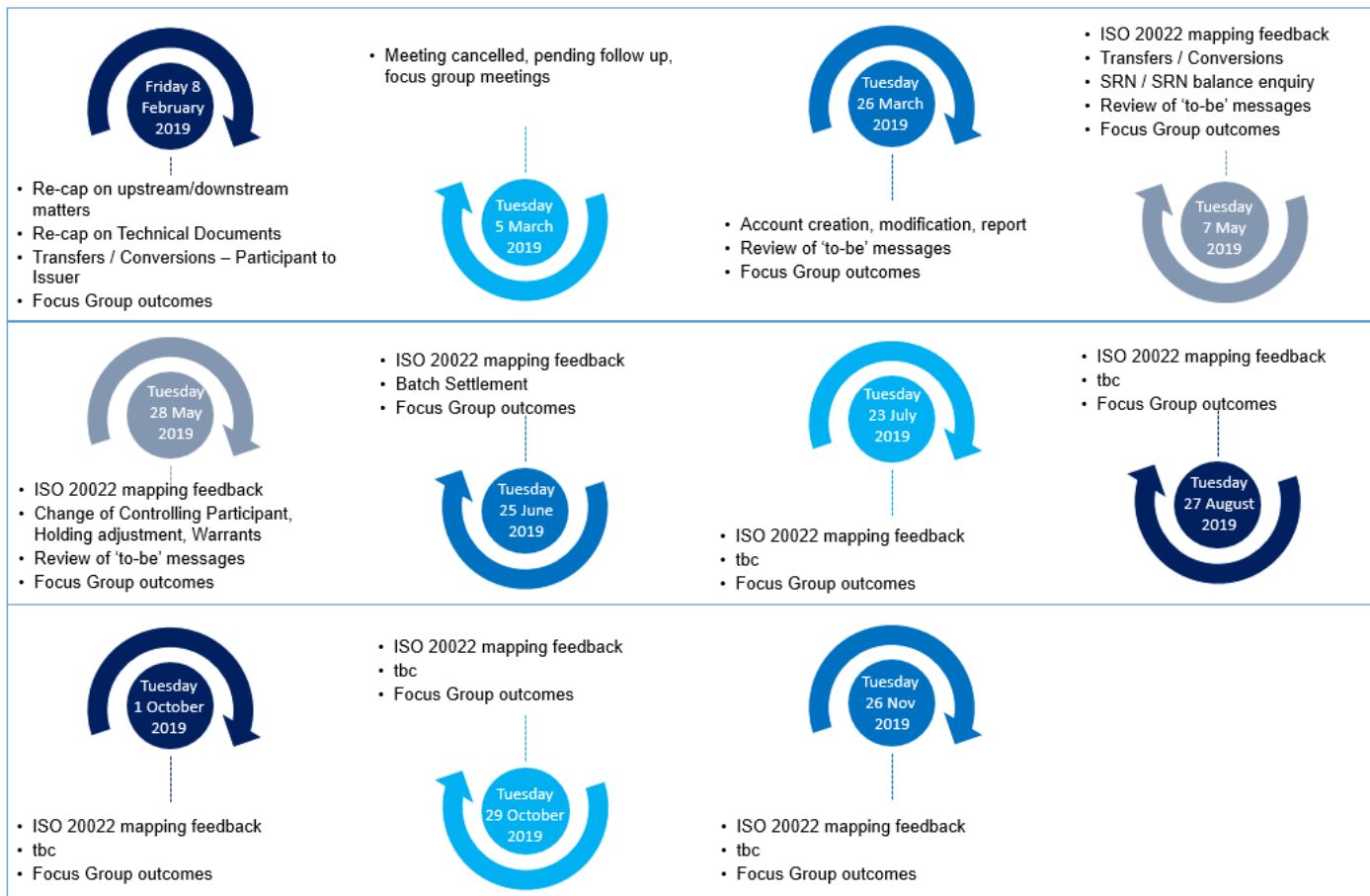
- > Noted actions from this meeting
- > Draft minutes from this meeting will be distributed for review
- > Next meeting to be held Tuesday 25 June 2019 – Sydney, webinar; proposed topics:
 - Focus Group update
 - Review of member feedback on published ‘to-be’ messages
 - Transfers, Conversions, SRN Enquiry
 - Change of Controlling Participant, Holding Adjustment, Warrant
 - Batch Settlement
 - ‘To-be’ messages for review
- > Forward meeting plan – see next page

More information on CHES Replacement & Technical Committee documents:

<http://www.asx.com.au/services/chess-replacement.htm>

Or email ASX project team: CHESReplacement@asx.com.au

5. Closing and forward meeting plan



Appendices

Message consolidation table to date

Business Area	# of messages (as-is - EIS)	# of messages (to-be - ISO)
Unilateral Demand Transfer Bilateral Demand Transfer	13	8
Unilateral Settlement Instruction Bilateral Settlement Instruction Bilateral Demand Settlement Instruction (NEW)	18	16
Market Trade	2	2
Account Creation Account Update Account Lock	5	3
Transfer and Conversion	19	5
SRN Enquiry	26	3
Change Controlling Participant	12	5
Holding Adjustment	8	3
TOTAL	103	45

Messages published in Technical Documentation to date

Drop	Business Area	Message Id	# of Messages
Drop1	Unilateral Demand Transfer Bilateral Demand Transfer	hold_201_001_03- Demand Transfer Request Hold_202_001_03- Demand Transfer Confirmation hold_207_001_02- Demand Transfer Status Advice hold_208_001_01- Demand Transfer Allegation Notification hold_209_001_01- Demand Transfer Cancellation Request hold_210_001_01- Demand Transfer Cancellation Status Advice hold_215_001_01- Demand Transfer Allegation Notification Cancellation	7
Drop1	Unilateral Settlement Instruction Bilateral Settlement Instruction Bilateral Demand Settlement Instruction	sett_105_001_05- Settlement Instruction Request sett_106_001_04- Settlement Instruction Response sett_107_001_02- Settlement Instruction Cancellation Request sett_108_001_02- Settlement Instruction Cancellation Confirmation sett_109_001_02- Settlement Instruction Status Advice sett_110_001_02 - Settlement Instruction Allegation Notification sett_111_001_01 - Bilateral Settlement Instruction Cancellation Withdrawal Request sett_112_001_02- Bilateral Settlement Instruction Cancellation Withdrawal Response sett_113_001_02- Settlement InstructionUpdate Request sett_114_001_01- Settlement Instruction Update Status Advice sett_115_001_01- Scheduled Settlement Lock or Unlock Request sett_116_001_01- Scheduled Settlement Lock or unlock Confirmation sett_118_001_02- Settlement Instruction Cancellation Status Advice sett_119_001_02- Demand Settlement Confirmation sett_122_001_01- Settlement Instruction Allegation Notification Cancellation sett_123_001_01- Bilateral Settlement Instruction Cancellation Withdrawal	16
Drop1	Common	comm_801_001_01- Business Application Header comm_807_001_01- Invalid Transaction comm_808_001_01- Rejected Transaction	3
Drop2	Market Trade Payment Facility	sett_101_001_01- Trade Confirmation Notification sett_104_001_02- Trade Cancellation Notification acct_004_01_02- Payment Facility Details Report	3

Dec 2018 DROP1 release

- First release of Functional Specification and Messages Catalogue
- Business Area: Unilateral and Bilateral Demand Transfer, Unilateral and Bilateral Settlement Instruction and Bilateral Demand Settlement Instruction.
- Readiness Portal available: allows early testing of the customer's own development (ISO 20022 Messages).

Mar 2019 DROP2 release

- Second release of Functional Specification and Messages Catalogue.
- Business Area: Marked Trade and Payment Facilities.
- Readiness Portal available: ISO 20022 messages.

Messages available in the Customer Development Environment

Business Area	Message Id	# of Messages
Unilateral Demand Transfer Bilateral Demand Transfer	hold_201_001_03- Demand Transfer Request hold_202_001_03- Demand Transfer Confirmation hold_207_001_02- Demand Transfer Status Advice hold_208_001_01- Demand Transfer Allegation Notification hold_209_001_01- Demand Transfer Cancellation Request hold_210_001_01- Demand Transfer Cancellation Status Advice hold_215_001_01- Demand Transfer Allegation Notification Cancellation	7
Bilateral Demand Settlement Instruction	sett_105_001_05- Settlement Instruction Request sett_106_001_04- Settlement Instruction Response sett_107_001_02- Settlement Instruction Cancellation Request sett_108_001_02- Settlement Instruction Cancellation Confirmation sett_109_001_02- Settlement Instruction Status Advice sett_110_001_02 - Settlement Instruction Allegation Notification sett_119_001_02- Demand Settlement Confirmation sett_122_001_01- Settlement Instruction Allegation Notification Cancellation	8
Common	comm_801_001_01- Business Application Header comm_807_001_01- Invalid Transaction comm_808_001_01- Rejected Transaction	3

May 2019 CDE 1 environment

- First release of the code in the test environment (DROP1 release).
- Business Area: Unilateral and Bilateral Demand Transfer and Bilateral Demand Settlement Instruction.
- Users can test all three connectivity options: DLT node access, and ISO 20022 global messaging standard via AMQP and SWIFT.

Thank you.