

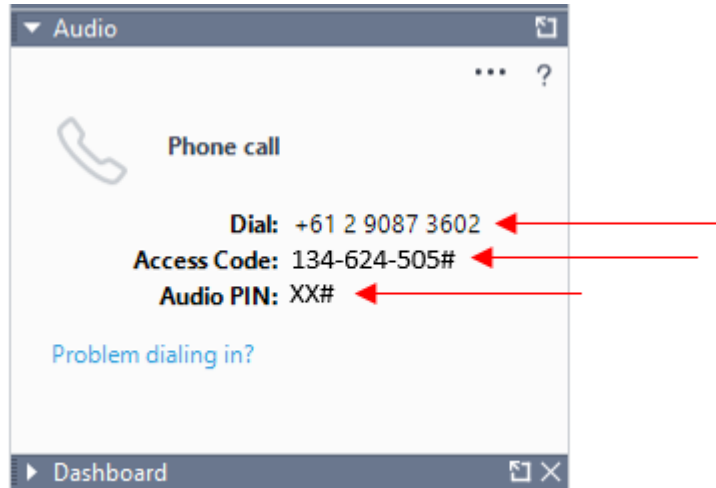


ISO 20022 Technical Committee Meeting

26 November 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 – Settlement, Demand Reporting, Payments

3b Review of member feedback on published ‘to-be’ messages

3c Demand Reporting

3d Settlement Processing for unit failure

3e Corporate actions – diary adjustment, code change

3f ‘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

2. Minutes and actions

Minutes for 1 November 2019 meeting available on [CHESS 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">1. the intended timing for housekeeping of unmatched messages, any standardisation opportunities; (this item is closed)2. whether settlement requests could be future dated; (this item is closed)3. ASX would also consider the visibility of holding locks to issuers on an intra-day basis.	ASX	26 Nov 2019	
94	27 Aug 2019	ASX to liaise with ATO to confirm whether ASX's field size for unit quantity will be acceptable for industry participant reporting. Members to advise ASX of any further external regulatory reporting requirements for consideration, specific to each asset class.	ASX / Members	26 Nov 2019	

3. Matters for consideration

3a Focus Group update

Settlement

- > Focus Group held on 12 November (clearing and settlement participants) and 15 November (vendor briefing)
- > The Focus Group discussed a number of topics, which included:
 - Early settlement is deferred from day 1 scope
 - Diary adjustments: removal of the “cash adjustment” on accrual transactions
 - Settlement processing for unit failure:
 - unit failures for novated settlement instructions (NBOs and Novated Gross Market trades) will be rescheduled in aggregate to the next business day for settlement
 - SSP will apply to the aggregate failed instructions
 - Non-novated settlement instructions will continue to be settled on a line-by-line basis (no change)

3a Focus Group update

Demand Reporting

- > Focus Group held on 21 November with Share Registries
- > Topics and pack will be presented to this committee, agenda item 3c
- > Request for feedback by 5 December 2019

3a Focus Group update

Payment providers (ESPPSC)

- > Focus group held with Payment provider (via ESPPSC) on 14 November
- > The Focus Group discussed project updates and outcomes from bi-lateral payment provider consultations, which included:
 - mFunds remaining in batch for Day 1
 - payment facilities being enhanced with bank account details to facilitate gross line-by-line settlement (no change to batch payment facilities)
 - corporate action related payments being aggregated to reduce payment volumes

3b Review of member feedback on published ‘to-be’ messages

Messages shared during Technical Committee 1 November 2019:

- **Payment Facilities**
 - Comments on 1 guideline by 3 members (1 Vendor, 2 Participants)
 - Total of 7 comments received
- **Dividend Elections**
 - Comments on 3 guidelines by 2 members (1 Vendor, 1 Participant)
 - Total of 8 comments received
- **Levy Notification– EIS 146**
 - Comments on 1 guideline by 1 member (1 Participant)
 - Total of 4 comments received

3c Demand Reporting - Agenda

1. Overview
2. Objectives
3. Holder and holding enquiries
4. Transaction history (replay of messages) and obligations
5. Statement request
6. Movement and balance reports
7. Security detail report
8. No longer used (already descope via Technical Committee or proposed for descope in this Focus Group)
9. Summary and next steps
10. Appendix

1. CHES demand reports today - overview and purpose

- CHES provides data for the purposes of reporting in the form of CHES reporting messages
- CHES reporting messages are either generated routinely as a result of transaction processing or on demand, as a result of CHES message 503 (Reporting Request). The scope of this Focus Group relates to demand reports only.
- Demand reports may be requested for delivery on a once off, 'ad hoc' basis or scheduled for delivery periodically (standing reports). A standing report that has been lodged with CHES may be cancelled
- Parameters for report requests can be filtered or unfiltered (e.g. all HINs or for a specific HIN)
- CHES, based on parameters submitted, can generate 42 different 'Demand Report' request types
- A list of current reports is provided in Appendix 1 - these reports fit into one of the following categories, depending on what the reporting purpose is:
 - Holder and holding enquiries
 - Transaction history (replay of messages)
 - Obligations
 - Statement request
 - Movement and balance reports
 - No longer used (already descope via TC or proposed for descope in this Focus Group)

2. Objectives

The overarching objective of this proposal is to simplify the technical build, without compromising the ability to retrieve required data.

This includes:

- Support ISO 20022 versions of carried forward CHES message based reports
- Simplify the technical build for software providers by identifying opportunities to:
 - descope reports that are not used
 - provide non-message based delivery for reports rarely used
 - rationalise allowable report parameters and workflows
 - convert from demand to unsolicited reports where that makes sense

3. Holder and holding enquiries

Overview - current CHES

- Several report outputs relate to the querying of holder and holding details at a specific point in time. These reports include*:
 - CEB - Cum Entitlement Balance Report
 - HBL - Holding Balance Report
 - HLD - Holder Details Report
 - HRD - Holding Registration Details Report
 - HSB - Holding Subposition Balance Report
- Observed usage of these reports indicate these are made periodically (once off) on a given HIN or security.
- Reports are typically not used for historical reporting

** Two additional reports also cover holder and holding details (HCT, HLH) - these have been included in section 4 instead given they align in both currently observed usage and proposed solution*

3. Holder and holding enquiries

Solution Proposal

- The CHES replacement application will continue to make available these reports
 - Report enquiries and outputs relating to 'active state' (i.e. what are current holders or holdings) will be made available via ISO 20022, ledger API and web browser
 - Reporting on historical balances will be made available via web browser and Ledger API only - enquiries on historical data will not be made available in message form (ISO 20022) to avoid requesting all software providers to build messages that have low or no usage
- Reports will only be made available as ad hoc queries
- Scheduled reporting will not be supported
- Proposed report parameters is to always populate HIN or Security (all HINs for this security, or all securities for this HIN)

4. Transaction history (message replay) and Obligations

Overview - current CHES

- Several report outputs relate to the search of transactions, obligations and messages sent or received. These include the following report outputs:
 - CFB, CSI, FGM, FHT, FSI, HCT, HLH, HSP, HTX, OBL, PPS, RAC, SCE, SET, SMP, SMR, TPB, TPD, URT, USI
- These are currently used for reconciliation purposes, as opposed to operational use, suitable to be available via a browser
- A significant number of these are either not used, or rarely used
 - these include CFB, FHT, HLH, HSP, HTX, OBL, PPS, SET, SMP, SMR
 - Reports that are not used or rarely used will be reviewed and proposed as potential descope candidates

4. Transaction history (message replay) and Obligations

Solution Proposal

- To avoid requesting all participants to build messages that have low or no usage, the CHES replacement application will make aforementioned report outputs in this category available only via
 - Web browser
 - Ledger API
- These report enquiries and outputs will not be made available in message form (ISO 20022)
- Reports, by virtue of being web browser / node based, will only be made available as adhoc queries
- Scheduled reporting will not be supported
- Report parameters (per HIN, security, wild card and other parameters) are yet to be defined in detailed analysis
- Enquiries can be made and report output generated throughout the course of the settlement day (noting batch settlement periods may queue transaction requests pending completion)

5. Statement request

Overview - current CHES

- Participants can request the generation of a statement via submission of a report message DSM
- Infrequently used on an adhoc basis

Solution proposal

- Participants will continue to be able to request statements in the CHES replacement application, albeit not via a reporting request
- Actual solution is currently under analysis pending outcomes from e-statements working groups
- Possible solution options include requests made via the web browser

6. Movement and Balance reports

Overview - current CHES

- 4 key reports used by registries for movements and balances
 - CMV - Cum entitlement movement report
 - HMV - Holding movement report
 - TCB - Total cum entitlement balance report
 - TSB - Total security balance report
- CMV & HMV can be requested overnight (end of day) and intraday
 - no successful intraday report request observed over past 12 months
- TCB & TSB can only be requested overnight (end of day)
- All can be requested adhoc or scheduled

6. Movement and Balance reports

Solution Proposal

- All four reports will be made available overnight only
- Registries will no longer need to request these
 - will automatically be generated for each business day by the CHES replacement application
 - Assumes (where relevant) there is a movement on the security
 - Solution design ongoing in relation to CMV reporting, and whether these should be generated even when no relevant data is present
- Reports will be made available in ISO 20022 and Ledger API

7. Security details report

Overview - current CHES

- AMOs use the Security Details report (SDR) to confirm the CHES sub-register status of products listed on their exchange that have been submitted to the ASX (via WMI or manual processes) for clearing and settlement in CHES
- Currently only used as an overnight scheduled report

Solution proposal

- AMOs will no longer need to request these
 - will automatically be generated for each business day by the CHES replacement application
- Report will be made available in .csv format only, and disseminated via sFTP

8. No longer used

- Several report outputs have already been officially descope via Technical Committee, or are no longer used and are proposed to be descope.
 - Already descope via TC:
 - OSL, PFD, PFH, USD, USH, CSD, CST, FLN
 - Proposed to be descope:
 - DSR - Demand statement request (not used)
 - RPD - Reporting details report (not used)
 - TSH - Top shareholder report (not used)
 - Subject to feedback, some or all reports highlighted in section 4 of this presentation, including (CFB, FHT, HLH, HSP, HTX, OBL, PPS, SET, SMP, SMR)

9. Summary

- The ability to 'schedule' a report will no longer be supported.
- Reports will be made available either
 - Adhoc
 - End of day (unsolicited)
- Reporting delivery channels include (depending on report)
 - ISO 20022
 - Ledger API
 - Web browser
- A number of reports are proposed to be decommissioned, based on observed usage in CHES

All content presented is subject to feedback via Focus Groups and Technical Committees.

9. Next steps

ASX welcomes feedback in writing relating to the content of this Focus Group by 5 December 2019. In particular, feedback is sought in relation to:

- Proposed descope candidates
- Proposed report input parameters
- Proposed report output formats and frequency

ASX requests that feedback is supported by respective organisation's current usage to substantiate material feedback to proposed solution designs and descope candidates.

Detailed specifications and message workflows in relation to the solution proposal will be presented in Technical Committees.

Rules consultation will follow in early 2020 per the published timelines:

<https://asxchessreplacement.atlassian.net/wiki/spaces/COMMS/pages/100794865/Rule+Amendment+Public+Consultation+Timeline>

3d Settlement Processing for Unit Failure

Overview

Novated settlement instructions (Gross Market Trades (novated) and Net Broker Obligations) are evaluated on an individual basis by the settlement algorithm.

To improve efficiency, novated settlement instructions will be considered by the settlement algorithm as a single deliver/receipt position to/from the Clearing House.

As a result of a unit failure (part or full) the CSP will create:

1. **Novated Settlement Failure (NSF)** – *captures / represents the aggregate number of units failed (in part or full) for novated settlement instructions*
2. **Novated Rescheduled Instruction (NRI)** – *aggregate number of units failed (in part or full) for novated settlement instructions for settlement on the next business day*

A single Standard Settlement Price (SSP) adjustment will be applied across all failed novated instruction (per security and HIN).

Effected Net Funds Movement (sett_137), Settlement Movement Confirmation (sett_136) will incorporate both NSF and NRI.

NRI's from previous settlement days will be settled on a line-by-line basis to ensure priority by the settlement algorithm.

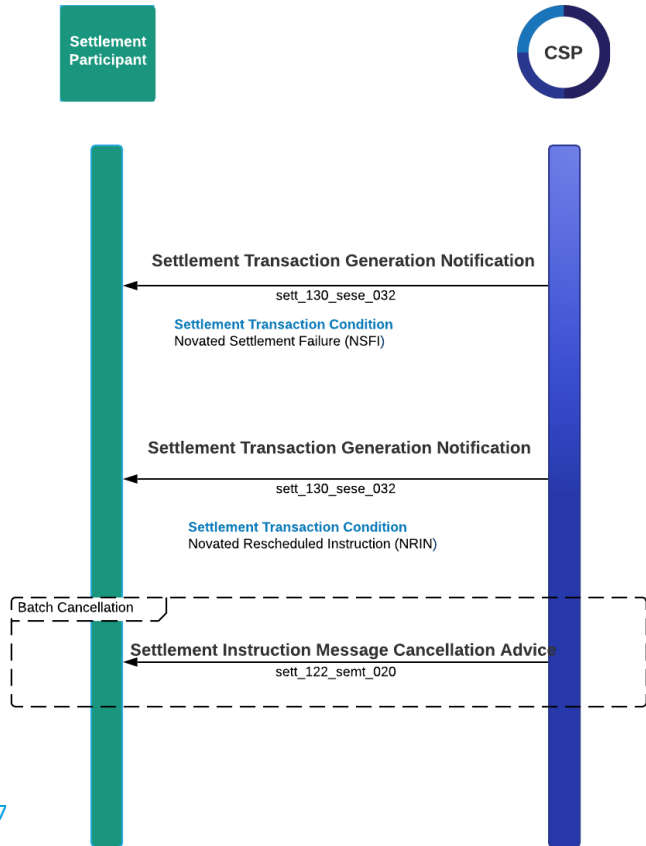
Non-novated settlement instructions will continue to be settled on a line-by-line basis (no change).

3d Settlement Processing for Unit Failure

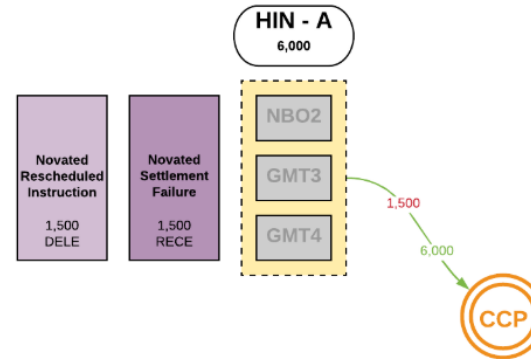
Message Type	EIS	Message Id	ISO 20022 base message	Message Name	Settlement Transaction Condition	From	To
Notification	n.a. same as EIS 124	sett_130	sese_032	Settlement Transaction Generation Notification	Novated Settlement Failure Instruction (NSFI) Novated Reschedule Instruction (NRSI)	CSP	Participant
Notification		sett_122	semt_020	Settlement Instruction Message Cancellation Advice		CSP	Participant
Confirmation	156 192	sett_119	sese_025	Settlement Confirmation	BSSI (Bilateral Settlement Instruction) USSI (Unilateral Settlement Instruction) BDSI (Bilateral Demand Settlement) NBOB (Net Broker Obligation) GMTD (Gross Market Trade) NROB (Novated Rescheduled Obligation) NSFI (Novated Settlement Failure Instruction)	CSP	Participant
Notification	310 312	DRAFT_sett_133	camt_089	Funds Obligation		CSP	Payment Provider
Notification	150 186	sett_134	camt_052	Participant Funds Notification		CSP	Participant
Notification	311 313	DRAFT_sett_135	camt_090	Funds Obligation Status Advice		Payment Provider	CSP
Confirmation	146	sett_136	sese_025	Settlement Movement Confirmation		CSP	Participant
Notification	170	sett_137	camt_054	Funds Movement		CSP	Participant

3d Settlement Processing for Unit Failure

Novated Settlement Failure (NSFI) Novated Rescheduled Instruction (NRIN) uml flow



Where the settlement algorithm has selected a novated instruction to part settle or fully fail, the CSP will create:

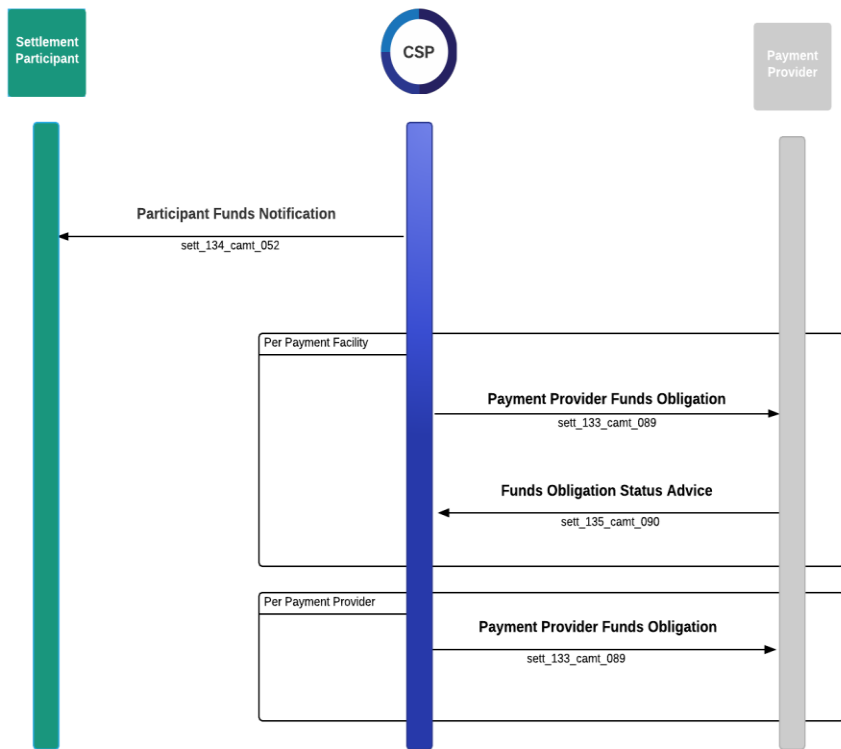


Novated Settlement Failure (NSF) - captures / represents the aggregate number of units failed (in part or full) for novated settlement instructions

Novated Rescheduled Instruction (NRI) - aggregate number of units failed (in part or full) for novated settlement instructions for settlement on the **next business day**

3d Settlement Processing for Unit Failure

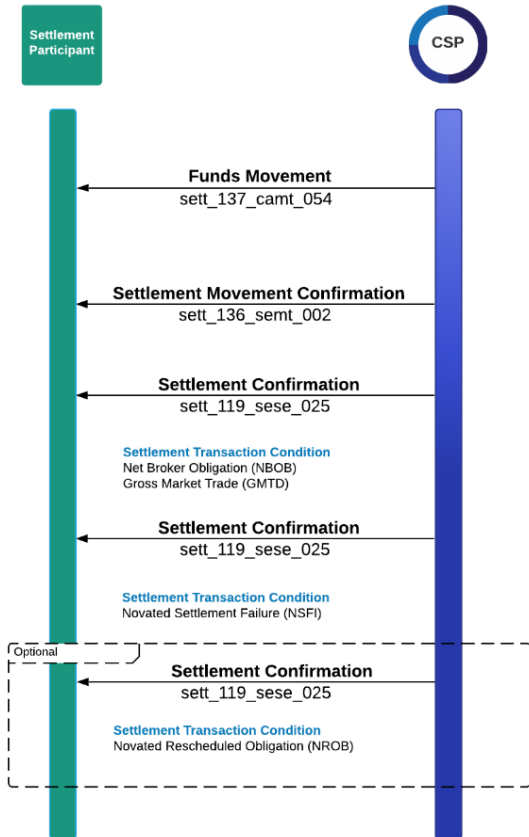
Fund Obligation uml flow



The settlement amount will be contemplated Net Broker Obligations, novated Gross Market Trades and **Novated Settlement Failure**. There is no impact to the `sett_133` message to the Payment Providers.

3d Settlement Processing for Unit Failure

Movement of units & notifications uml flow



The Settlement Movement Confirmation (sett_136) [EIS 146] and Effected Funds Movement (sett_137) [EIS 170] must be read in conjunction with Settlement Transaction Generation Notification (sett_130) to understand the **total quantity settled**

- Settlement Amounts for **Novated Net Delivery Positions** will be incorporate into (sett_137) [EIS 170] Effected Net Funds Movement notification
- Settlement Movement Confirmation (sett_136) [EIS 146] will count incorporate Net Broker Obligation (NBOB), Gross Market Trade (GMTD) and Novated Settlement Failure (NSFI)



Novated Rescheduled Instructions from previous settlement days will be settled on a line-by-line basis

3d Settlement Processing for Unit Failure

sett_130 - Settlement Transaction Generation Notification

sett_130 [EIS 146] : sese.032

➤ Settlement Transaction Generation Notification

Transaction Id (1..1): sett_105 or NONREF

Transaction Id: sett_101, sett_102 and sett_130

Market Infra Transaction Id (1..1): Obligation Id

Payment (1..1): Against Payment Settlement (AMPT)

Settlement Date (1..1):

- Current Settlement Date: Novated Settlement Failure (NSFI)
- Valid Business Date in Future: Novated Rescheduled Instruction (NRIN)

Basis Of Movement (0..1)

Current Settlement Date (1..1): Current business date of batch settlement cycle.

ISIN and Security Code (1..1)

Index	Lvl	Name	XML Tag	Mult	Type / Code	Restr
0		Securities Settlement Transaction Generation Notification V07 (sese.032.001.07)	<SciesSttlmTxGnrtnNtfctn>			
1		Transaction Identification Details	<TxIdDtls>	[1..1]		
2		Account Owner Transaction Identification	<AcctOwnrTxId>	[1..1]	text{1,35}	
2		Account Servicer Transaction Identification	<AcctsvcrTxId>	[0..1]	text{1,35}	
2		Market Infrastructure Transaction Identification	<MktInfrastrctTxId>	[0..1]	text{1,35}	
2		Processor Transaction Identification	<PrctrTxId>	[0..1]	text{1,35}	
2		Securities Movement Type	<SciesMvmntTp>	[1..1]	text	
3		Delivery			DELI	
3		Receive			RECE	
2		Payment	<Pmt>	[1..1]	text	
3		Separate Settlement			FREE	
3		Against Payment Settlement			APMT	
1		Trade Details	<TradDtls>	[1..1]		
2		Settlement Date	<SttlmDt>	[1..1]	Choice	
3		Date	<Dt>	[1..1]	Choice	
4		Date	<Dt>	[1..1]	date	
2		Trade Transaction Condition	<TradTxCond>	[0..*]	Choice	[0..3]
3		Proprietary	<Prtry>	[1..1]		
4		Identification	<Id>	[1..1]	text [a-zA-Z0-9]{4}	T/C
2		Settlement Instruction Processing Additional Details	<SttlmInstrPrgAddtlDtls>	[0..1]	text{1,350}	[1..1] T/C
1		Financial Instrument Identification	<FinInstrmId>	[1..1]		
2		ISIN	<ISIN>	[0..1]	text [A-Z]{2,2}[A-Z0-9]{9,9}[0-9]{1,1}	[1..1]
2		Other Identification	<Othrid>	[0..*]		[1..1]
3		Identification	<Id>	[1..1]	text{1,35}	T/C
3		Type	<Tp>	[1..1]	Choice	
4		Proprietary	<Prtry>	[1..1]	text{1,35}	T/C

3d Settlement Processing for Unit Failure

sett_130 - Settlement Transaction Generation Notification

Lvl	Name	XML Tag	Mult	Type / Code	Restr
0	Securities Settlement Transaction Generation Notification V07 (sese.032.001.07)	<SctiesSttlmTxGnrtnNtfctn>			
1	Quantity And Account Details	<QtyAndAcctDtls>	[1..*]		[1..1]
2	Settlement Quantity	<SttlmQty>	[1..1]	Choice	
3	Quantity	<Qty>	[1..1]	Choice	
4	Unit	<Unit>	[1..1]	decimal td = 18 fd = 17	
1	Settlement Parameters	<SttlmParams>	[1..1]		
2	Securities Transaction Type	<SctiesTxTp>	[1..1]	Choice	
3	Proprietary	<Prtry>	[1..1]		
4	Identification	<Id>	[1..1]	text [a-zA-Z0-9]{4}	T/C
2	Settlement Transaction Condition	<SttlmTxCond>	[0..*]	Choice	[1..1]
3	Proprietary	<Prtry>	[1..1]		
4	Identification	<Id>	[1..1]	text [a-zA-Z0-9]{4}	T/C
5	Novated Rescheduled Instruction			NRIN	
5	Novated Settlement Failure Instruction			NSFI	
1	Settlement Amount	<SttlmAmt>	[0..1]		
2	Amount	<Amt>	[1..1]	0 <= decimal td = 18 fd = 5	T/C
3	Xml Attribute Currency	<Ccy>		text AUD	
2	Credit Debit Indicator	<CdtDbtInd>	[1..1]	text	
3	Credit			CRDT	
3	Debit			DBIT	
1	Other Amounts	<OthrAmts>	[0..1]		
2	Other	<Othr>	[0..1]		[1..1]
3	Amount	<Amt>	[1..1]	0 <= decimal td = 18 fd = 5	T/C
4	Xml Attribute Currency	<Ccy>		text AUD	
3	Credit Debit Indicator	<CdtDbtInd>	[0..1]	text	[1..1]
4	Credit			CRDT	
4	Debit			DBIT	
1	Status And Reason	<StsAndRsn>	[0..1]		[1..1]
2	Settlement Status	<SttlmSts>	[0..1]	Choice	[1..1]
3	Pending	<Pdg>	[1..1]	Choice	
4	Reason	<Rsn>	[1..*]		[1..1]
5	Code	<Cd>	[1..1]	Choice	
6	Proprietary	<Prtry>	[1..1]		

sett_130 [EIS 124]: sese.032

➤ Rescheduled Settlement Instruction

Settlement Quantity (1..1): Remaining units awaiting settlement

Transaction Basis (1..1): Market (MKRT)

Settlement Transaction Condition (1..1): NRIN or NSFI

Settlement Amount (0..1): Remaining Cash Awaiting

Value SSP Adjustment (0..1): Mark to Market Value calculated for the Novated Net Delivery Position

Status (1..1): Settlement status 'Pending'

Reason (1..1): Failed Settlement - Unit Shortfall (FSUS)

3d Settlement Processing for Unit Failure

sett_119 - Settlement Confirmation

sett_119 [EIS 156, EIS 192]: sese.025

➤ Settlement Confirmation

➤ **Transaction Id (1..1):** sett_105 or NONREF

➤ **Transaction Id:** sett_101, sett_102 and sett_130

➤ **Market Infra Transaction Id (1..1):** Obligation Id

➤ **Processor Transaction Id(1..1):** Net Funds Transaction Id

➤ **Payment (1..1):** APMT or FREE

➤ **Partial Settlement (0..1):** 'PAIN' used in case of partial settlement confirmation

➤ **Settlement Date (0..1)**

➤ **Current Settlement Date(1..1)**

➤ **Basis of Movement**

Lvl	Name	XML Tag	Mult	Type / Code	Restr
0	Securities Settlement Transaction Confirmation V07 (sese.025.001.07)	<SctiesSttlmTxConf>			
1	Transaction Identification Details	<TxIdDtls>	[1..1]		
2	Account Owner Transaction Identification	<AcctOwnrTxId>	[1..1]	text{1,35}	
2	Account Servicer Transaction Identification	<AcctSvcrTxId>	[0..1]	text{1,35}	
2	Market Infrastructure Transaction Identification	<MktInfstrctrTxId>	[0..1]	text{1,35}	[1..1]
2	Processor Transaction Identification	<PrccrTxId>	[0..1]	text{1,35}	
2	Securities Movement Type	<SctiesMvmntTp>	[1..1]	text	
3	Delivery			DELI	
3	Receive			RECE	
2	Payment	<Pmt>	[1..1]	text	
3	Separate Settlement			FREE	
3	Against Payment Settlement			APMT	
1	Additional Parameters	<AddtlParams>	[0..1]		
2	Partial Settlement	<PrtlSttlm>	[0..1]	text	[1..1]
3	Partial Settlement			PAIN	
1	Trade Details	<TradDtls>	[1..1]		
2	Settlement Date	<SttlmDt>	[0..1]	Choice	
3	Date	<Dt>	[1..1]	Choice	
4	Date	<Dt>	[1..1]	date	
2	Effective Settlement Date	<EctvSttlmDt>	[1..1]	Choice	
3	Date	<Dt>	[1..1]	Choice	
4	Date	<Dt>	[1..1]	date	
2	Trade Transaction Condition	<TradTxCond>	[0..*]	Choice	[0..3]
3	Proprietary	<Prtry>	[1..1]		
4	Identification	<Id>	[1..1]	text [a-zA-Z0-9]{4}	T/C

3d Settlement Processing for Unit Failure

sett_119 - Settlement Confirmation

Name	XML Tag	Mult	Type / Code	Restr
Quantity And Account Details	<QtyAndAcctDtls>	[1..1]		
Settled Quantity	<SttldQty>	[1..1]	Choice	
Quantity	<Qty>	[1..1]	Choice	
Unit	<Unit>	[1..1]	decimal	
Previously Settled Quantity	<PrevsllySttldQty>	[0..1]	Choice	
Unit	<Unit>	[1..1]	decimal	
Remaining To Be Settled Quantity	<RmngToBeSttldQty>	[0..1]	Choice	
Unit	<Unit>	[1..1]	decimal	
Previously Settled Amount	<PrevsllySttldAmt>	[0..1]		
Amount	<Amt>	[1..1]	0 <= decimal	T/C
Remaining To Be Settled Amount	<RmngToBeSttldAmt>	[0..1]		
Amount	<Amt>	[1..1]	0 <= decimal	T/C
Xml Attribute Currency	<Ccy>		text	
Credit Debit Indicator	<CdtDbtInd>	[1..1]	text	
Credit			CRDT	
Debit			DBIT	
Safekeeping Account	<SfkpgAcct>	[1..1]		
Identification	<Id>	[1..1]	text{1,35}	T/C
Cash Account	<CshAcct>	[0..1]	Choice	
Proprietary	<Prtry>	[1..1]	text{1,34}	T/C

sett_119 [EIS 156, EIS 192]: sese.025

➤ Settlement Confirmation

Settled Units (1..1): Number of units settled in the current settlement cycle

Previously Settled Units (0..1): The total number of units settled in previous settlement cycles. Not applicable:

- Bilateral Demand Settlement ('BDSI')
- Net Broker Obligation ('NBOB')
- Novated Settlement Failure Instruction ('NSFI')

Remaining Units (0..1): Number of outstanding units, rescheduled for settlement. Not applicable:

- Bilateral Demand Settlement ('BDSI')
- Net Broker Obligation ('NBOB')
- Novated Settlement Failure Instruction ('NSFI')

Previously Settled Amount (0..1): Total cash amount settled in previous settlement cycles. Not applicable:

- Bilateral Demand Settlement ('BDSI')
- Net Broker Obligation ('NBOB')
- Novated Settlement Failure Instruction ('NSFI')

Remaining Cash Awaiting Settlement (0..1): Outstanding cash amount, rescheduled for settlement.

- Bilateral Demand Settlement ('BDSI')
- Net Broker Obligation ('NBOB')
- Novated Settlement Failure Instruction ('NSFI')

3d Settlement Processing for Unit Failure

sett_119 - Settlement Confirmation

sett_119 [EIS 156, EIS 192]: sese.025

➤ Settlement Confirmation

Settlement Transaction Condition (0..1): Codes used to identify the type of settlement transaction

Settled Amount (1..1): Cash amount settled in the current settlement cycle

Value SSP Adjustment (0..1): Identifies a Standard Settlement Price adjustment.

Value of Units Settled (0..1): equal to the funds expected to be paid or received for the settlement obligation

Lvl	Name	XML Tag	Mult	Type / Code	Restr
0	Securities Settlement Transaction Confirmation V07 (sese.025.001.07)	<SciesSttlmTxConf>			
2	Settlement Transaction Condition	<SttlmTxCnd>	[0..*]	Choice	[0..1]
3	Proprietary Identification	<Prtry>	[1..1]		
4	Id	<Id>	[1..1]	text [a-zA-Z0-9]{4}	T/C
5	Bilateral Settlement Instruction			BSSI	
5	Unilateral Settlement Instruction			USSI	
5	Bilateral Demand Settlement			BDSI	
5	Net Broker Obligation			NBOB	
5	Gross Market Trade			GMTD	
5	Novated Rescheduled Obligation			NROB	
5	Novated Settlement Failure Instruction			NSFI	
1	Settled Amount	<SttlAmt>	[0..1]		[1..1]
2	Amount	<Amt>	[1..1]	0 <= decimal td = 18 fd = 5	T/C
3	Xml Attribute Currency	<Ccy>		text AUD	
3	Credit Debit Indicator	<CdtDbtInd>	[1..1]	text CRDT	
3	Credit			CRDT	
3	Debit			DBIT	
1	Other Amounts	<OthrAmts>	[0..1]		[1..1]
2	Other	<Othr>	[0..1]		[1..1]
3	Amount	<Amt>	[1..1]	0 <= decimal td = 18 fd = 5	T/C
4	Xml Attribute Currency	<Ccy>		text AUD	
3	Credit Debit Indicator	<CdtDbtInd>	[0..1]	text CRDT	[1..1]
4	Credit			CRDT	
4	Debit			DBIT	
1	Supplementary Data	<SplmtryData>	[0..*]		[0..1]
2	Place And Name	<PlcAndNm>	[0..1]	text{1,350}	
2	Envelope	<Envlp>	[1..1]		T/C
1	Settlement Attributes	<SttlmAttrbts>	[1..1]		A
2	Value Units Settled	<ValUnitSettl>	[0..1]		(A)
3	Amount	<Amt>	[1..1]	0 <= decimal td = 18 fd = 5	(A) T/C
4	Xml Attribute Currency	<Ccy>		text AUD	(A)
3	Credit Debit Indicator	<CdtDbtInd>	[1..1]	text CRDT	(A)
4	Credit			CRDT	(A)
4	Debit			DBIT	(A)

3e Diary Adjustment and Code Change

Overview

Diary Adjustments provide buyer protection for value transactions (Gross Market Trades, NBOs and Bilateral Settlement Instructions) that fail on Record Date. They comprise:

- Value Adjustments (for Dividends, Interest Payments, Capital Returns, Application Monies and Calls)
- Accrual Adjustments (for Rights, Bonus and Attaching Options)

Diary Adjustments also update all Settlement Instructions types to account for:

- Reconstructions (Split and Consolidations)
- Code Changes (Underlying Security Code or ISIN change)
- Class Merger (Merger of two security codes)

Code Changes and Class Mergers are also applied to holdings. The latter of which can result in holdings in two securities codes being combined.

What's Changing?

- Removal of the “cash adjustment” on accrual transactions, typically rights, bonus and attaching options. The cash adjustments is a legacy delivery incentive workflow introduced prior to the advent of fail fees. Accruals will be a Free of Payment transaction going forward though it will require agreement from both parties to cancel them.

3e Diary Adjustment and Code Change

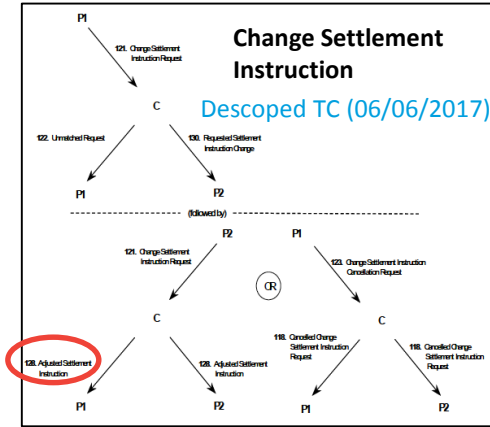
'To-be' message consolidation table

Message Type	EIS	Message Id	ISO 20022 base message	Message Name	From	To
Notification	EIS 128 - Adjusted Settlement Instruction	sett_139	sese_032	Adjusted Settlement Instruction	CSP	Participant
Notification	EIS 142 - Accrued Settlement Instruction	sett_140	sese_032	Accrual Settlement Instruction	CSP	Participant
Notification	EIS 430 - Applied Code Change	admn_852	reda_007	Applied Code Change	CSP	Issuer or Third Party
Notification	EIS 050- Effected Security Code Change (same messages as Holding Adjustment EIS 421, 425, 018, 022, 732 and 733)	hold_226	seev_036	Holding Adjustment Notification	CSP	Participant
Notification	EIS 082 - Adjusted Sub position Holding Class Merger - Sub-positions	hold_228	semt_002	Securities Balance Report	CSP	Participant

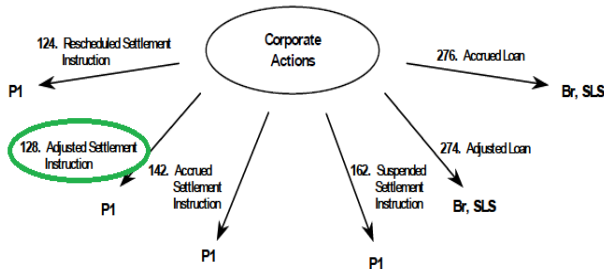
3e Diary Adjustment and Code Change

sett_139 Adjusted Settlement Instruction (EIS 128)

Adjusted Settlement Instruction [EIS 128]



Corporate Actions



✓ Elements related only to **Change Settlement Instruction** removed from sett_139 [EIS 128]

- Override Basis of Movement
- Guaranteed Foreign Indicator
- Settlement Instruction status

✓ The ISO Business message sese_032 does not support previous information

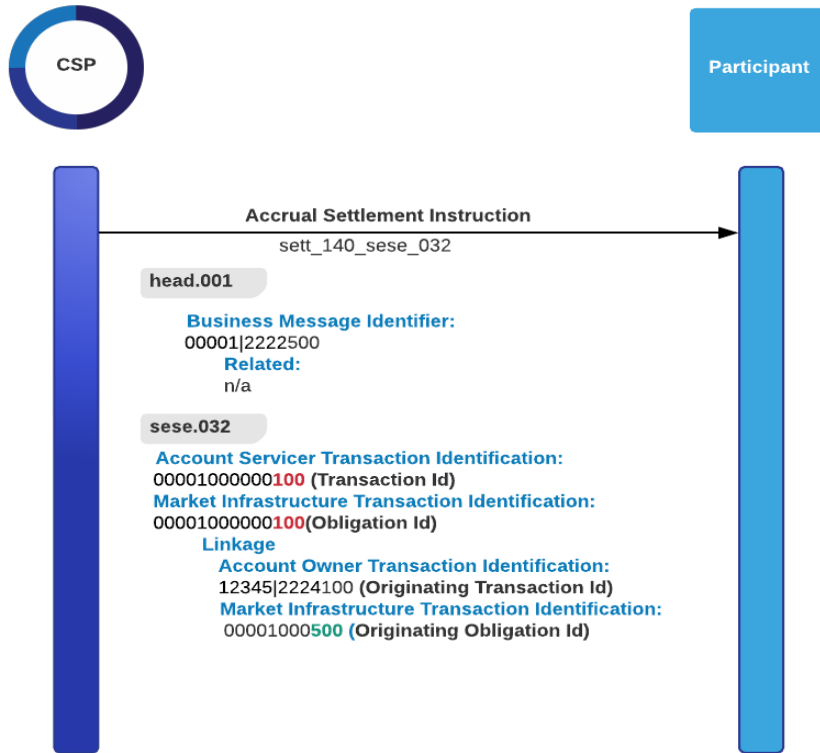
- Previous Securities Code
- Previous Settlement Amount
- Previous Settlement Date

ASX recommendation:

- Remove Previous Information (above) from sett_139 [EIS 128] as the Participant can use the Target Transaction Id to get the information.

3e Diary Adjustment and Code Change

Transaction Id- Accrual Number



- New Obligation Identification
- Linkage used to identify originating transaction

3e Diary Adjustment and Code Change

sett_139 - Adjusted Settlement Instruction

Lvl	Name	XML Tag	Mult	Type / Code	Restr
0	Securities Settlement Transaction Generation Notification V09 (sese.032.001.09)	<SctiesSttlmTxGnrtnNtfctn>			
1	Transaction Identification Details	<TxIdDtls>	[1..1]		
2	Account Owner Transaction Identification	<AcctOwnrTxId>	[1..1]	text{1,35}	
2	Account Servicer Transaction Identification	<AcctSvcrTxId>	[0..1]	text{1,35}	
2	Market Infrastructure Transaction Identification	<MktInfstrctrTxId>	[0..1]	text{1,35}	
2	Securities Movement Type	<SctiesMvmntTp>	[1..1]	text	
3	Delivery			DELI	
3	Receive			RECE	
2	Payment	<Pmt>	[1..1]	text	
3	Separate Settlement			FREE	
3	Against Payment Settlement			APMT	
1	Trade Details	<TradDtls>	[1..1]		
2	Settlement Date	<SttlmDt>	[1..1]	Choice	
3	Date	<Dt>	[1..1]	Choice	
4	Date	<Dt>	[1..1]	date	
1	Financial Instrument Identification	<FinInstrmId>	[1..1]		
2	ISIN	<ISIN>	[0..1]	text {A-Z}{2,2}{A-Z0-9}{9,9}[0-9]{1,1}	[1..1]
2	Other Identification	<Othrid>	[0..*]		[1..1]
3	Identification	<Id>	[1..1]	text{1,35}	T/C
3	Type	<Tp>	[1..1]	Choice	
4	Proprietary	<Prtry>	[1..1]	text{1,35}	T/C
5	INFO			INFO	
1	Quantity And Account Details	<QtyAndAcctDtls>	[1..*]		
2	Settlement Quantity	<SttlmQty>	[1..1]	Choice	
3	Quantity	<Qty>	[1..1]	Choice	
4	Unit	<Unit>	[1..1]	decimal td = 18 fd = 17	

sett_139 [EIS 128]: sese.032

➤ Adjusted Settlement Instruction

➤ **Target Transaction Id (1..1):** sett_105 or NONREF

➤ **Target Transaction Id:** sett_101, sett_102 and sett_130

➤ **Market Infra Transaction Id (1..1):** Obligation Id

➤ **Payment (1..1):** FREE or APMT

➤ **New Settlement Date (1..1):**

➤ **ISIN and Security Code (1..1)**

➤ **Settlement Quantity (1..1)**

3e Diary Adjustment and Code Change

sett_139 - Adjusted Settlement Instruction

sett_139 [EIS 128]: sese.032

➤ Rescheduled Settlement Instruction

Account Identifier HIN (1..1)

Transaction Basis (1..1)

Settlement Transaction Condition (1..1)

New Settlement Amount (0..1): Remaining Cash Awaiting

Lvl	Name	XML Tag	Mult	Type / Code	Restr
0	Securities Settlement Transaction Generation Notification V09 (sese.032.001.09)	<SctiesSttlmTxGnrtnNtfctn>			
2	Safekeeping Account	<SfkgAcct>	[1..1]		
3	Identification	<Id>	[1..1]	text{1,35}	T/C
1	Settlement Parameters	<SttlmParams>	[1..1]		
2	Securities Transaction Type	<SctiesTxTp>	[1..1]	Choice	
3	Proprietary	<Prtry>	[1..1]		
4	Identification	<Id>	[1..1]	text [a-zA-Z0-9]{4}	T/C
4	Issuer	<Issr>	[1..1]	text{1,35}	T/C
5	XASX			XASX	
2	Settlement Transaction Condition	<SttlmTxCond>	[0..1]	Choice	[1..1]
3	Proprietary	<Prtry>	[1..1]		
4	Identification	<Id>	[1..1]	text [a-zA-Z0-9]{4}	T/C
5	Bilateral Settlement Instruction			BSSI	
5	Unilateral Settlement Instruction			USSI	
5	Net Broker Obligation			NBOB	
5	Gross Market Trade			GMTD	
5	Novated Rescheduled Instruction			NRIN	
4	Issuer	<Issr>	[1..1]	text{1,35}	T/C
5	XASX			XASX	
1	Settlement Amount	<SttlmAmt>	[0..1]		
2	Amount	<Amt>	[1..1]	0 <= decimal td = 18 fd = 5	T/C
3	Xml Attribute Currency	<Ccy>		text [A-Z]{3,3}	
2	Credit Debit Indicator	<CdtDbtInd>	[1..1]	text	
3	Credit			CRDT	
3	Debit			DBIT	

3e Diary Adjustment and Code Change

sett_139 - Adjusted Settlement Instruction

Lvl	Name	XML Tag	Mult	Type / Code	Restr
1	Other Amounts	<OthrAmts>	[0..1]		
2	Other	<Othr>	[0..1]		[1..1]
3	Amount	<Amt>	[1..1]	0 <= decimal td = 18 fd = 5	T/C
4	Xml Attribute Currency	<Ccy>		text [A-Z]{3,3}	
3	Credit Debit Indicator	<CdtDbtInd>	[0..1]	text	[1..1]
4	Credit			CRDT	
4	Debit			DBIT	
1	Generated Reason	<GnrtdRsn>	[0..*]		[1..1]
2	Code	<Cd>	[1..1]	Choice	
3	Code	<Cd>	[1..1]	text	
4	Transformation			TRAN	
2	Additional Reason Information	<AddtlRsnInf>	[0..1]	text{1,210}	[1..1] T/C
3	Code Change Diary Adjustment			CCDA	
3	Bonus Diary Adjustment			BNDA	
3	Consolidation Diary Adjustment			CODA	
3	Dividend Diary Adjustment			DVDA	
3	Interest Diary Adjustment			INDA	
3	Application Money Diary Adjustment			AMDA	
3	Non-Renounceable Rights Diary Adjustment			NRDA	
3	Renounceable Rights Diary Adjustment			RRDA	
3	Split Diary Adjustment			SSDA	
3	Capital Return Diary Adjustment			CRDA	
3	Attaching Option Diary Adjustment			AODA	
3	Call Diary Adjustment			CLDA	

sett_139 [EIS 128]: sese.032

➤ Adjusted Settlement Instruction

Adjustment Value(1..1): The amount that has been adjusted

Adjustment Reason(1..1): Transformation (TRAN)

Adjustment Type (1..1): Indicates the type of corporate action

3e Diary Adjustment and Code Change

sett_140 - Accrual Settlement Instruction

Lvl	Name	XML Tag	Mult	Type / Code	Restr
0	Securities Settlement Transaction Generation Notification V09 (sese.032.001.09)	<SctiesSttlmTxGnrtnNtf ctn>			
1	Transaction Identification Details	<TxIdDtls>	[1..1]		
2	Account Owner Transaction Identification	<AcctOwnrTxId>	[1..1]	text(1,35)	T/C
2	Account Servicer Transaction Identification	<AcctSvcrTxId>	[0..1]	text(1,35)	
2	Market Infrastructure Transaction Identification	<MktInfstrctrTxId>	[0..1]	text(1,35)	
1	Linkages	<Lnkgs>	[0..*]		[1..2]
2	Reference	<Ref>	[1..1]	Choice	
3	Securities Settlement Transaction Identification	<SctiesSttlmTxId>	[1..1]	text(1,35)	
3	Account Servicer Transaction Identification	<AcctSvcrTxId>	[1..1]	text(1,35)	
3	Market Infrastructure Transaction Identification	<MktInfstrctrTxId>	[1..1]	text(1,35)	

sett_140 [EIS 142]: sese.032

➤ Accrual Settlement Instruction

Target Transaction Id (1..1): NONREF

Transaction Id: Uniquely identifies a transaction within CSP

Market Infra Transaction Id (1..1): Obligation Id

Origin Transaction Id (1..1): sett_105 or NONREF

Origin Transaction Id (1..1): sett_101, sett_102 and sett_130

Market Infra Transaction Id (1..1): Obligation Id

3e Diary Adjustment and Code Change

admn_852 - Applied Code Change

Lvl	Name	XML Tag	Mult	Type / Code	Restr
0	Security Maintenance Request V01 (DRAFT2reda.007.001.01)	<SctyMntncReq>			
1	Identification	<id>	[1..1]		
2	Identification	<id>	[1..1]	text(1,35)	T/C
1	Update Type	<UpdTpy>	[1..1]	Choice	
2	Update Type	<UpdTpy>	[1..3]	Choice	[1..1]
3	Modify	<Modfy>	[1..1]		
4	Financial Instrument Attributes	<FinInstrmAttrbts>	[0..*]		[1..1]
5	Security Status	<SctySts>	[0..1]	Choice	[1..1]
6	Code	<Cd>	[1..1]	text	
7	Active			ACTV	
5	Financial Instrument Identification	<FinInstrmid>	[0..1]		[1..1]
6	ISIN	<ISIN>	[0..1]	text [A-Z]{2,2}[A-Z0-9]{9,9}[0-9]{1,1}	[1..1]
6	Other Identification	<Othrid>	[0..*]		[1..1]
7	Identification	<id>	[1..1]	text(1,35)	T/C
7	Type	<Tp>	[1..1]	Choice	
8	Proprietary	<Prtry>	[1..1]	text(1,35)	T/C
9	INFO			INFO	
4	Supplementary Data	<SplmtryData>	[0..*]		[1..1]
5	Place And Name	<PlcAndNm>	[0..1]	text(1,350)	
5	Envelope	<Envlp>	[1..1]		T/C
1	Financial Instrument Identification	<FinInstrmid>	[1..1]		
2	ISIN	<ISIN>	[0..1]	text [A-Z]{2,2}[A-Z0-9]{9,9}[0-9]{1,1}	
2	Other Identification	<Othrid>	[0..*]		[1..1]
3	Identification	<id>	[1..1]	text(1,35)	T/C
3	Type	<Tp>	[1..1]	choice	
4	Proprietary	<Prtry>	[1..1]	text(1,35)	T/C
5	INFO			INFO	
1	Update Type	<UpdTpy>	[0..1]	text(0,4)	A

sett_852 [EIS 430]: reda.007

➤ Applied Code Change

Transaction Id (1..1)

Revised ISIN and Security Code (1..1)

Previous ISIN and Security Code (1..1)

Update Type:

- Class Merger (CMGR)
- Issuer Name & Code Change (INCC)

3f 'To-be' messages for review

To-be Messages	To-be Messages
sett_139	sett_133
sett_140	sett_134
admn_852	sett_135
hold_226	sett_136
hold_228	sett_137
sett_130	
sett_122	
sett_119	

MyStandards 'to-be' documentation

Community: ASX ISO 20022 Technical Committee

Collection: ASX_AU_CHS_draft_sett
ASX_AU_CHS_draft_admn
ASX_AU_CHS_draft_hold

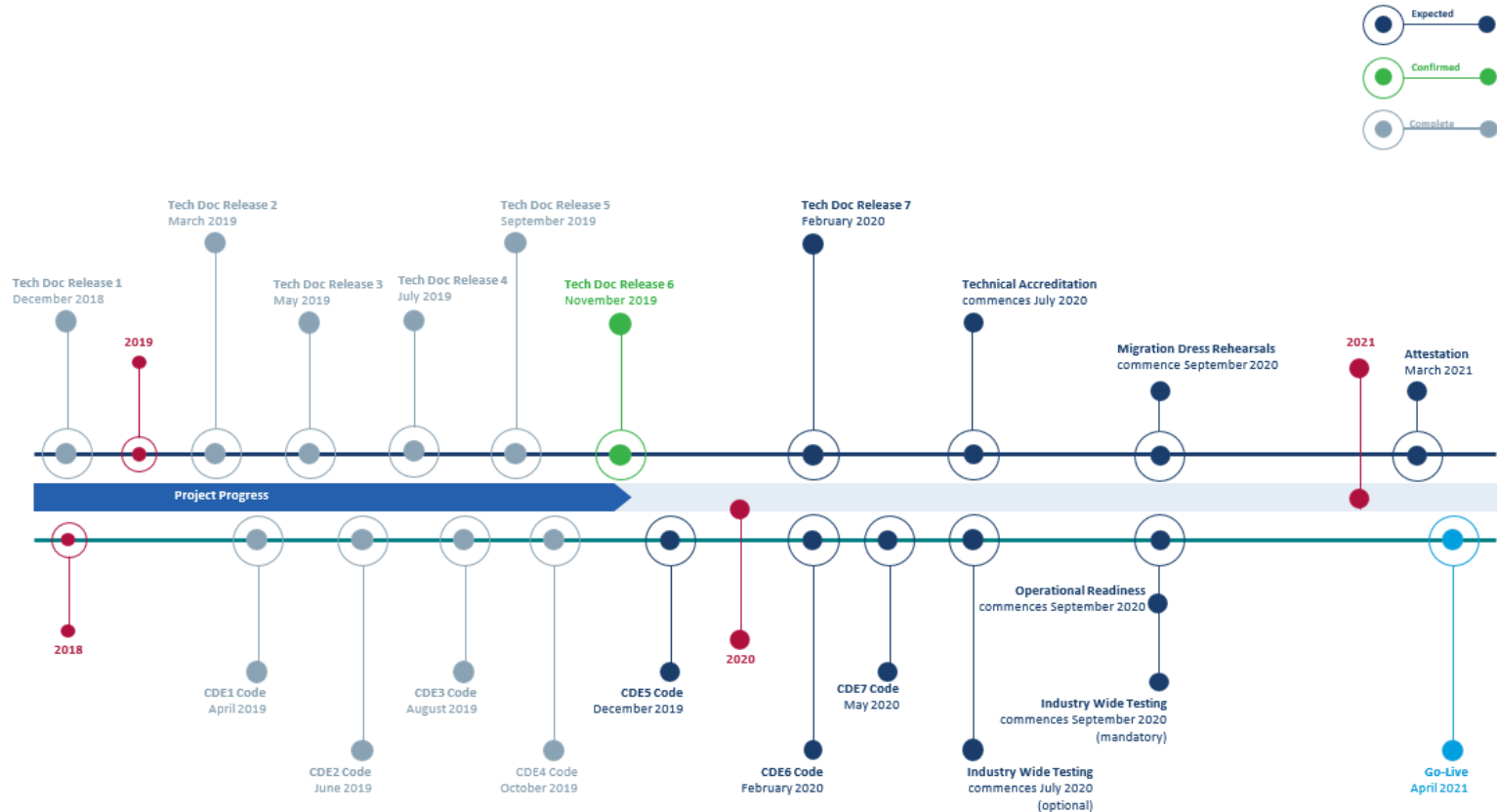
Further details (attached to Message Definitions in MyStandards)

- 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)

Feedback Request: ASX requests TC member feedback via comments in MyStandards by **10 December 2019** ready for ASX review

4. Standing agenda items

4a CHES Replacement Project update



4b ISO 20022 project update by ASX

To-be' mapping:

- > Topics in progress:
 - mFund
 - Investor details
 - Settlement Processing for unit failure
 - Corporate actions
 - Payment facilities

- > Global ISO 20022 engagement
 - ISO 20022 Securities Standards Evaluation Group (SEG)
 - T2S Evaluation Team (sub group of SEG)
 - BAH change request
 - Business Justification for new messages

ISO 2002 Stream – Message Status

As at November 2019		Technical Documentation (releases 1,2,3, 4 and 5)		Additional drafts provided to Technical Committee ahead of future Technical Documentation releases		Total messages published in Technical Documentation and provided to Technical Committee		Total CHES messages mapped (covering messages released in Technical Documentation, provided to the Technical Committee and to be descope)	
ISO 2002 Business Area	Total # CHES "as-is" messages in scope	# CHES messages mapped	Equivalent # ISO 2002 messages finalised	# CHES messages mapped	Equivalent # ISO 2002 messages drafted	# CHES messages mapped	Equivalent # ISO 2002 messages	*# CHES message candidates for descope	# CHES messages mapped incl. descope
Account management (acct)	53	11	6			11	6	1	12
Operations Admin (admn)	11	2	2	1	1	3	3		3
Common (comm)	2	11	4			11	4		11
RTGS (gset)	60					0	0	60	60
Holding movement (hold)	37	82	23	2	2	84	25	1	85
mFund Service (mfnd)	85			13	6	13	6	29	42
Pledge and Lodge Management (pldg)	85	39	6			39	6	1	40
Reporting (rptg)	36					0	0		0
Settlement (sett)	51	37	29	2	2	39	31	1	40
Corporate Actions (evnt)		19	4	5	1	24	5		24
Total	420	201	74	23	12	224	86	93	317
% equivalent CHES "as-is" messages delivered		47.86%		5.48%		53.33%			75.48%

4c Update from Business Committee

5. Closing

5. Closing and next meeting

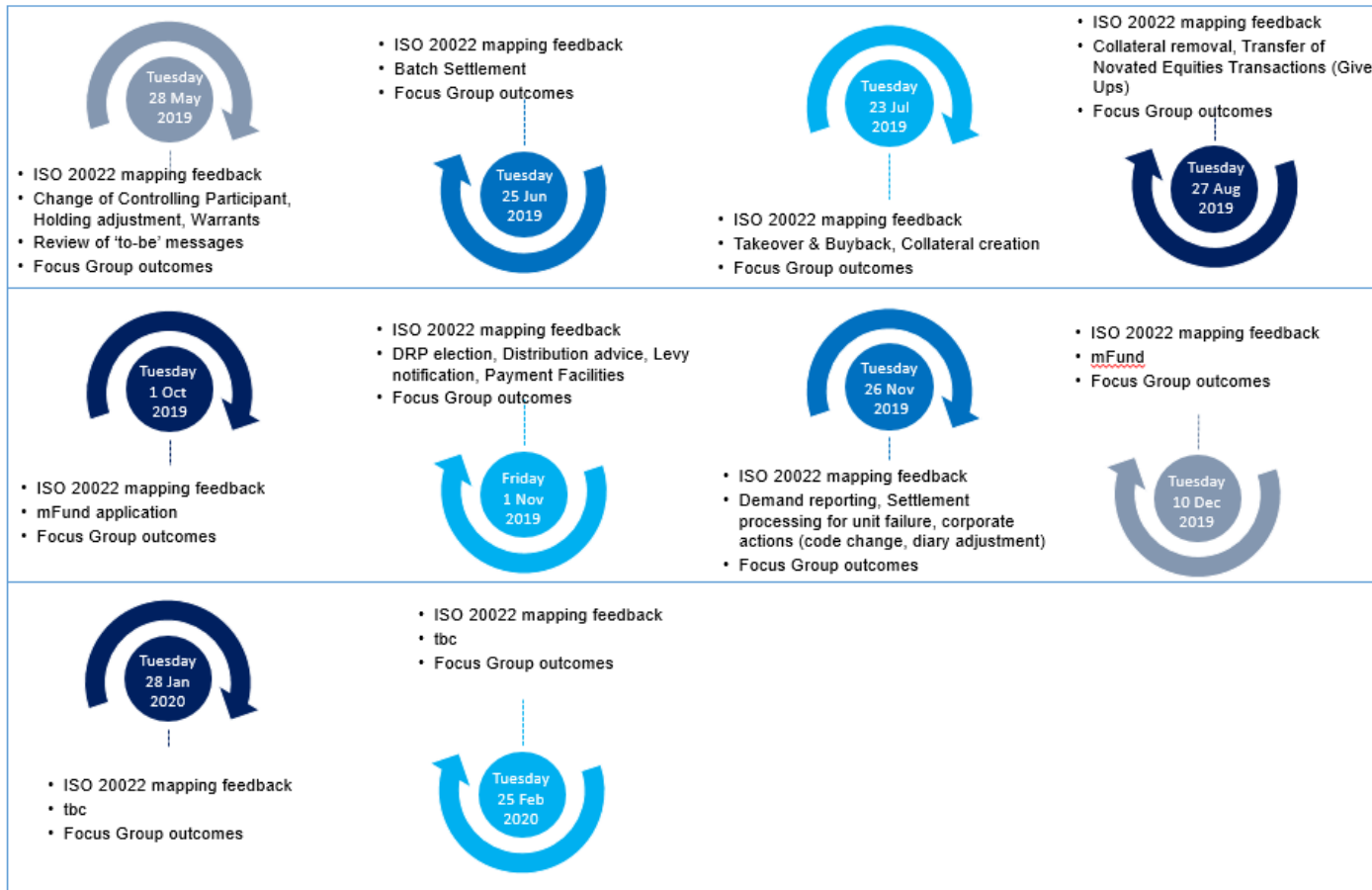
- > Noted actions from this meeting
- > Draft minutes from this meeting will be distributed for review
- > Next meeting to be held Tuesday 10 December – Sydney, webinar; proposed topics tbc
- > Forward meeting plan – see next page

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 – Demand Reporting

10. Appendix 1 - Current CHES demand reports

CEB	Cum Entitlement Balance Report
CFB	Counterparty Funds Balance Report
CMV	Cum Entitlement Movement Report
CSD	Cash Subrecord Details
CSI	Cancelled Settlement Instructions Report
CST	Cash Subrecord Totals
DSM	Demand Holding Statement Request
DSR	Demand Statement Request
FGM	Foreign Guaranteed Movement Report
FHT	Full Holding Transaction Report
FLN	Full SLS Loan Report

10. Appendix 1 - Current CHESS demand reports

FSI	Full Settlement Instruction Report
HBL	Holding Balance Report
HCT	Holding Control Report
HLD	Holder Details Report
HLH	Holder History Report
HMV	Holding Movement Report
HRD	Holding Registration Details Report
HSB	Holding Subposition Balance Report
HSP	Holding Subposition Detail Report
HTX	Holding Transaction Report
OBL	Obligations Report

10. Appendix 1 - Current CHESS demand reports

OSL	Outstanding SIs Loan Report
PFD	Payment Facility Detail Report
PFH	Payment Facility History Report
PPS	Projected Positions Report
RAC	Rights Accepted Report
RPD	Reporting Details Report
SCE	Subregister Closer Exception Report
SDR	Security Details Report
SET	Settlement Report
SMP	Subregister Movement - Participant Report
SMR	Subregister Movement - Registry Report

10. Appendix 1 - Current CHES demand reports

TCB	Total Cum Entitlement Balance Report
TPB	Third Party Subposition Balance Report
TPD	Third Party Subposition Detail Report
TSB	Total Security Balance Report
TSH	Top Share Holder Report
URT	Unauthorised Registry Transaction
USD	User Details Report
USH	User History Report
USI	Unmatched Instructions Report

Thank you.