



## MINUTES OF THE ISO 20022 TECHNICAL COMMITTEE

Tuesday 27 November 2018  
ASX offices, Sydney; Webinar

- 
1. **Welcome, Agenda**

---

  2. **Minutes from last meeting, open actions**

---

  3. **CHES Replacement project update by ASX**

---

  4. **ISO 20022 project update by ASX**

---

  5. **Update from Business Committee**

---

  6. **Matters for Consideration (Business and Technical Matters)**
    - a) MyStandards Community – ‘to-be’ usage guideline feedback
    - b) Re-cap on principles of adoption
    - c) Bilateral Demand Settlement Instructions
    - d) Focus Group Meeting outcomes

---

  7. **Next Meeting - tbc - late January 2019**

## Technical Committee Members

Company	Name	Job Title	Apologies
Australian Payments Network Limited	Andy White	Chief Operating Officer	Apology
Australian Payments Network Limited	Paul Creswick	Security Standards Manager	
Bank of America Merrill Lynch	Andree Hindmarsh	Head of GMOT Australia	
Bank of America Merrill Lynch	Jimmie Alam		
Bell Potter Securities	Dean Surkitt	Managing Director Retail	
BNP Paribas Securities	Penelope Stafford	Manager Settlements	
BNP Paribas Securities	Wayne Murphy	Project Manager	
Boardroom Limited	Tony Robinson	Senior Software Engineer	
Boardroom Limited	Michael Mullins	CIO	
Broadridge (Australia)	Manoj Mathew	Business Analyst	
Broadridge (Australia)	Mabel Chow	Development and Support Manager	
Broadridge (Australia)	Tomas Kliman	Senior Project Manager	Apology
Broadridge (Australia)	James Marsden	APAC Business Development & Strategy	
Broadridge (Australia)	Andy King	Product Specialist	
Broadridge (Australia)	Anil Wali	Product Specialist	
Broadridge (Australia)	Alok Ranjan	Technology Specialist	
CBA Equities	Joel Cox	Technical Business Analyst	
CBA Equities	Carolyn Webb	Test Manager	
CBA Equities	Ben Lowe	Manager Settlements	
Chi-X Australia	Mike Aikins	Head of Solution Development	
Chi-X Australia	Suketu Adhvaryu	Senior Solution Architect	
Citicorp	Miles O'Connor	Director, Direct Custody & Clearing Securities Markets & Securities Services	
Citicorp	Andrew Gibson	Director – Head of Direct Custody and Clearing Australia & NZ	
Citicorp	Brett Dennis	Head of Operations – Party Clearing	
Citicorp	Lyall Herron		
Citicorp	Janice O'Brien	Markets & Securities Services Technology	
Citicorp	Matthew Warner		
Citicorp	Ashok Kumar Balusa		

Company	Name	Job Title	Apologies
Citicorp	Glenn Pahilan		
Citicorp	Stephen Rylands	Product Manager	
Citicorp	Pradeep Pandian		
CMC Markets Stockbroking	Nikola Vanstan	Change Manager	
Computershare	Paul Walton	Senior Manager, Corporate Actions & New Business Development – Investor Services	
Computershare	Leanne Bailey	Senior Business Analyst Product & Innovation	
Computershare	Laik Tan		
Deutsche Securities	Kevin Novini		
Digital Asset	Fil Mackay	Senior Product Architect	
Dion Global Solutions	Craig Gray	Product Manager – Australia and NZ	
Dion Global Solutions	Nikki Gleisner	Account Manager	
GBST	Sue Schafer	Product Owner	
GBST	Khanh Le	Systems Architect	
Goldman Sachs	Darrel Schwarz	Technology Vice President	
Goldman Sachs	Josh Rice		
Goldman Sachs	Nidhi Luthra		
HSBC Securities Services	Gregory Wilkin	Head of HSBC Operations	
HSBC Securities Services	Salih Kulic	Manager Custody	
HSBC Bank Australia Limited	Michael Macintosh	Senior Client Account Manager, Global Liquidity and Cash Management	
HSBC Bank Australia Limited	Anna Fratini	Senior Product Manager – High Value Payments, Clearing and Financial Institutions,	
HSBC Bank Australia Limited	Phyllis Yeung	Senior Analyst	
HSBC	Herman Wong	Manager, Change Management & Delivery	
HSBC	Edmond Chan	Senior IT Development Manager	
HSBC	Cherrie Xu	Head of IT Securities Service	
HSBC	Asri Asat	Optimisation Manager, Securities Service	

Company	Name	Job Title	Apologies
HSBC	Chang Gao	Business Consultant	
JP Morgan	Ed Lawson	Settlements Manager	
JP Morgan	Danny Ng	Middle and Back office AD Manager	
JP Morgan	Scott Oakland	Direct Custody Product Manager Australia	
JP Morgan	Ned Miglez		
JP Morgan	Daniel Smith	VP, Network Management	
JP Morgan	Lesley Henderson	Technology Product team	
Link Group	Ian Batterham	Business Applications Architect	
Link Market Services	Sue Julian	National Manager, Corporate Actions	
Link Group	Robert Watson		
Macquarie Group	Paul Bragg	Senior Manager Equities Clearing ANZ	Apology
Macquarie Group	Merrilyn Auton	Manager Operations	
Morgans Financial	Matt Neaubauer	Team Leader, Service Management Team	
Morgans Financial	Ed Strike	IT Manager	
Morgan Stanley	Dorothy Wilson	Executive Director, Morgan Stanley Wealth Management, ISG Technology	
Morgan Stanley	Kirsty Venters	VP, Prime Brkrng Funding & Fin Tech	
Morgan Stanley	Oscar Dela Cruz		
Morgan Stanley	Andrew Fielder		
Morgan Stanley	Gordon Davies	VP/Firmwide Ops	
Morgan Stanley	Andrew Sime		
NAB Asset Management	Suresh Chinnappa	Head of Custody Service Operations	Apology
National Australia Bank	Sachin Patel	Senior Analyst, Regulatory Affairs	
National Stock Exchange	Lina Lim	Head of Technology	
Nomura Research Institute	John Ryan	Senior Consultant	
Nomura Research Institute	Ashish Jha		
Nomura Research Institute	Sayantan Majumdar		
Northern Trust	Yen Pan Chung	Senior BA, Market Advocacy and Innovation Research	
Securitease	Anton Smith	Director	

Company	Name	Job Title	Apologies
Securitease	Chris Werry	Business Analyst	
Securitease	Angela Losurdo	Business Systems Analyst	
Share Investing	Phil Barnes	Senior Manager, Platforms	
SWIFT Standards	Nicole Jolliffe	Senior APAC Standards consultant	
Sydney Stock Exchange	Leo Zhang	Manager – Market Control	
Sydney Stock Exchange	Omar Obol	Market Control Officer	
Sydney Stock Exchange	Antony Tolfts	Listing Director	
UBS	Phillip Drury	Phillip Drury, Executive Director, Equities IT	Apology
UBS	Duncan Earl	Executive Director, Head of Change, UBS Group Operations	
UBS	Neil Martin	IT – Project Management	
Wealthhub Securities	James Channon	Manager, Capital Markets Trading	

## ASX Management

Name	Job Title	Apologies
Tim Hogben	Chief Operating Officer (Chair of the Technical Committee)	
Cliff Richards	Executive General Manager, Equity Post Trade Services	
Katie McDermott	General Manager, Equity Post Trade Services	Apology
Karen Webb	Senior Manager, Equity Post Trade Services	
Russell Eyre	Enterprise Architect	Apology
Anne-Marie Fisher-Taylor	Project Subject Specialist	
Priscilla Ferri de Barros	Senior Business Analyst, Equity Post Trade	
Gary Hobourn	Senior Economic Analyst, Regulatory and Public Policy	Apology
Fraser Moodie	Manager, Integration and Connectivity, CHES Replacement	Apology
Karen Hamilton	Manager, Business Analysis	
Frederik Van den Weghe	Senior Manager, Business Analysis	

The meeting commenced at 3.00pm.

#### **Agenda item 1: Agenda overview**

The Chair welcomed Technical Committee members to the meeting including members attending by webinar.

The Chair noted the release of the November Standards release, including associated upgrading of Austraclear interfaces. Momentum is building globally for the adoption of ISO 20022, in light of the movement onto SWIFT's cross-border GPI platform.

The Chair outlined the Agenda for the meeting, referring to the presentation slides prepared by ASX.

#### **Agenda item 2: Minutes from last meeting, open actions**

The Chair noted that the minutes from the last meeting held on 9 October 2018 had been finalised, with one amendment requested by a member, to clarify certain minuted information. The minutes had been distributed and published on the web page.

The Chair noted the outstanding actions from the last meeting as outlined on slide number 5 and 6 of the ASX presentation.

**Action item 20** was for ASX to provide a proposed plan for the remaining training webinars. The Chair noted that ASX is hosting Connectivity & Integration Working Groups, and expects to reassess what training is required after the Groups have been completed. **This item remains on hold.**

**Action item 51** was for ASX to consider how impacted stakeholders could be engaged on the standards for registration details prior to the next meeting. The Chair noted that a Focus Group meeting on this topic had been held, with feedback from the session attendees open until 30 November 2018. **This item was closed.**

**Action item 58** was for ASX to publish proposed "to-be" messages for updates to accounts – reda\_023, reda\_020, reda\_021 for member review. The Chair confirmed that ASX would release these as part of the first tranche of technical documentation in December. **This item was closed.**

**Action item 60** was for ASX to prepare and publish a consolidated list of all actions and outcomes from Technical Committee meetings, and update after each meeting going forward. ASX has commenced publishing this list on the ISO 20022 web page, and the content is up to date as of the last committee meeting. **This item was closed.**

**Action item 62** was for ASX to review the intended timing for housekeeping of unmatched messages, any standardisation opportunities, whether settlement requests could be future dated. ASX would also consider the visibility of holding locks to issuers on an intra-day basis. The Chair explained that ASX will address these topics in the Focus Group meetings, with information relayed back to this committee as it becomes available. **This item remains open.**

**Action item 64** was for ASX to advise members the confirmed date for Technical Documentation release in December, and the associated webinar details. The Chair advised that the webinar will be held on 12

December 2018, and the first drop of technical documentation will follow shortly thereafter. The Chair proposed the item be closed. **This item was closed.**

**Action item 65** was for ASX to consider if information such as participant party identification and preferences would be available within the node (in addition to published) and confirm to members as part of migration activity. The Chair advised that ASX was yet to consider this, and **this item remains open.**

**Action item 66** was for Members to consider any specific topics regarding settlement, holding locks for inclusion in the agenda of the upcoming Focus Group and advise ASX. The Chair advised that ASX did not receive any feedback, and the Senior Manager, Business Analysis advised that the matter had been discussed at a Focus Group, with the deadline for feedback still open. Given that the session had already been held the Chair proposed the item be closed. A member asked when people who did not attend the Focus Group would find out the outcomes of the meeting, and reiterated that the impact of locks on corporate actions was of particular concern to the member's organisation. The Senior Manager, Business Analysis confirmed that the particular Focus Group in question focused on settlement locks applicable to bilateral and unilateral settlement instructions, and did not contemplate corporate actions. A dedicated Focus Group related to locks and corporate actions will be convened in 2019. **This item was closed.**

**Action item 67** was for ASX to review level of consolidation for Unilateral and Bilateral settlement instructions usage guidelines. The Chair advised that further consolidation has been performed, and it was a topic of discussion included in the agenda today. The Chair proposed the item be closed. **This item was closed.**

A member asked how ASX would notify members of the outcomes of the Focus Groups, given that not all members received invitations. The Senior Manager, Business Analysis, confirmed the intent of the Focus Group is to elicit specific feedback on elements of the solution build. The way all participants will receive information – detailed technical and functional information – relating to all aspects of CHES Replacement will be through the release of technical documentation. The member further enquired whether participants will have the opportunity to provide further feedback once technical documentation has been released. The Executive General Manager, Equity Post Trade Services confirmed that ASX will receive feedback, and on a case-by-case basis address any feedback that presents a significant problem.

### **Agenda item 3: CHES Replacement project update by ASX**

The Chair invited the Executive General Manager, Equity Post Trade Services to provide an update on the project.

The project is on track. ASX's internal build schedule – a hybrid agile project approach – is tracking to the scheduled curve. The scheduled delivery of software on a fortnightly basis is being met, the code being received is of a high quality, and defects being detected in the code are being turned around in a timely manner. ASX does two things once it receives the code: runs it through an automated testing capability; and integrates the software into the upstream and downstream systems via adaptors to a service bus.

The delivery of the first tranche of technical documentation (targeting release in mid-December 2018) was also on track. This will provide necessary information for another milestone, the target date for the Customer Development Environment (CDE) availability in April 2019, which was also on track.

The Executive General Manager provided a recap on external engagement activities. 4 Connectivity & Integration working groups have been held to date, with 2 further sessions scheduled this year. 2 Focus Groups have been held to date, with 1 further session scheduled this year. Planning is underway for the series of Connectivity & Integration working groups to be held throughout 2019, and the first Implementation & Transition working group will commence in Q1 2019. Planning is also underway for the Focus Group meetings to be held throughout 2019. Further details will be provided on the CHES Replacement webpage in due course.

The Connectivity & Integration working group sessions held to date have centred on access, to messaging formats, ISO 20022 over SWIFTNet and AMQP, and via direct integration (i.e. taking a node).

The Executive General Manager noted the recent announcement from the Hong Kong Stock Exchange (HKEX), that they have selected Digital Asset to build a distributed ledger technology solution to address some of the allocations and bookings challenges/inefficiencies between mainland China and Hong Kong markets. The implication that clients of ASX who also operate in the Hong Kong market would be operating on the same technology was noted as a positive development.

A member asked whether AMOs had been included in the Connectivity & Integration working group meetings to date. The Executive General Manager confirmed that AMOs will be invited to a working group about the functions that they need to integrate for. These sessions have not been held yet, and the Senior Manager, Business Analysis added that a Focus Group with AMOs is tentatively slated for early next year on the specifications for trade submission, and the connectivity options. The Executive General Manager committed to providing a narrower timeframe for when the session will be held, and provide sufficient notice to AMOs regarding the agenda and opportunity for AMOs to provide input on that agenda. **(Matters Arising 1 – Action item 68).**

A member sought clarification that the Connectivity & Integration working group meetings to date have been for participants. The Executive General Manager confirmed that the Connectivity & Integration working group meetings to date have been for existing clearing and settlement participants, and their existing back-office vendors. The reason the AMOs have not been invited stems from the differing use case and connection method.

A member enquired whether the forthcoming Implementation & Transition working groups would be for a wider audience (i.e. include AMOs), or would they also be specific to participants only. The Executive General Manager confirmed that AMOs will be invited, to the extent they are impacted by the transition.

Regarding the announcement from HKEX, a member asked whether the solution being built for that use case would also be provided to the Australian market. The Executive General Manager confirmed ASX's understanding that HKEX have decided to adopt Digital Asset technology, for their use case regarding mainland China and Hong Kong. A member added that their understanding of HKEX's use case is that it is an internal use case to create a proof of concept to run in parallel to the existing link between the two CSDs, i.e. to create inter-CSD connectivity. The member highlighted that this is not a use case that would be exposed to a participant in any way. The Executive General Manager confirmed that ASX would work to gain a better understanding of HKEX's use case with Digital Asset.



#### **Agenda item 4: ISO 20022 project update by ASX**

The Senior Manager, Equity Post Trade Services provided an update on the ISO 20022 project. The latest 'to-be' mapping topics under review by the team included updates to unilateral scheduled and bilateral scheduled message set where needed (particular changes for discussion at this meeting), bilateral demand settlement (for discussion at this meeting), payment facilities – create and update (in progress), updates per agreed changes to registration details and accounts. Work was also continuing on refining the Technical Documentation for release in December.

ASX continued its engagement in global ISO groups, attending the monthly Securities Standards Evaluation Group (SEG) meetings. Some of the discussion at that forum has been about ASX's business justification submission to the ISO 20022 registration authority. ASX has also been participating in the T2S Evaluation team, currently on hold at the moment. Currently waiting for the four central banks (4CBs) in Europe sponsoring the T2S messages to decide their next plan of action. ASX anticipates the group will re-convene again in early 2019. ASX has been working to prioritise the messages ASX has an interest in progressing to that group.

A member enquired as to the meaning of those messages being "on hold" with the T2S Evaluation team, and the implications of that for work required by committee members. The Senior Manager confirmed the implication that right now ASX is working with draft T2S messages, while T2S is working through a registration process for those messages so that they will be included in the standard, as a whole. The Senior Manager confirmed that while these messages are in draft state there is potential scope for future changes, and that the Evaluation team would consider feedback from members of the Evaluation team (including ASX) regarding any future changes. The member further enquired whether this creates additional risk to the timeline of the next 12 months of designing messages. The Senior Manager responded that risk to the timeline was unlikely, rather the potential risk is for a little more work, and ASX would need to make a decision regarding go-live should the messages still be in draft state at go-live date. The Chair clarified whether the registration process is at a point in time (i.e. whether ASX will know at go-live date whether the messages are registered). The Senior Manager confirmed that T2S is working iteratively, to review approximately 80 messages, and they have worked through around a dozen to date. ASX is working closely with T2S to prioritise the messages ASX has an interest in, to ensure reasonable comfort that the messages ASX has interest in will be registered in time.

With regard to the change request ASX had submitted to the ISO 20022 registration authority for the Business Application Header (BAH) to include Business Date, a representative from SWIFT provided an update that the Technical Support Group (TSG) convener (the owner of the BAH) is calling all of the various sub-conveners to clarify the changes in the BAH (ASX's change request was one of four change requests). Once this has been completed the TSG will propose a solution, for submission to the SEG for final approval.

ASX noted that its Business Justification submission was proceeding through the review process, with recent activities covering a response to comments raised by SEG members who wanted to better understand the drivers behind the submission. The submission was now with the ISO 20022 Registration Management Group who have one month to perform a final review. ASX expects an indication before Christmas of whether its Business Justification will be approved.

The Senior Manager noted that ASX had made a number of updates to the SWIFT MyStandards communities being used for CHES Replacement. The existing community being used to publish usage guidelines for the Technical Committee has been renamed the "ASX ISO 20022 Technical Committee" –

users do not need to make any changes. ASX has created a new community entitled “ASX CHES Replacement” for the purpose of publishing the technical documentation. ASX still intends to expose draft usage guidelines to the committee via the former community, and the latter will be a broader community.

ASX continues to work to get the MyStandards Readiness Portal set up for the December release of technical documentation. The Senior Manager reminded the committee of the overview provided by SWIFT at the 31 July Technical Committee. Further information regarding accessing the Readiness Portal will be provided in the webinar on 12 December 2018.

Referring to ASX presentation slide number 10, the Senior Manager, Equity Post Trade Services presented ASX’s approach to engagement with the committee during 2019. ASX had reviewed methods and processes used throughout 2018, acknowledging the occasional lag between presentation of material to the committee and its feedback and ASX’s development phase in 2018. ASX proposed to schedule monthly Technical Committee meetings throughout 2019. ASX will present the committee with particular topics for discussion, coinciding with build phase for ASX. ASX proposes to bring to the committee: any significant changes compared to ‘as-is’; any new business processes or new messages; and any message consolidation ASX is seeking to implement. In the case of consolidation, ASX will ask the committee to review only one set of the Business Process.

The Senior Manager noted that ASX wouldn’t respond to all comments provided against shared usage guidelines, but only as they relate to the above topics. For topics already covered and agreed, including certain principles, ASX would not continue to review and reply to associated comments.

A member enquired whether the forward work plan for the committee in 2019 extended to defining new values or retiring values for certain fields. The Senior Manager confirmed ASX’s intended approach is for ASX to present to the committee draft usage guidelines and process.

The Senior Manager, Equity Post Trade Services sought feedback that the committee was comfortable with the large program of work ASX proposes for the committee in 2019. No feedback was provided. The Chair reiterated the importance of developing the forward work plan ahead of time to allow members to do their own planning. The Senior Manager confirmed that the 2019 meeting dates would be published before Christmas, and confirmed ASX could provide a 2-3 month outlook of the agenda.

#### **Agenda item 5: Update from Business Committee**

The Chair noted that the Business Committee had not convened since the last meeting of this group. The next Business Committee meeting was scheduled for Thursday 29 November, and the agenda includes an update from the Chief Risk Officer on technology governance and operational risk matters, an update on ASX’s Corporate Actions Straight Through Processing Phase 2 project, an update regarding the Securities Market Practice Group convened in Sydney prior to Sibos, in addition to the regular updates on the Technical Committee and the CHES Replacement project.

#### **Agenda item 6: Matters for Consideration**

##### **a) MyStandards Community – ‘to-be’ usage guidelines feedback**

The ASX Senior Business Analyst advised that since the last Technical Committee ASX received 57 comments from 5 members on the 14 published draft guidelines. The comments related to unilateral and bilateral settlement instruction and error messages.

Some of the key themes from the feedback included:

- Suggestion to remove the Settlement Transaction Condition and rely on the elements inside the message. ASX considered this feedback and met with other vendors and participants to discuss, who reiterated that the Settlement Transaction Condition within the message is the key element inside the message for the member to build their system. They also suggested having the element inside the message also acts as a double control to reduce the chance of error. ISO 20022 does not have a standard on how the message should be consolidated, and based on the feedback received ASX will keep the Settlement Transaction Condition.
- Suggestion to change the mapping of Linkages from Securities Settlement Transaction Identification to Pool Identification. Whilst ASX agrees that Pool Identification would be a better mapping, the Securities Settlement Transaction Identification was the only element found across all (request, status and confirmation/response) messages.
- Suggestion to add Processing Position to explain why Settlement Instructions are linked. ASX will not add Processing Position due to an ISO rule that if it is used, all linked instructions must be executed together. Further details on why and how linkage will be used will be contained in the functional specifications to be released in December.
- Suggestion to review the cancel response flow mapping. ASX is conducting further investigation into the cancel flow with SWIFT standards consultants, and will change the cancel flow based on the feedback received and further review what will be the best message to use when the participant wants to cancel the settlement instruction.

The Manager, Business Analysis provided an overview of the Settlement Lock, a topic on which ASX also received feedback. The purpose of the Settlement Lock is to lock the holdings for settlement. It is a completely different lock to a Holding Lock or an Account Lock, and has been introduced as part of the CHES Replacement project. The three ways to request a Settlement Lock include as part of the transfer request, on match, or via a separate commitment of settlement instructions, depending on the transfer type. The Manager stepped through a number of transfer types and the implication for Settlement Lock. Partial locking is not supported; all units for the purpose of settlement of a Settlement Instruction are locked, or no units are locked. If a lock is requested on match and there are insufficient units in the participant's delivering from HIN, the Settlement Instruction will be matched but units will not be locked.

The ASX Senior Business Analyst walked through the usage guidelines feedback on this feature. If the units are not available on an unmatched settlement instruction, ASX will reject the transaction. If however the units are not available on a matched settlement instruction, ASX will not reject the transaction.

The ASX Senior Business Analyst also stepped through feedback from a member to change the mapping of security lock when the participant sends a sett.105 instruction. Previously the mapping was from Hold Indicator (more to lock the settlement instruction instead of the securities), and ASX has changed it to Settlement Transaction Condition to map the security lock.

Regarding the sett.115, when the participant wants to lock the securities after the settlement instruction has been sent, ASX changed the mapping of Target Transaction Id from Transaction Id to Linkage>Reference>Securities Transaction Id, based on member feedback.

The Senior Manager, Equity Post Trade Services also noted ASX had actioned a member request to publish the MyStandards comments in Excel format in addition to PDF format, to enable sorting by usage guideline, person who provided the feedback etc.

#### **b) Re-cap on principles of adoption**

Referring to ASX presentation slide number 19, the Senior Manager, Equity Post Trade Services provided a re-cap on ASX's principles of ISO 20022 adoption, in light of comments received from members around the level of message consolidation being performed by ASX, and to ensure committee agreement with these principles going forward.

The Chair invited feedback from members on these principles prior to the next meeting (**Matters Arising 2 – Action item 69**).

#### **c) Bilateral Demand Settlement instructions**

Referring to ASX presentation slide number 20, the Manager, Business Analysis, noted that this is a new transaction allowing demand settlement with payment, and it was a prime example of new functionality being brought to the Technical Committee for discussion. It will enable the transactions to be settled outside of the settlement batch in Demand. ASX is in the process of evaluating payment services to use for this workflow. From a process perspective, there are many similarities with Bilateral Settlement instructions – the same concepts will apply around matching, and tolerances will be applied. Because this instruction is on demand, the units will be mandatorily locked by the seller on request (because it is real time). When matched a message will be sent to the participants to indicate matched, and that the instruction is pending payment. ASX will then initiate payment with the chosen payment provider. Once the payment provider has approved the payment, ASX will effect the DvP transfer. Any unsuccessful payments will result in the transfer being rejected. Further details will follow, once ASX has selected a payment provider, and seek further guidance and feedback from this community in due course.

The Chair sought clarification of the payment options under consideration by ASX, and the Manager, Business Analysis confirmed that RITS and NPP are the two potential options. ASX was engaging with the payment provider community this week to seek their feedback.

A member asked whether the Bilateral Demand Settlement instructions are gross DvP settlement. The Chair confirmed that from ASX's perspective the model was line-by-line gross, in that ASX will not apply any aggregation or netting, however that this does not preclude a participant from netting on their side. The member further enquired whether the cut-off time for cash would be later than it currently is for settlement of the CHES Batch. The ASX Manager, Business Analysis confirmed that the current cut-off is 11.30am, and with real-time line-by-line settlement this would be later, but will be dependent on which payment option is chosen.

A member asked if ASX had considered a currency option for Bilateral Demand Settlements. The ASX Senior Manager, Business Analysis confirmed that the two payment options ASX is considering only support AUD. In its April 2018 Consultation Paper ASX contemplated the introduction of a bilateral settlement instruction in foreign currency, however this is not being progressed as a Day 1 scope item.

The ASX Senior Business Analyst then stepped through the message that will be used for the Bilateral Demand Settlement instruction – the same message as Unilateral Settlement instruction and Bilateral Settlement instruction. The message flows for an unmatched instruction, matched instruction, payment system confirmation were illustrated.

A member asked about the business processing flow, and what messages will be generated, when a participant received an alleged settlement instruction and they were delayed to input their settlement instruction, and then they input it later and it became matched. In this case would the participant receive a sese.024, or another message? The ASX Manager, Business Analysis confirmed that after matching is complete, that is when confirmation messages are sent. Details of process flows will be contained in the forthcoming technical documentation.

With regard to Bilateral Demand Settlement instruction, a member asked what would happen if one participant sent a cancellation, and the other participant sent a match, and the match arrived at ASX before the cancellation, is there a cancel rejected scenario. The ASX Senior Business Analyst confirmed that if the transaction is unmatched, and participant one sends an unmatched cancellation, participant one will receive a 'Cancellation Confirmation' notification and participant two will receive an 'Allegation Notification Cancellation'. If the transaction was matched before ASX received or processed the cancellation, the cancellation would be rejected.

A member asked what would happen in the scenario where a participant had insufficient funds or stock, is there a re-try facility or is the whole transaction cancelled. The ASX Manager, Business Analysis confirmed that there is no re-try facility. The Chair added that the intent is not to treat such a case as an event of default if the funds were not available at that time (the payment was rejected).

Regarding the 'To-be' Transaction Ids for the Bilateral Demand Settlement instruction, and with reference to ASX presentation slide number 27, the ASX Senior Business Analyst explained that the same approach has been followed as applied to Unilateral and Bilateral Settlement instructions.

The ASX Senior Business Analyst explained the sett\_105 Settlement Instruction Request, sett\_106 Settlement Instruction Response and sett\_119 Bilateral Demand Settlement Confirmation and called out key features.

With reference to ASX presentation slide number 32, the ASX Senior Business Analyst provided a summary of the messages and flows for Bilateral Demand Settlement instructions discussed during this meeting, and noted the usage guidelines would not be published in the Technical Committee collection, given the close proximity of the Technical Documentation release. The usage guidelines would be published as part of the December release. The Chair noted that it was exciting to introduce new functionality in CHES and to discuss this with the committee.

#### **d) Focus Group Meeting outcomes**

The ASX Senior Manager, Business Analysis provided an overview of the Focus Group meeting held on 31 October 2018, on accounts and standardised registration details. ASX had proposed that account attributes be structured differently to address the issue of Registration Details and the disconnect between its two users, namely registration address and registered holder for legal purposes. The reasons for the change were outlined, along with the questions ASX had posed to the Focus Group attendees. Feedback from the attendees was due by end November, and to date ASX had received feedback from five attendees (largely supportive).

A member asked ASX to share the proposed structure with the committee, to ensure members are familiar with the new structure and how significantly different it is. The ASX Senior Manager, Business Analysis noted he did not intend to go through business processes and business requirements in this forum; for

the Technical Committee ASX will be releasing the message suite that supports the business requirement as part of the December documentation release. The member questioned when (Technical Committee) members would have the chance to review and comment on features, given the business requirement will have been finalised by the time ASX releases the message suite. The Chair noted that review was more the purpose of the Focus Group than this committee, which is more about structure of messaging and being able to process it through the workflow. The member noted they did not believe the Focus Group was representative of the market, and that the broker community was inadequately represented. The Chair confirmed that ASX had received that feedback, and that participants had been contacted after the session to elicit feedback.

The ASX Senior Manager, Business Analysis then provided an overview of the second Focus Group meeting held on 7 November 2018, on demand transfers and settlement instructions. ASX stepped through proposed solutions including: using supplementary reference as matching criteria; providing contemporary tolerance options; use of a Settlement Link Id for unilateral and bilateral instructions and broker sponsored locking of demand transfers and settlement instructions. ASX published a list of questions it is seeking feedback on, and that feedback was due on 23 November 2018.

**Agenda item 7: Next meeting**

The Chair noted a number of existing actions and new actions from the meeting, as would be noted in the minutes and action list.

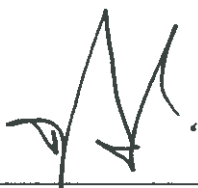
The Chair confirmed the actions arising this meeting:

- ASX to advise AMOs in good time of the proposed AMO working group meeting date and agenda.
- Members to revert on ASX's principles for adoption, with any comments.

The Chair noted that ASX would continue to pursue progress on review of the draft T2S messages in order to capture ASX's needs and to minimise rework. ASX would also provide further detail on the forward work plan, monthly committee meetings throughout 2019, with the next meeting to be held in late January 2019 in Sydney.

The Chair thanked members for their input throughout 2018, and for participating in today's meeting. The Chair reminded members of the upcoming webinar on Technical Documentation scheduled for 12 December 2018, and that the work of ASX and its stakeholders was really moving to a 'doing' phase and appreciated everyone's support. The meeting closed at 4.45 pm.

Signed as a correct record of the meeting.



24/11/19

Technical Committee Chair

Date

## ACTION ITEMS

No.	Meeting Date	Open Action Items	Owner	Due Date
20	2 May 2017	Provide details of a proposed plan including potential topics for the remaining training webinars for feedback, standard training provided by SWIFT, and including identification of business vs. technical topics.	ASX	On hold
62	4 September 2018	ASX to review the intended timing for housekeeping of unmatched messages, any standardisation opportunities, whether settlement requests could be future dated. ASX would also consider the visibility of holding locks to issuers on an intra-day basis.	ASX	Jan 2019
65	9 October 2018	ASX to consider if information such as participant party identification and preferences would be available within the node (in addition to published) and confirm to members as part of migration activity.	ASX	Jan 2019
68	27 November 2018	ASX to provide timeframe for when session with AMOS will be held, and provide sufficient notice to AMOs regarding the agenda and opportunity for AMOs to provide input on that agenda.	ASX	Jan 2019
69	27 November 2018	Members to provide feedback on principles for adoption of ISO 20022 per agenda item 6b.	Members	Jan 2019

No.	Meeting Date	Closed Action Items	Owner	Closed Date
1	13 December 2016	Amend the Charter to reflect that the Chair “will” (instead of “may”) forward copies of the minutes to the Business Committee for endorsement. ASX to publish and distribute final Charter.	ASX	13 December 2016
2	13 December 2016	Provide members with information on how to access SWIFT MyStandards.	ASX	14 March 2017
3	13 December 2016	Provide members with an overview of ISO 20022 training options.	ASX/SWIFT	7 February 2017
4	7 February 2017	Provide members with list of current scope of messages for detailed mapping during first half 2017.	ASX	14 March 2017
5	7 February 2017	Schedule training webinar for the attendance by members and seek and review feedback after the initial webinar.	ASX / SWIFT	14 March 2017
6	7 February 2017	Add link to relevant ISO 20022 information websites to the CHES Replacement web page.	ASX	14 March 2017
7	7 February 2017	Provide more details on access to online education available at swift.com.	SWIFT	14 March 2017
8	7 February 2017	Provide members with the current list of Market Identification Codes (MICs)	ASX	14 March 2017
9	7 February 2017	Provide members with more information on the use of BIC vs. UIC as the party identification code.	ASX / SWIFT	14 March 2017
10	7 February 2017	Market Operators to advise the preferred MIC to be presented in trade related messages as the “Place of Trade”.	ASX, Chi-X, NSX, SSX	6 June 2017
11	7 February 2017	ASX to conduct analysis on whether the identification of a financial instrument is a fixed value or true value of the proprietary code issuer.	ASX	14 March 2017
12	7 February 2017	Provide list of proposed code (i.e. condition or BOM) in ISO 20022 format (4 character) mapped against CHES codes.	ASX	14 March 2017



No.	Meeting Date	Closed Action Items	Owner	Closed Date
13	7 February 2017	Add a general CHES Replacement update to the standing agenda for meetings.	ASX	14 March 2017
14	7 February 2017	Check the next Technical Committee meeting date planned for March and advise members of any change.	ASX	14 March 2017
15	14 March 2017	Schedule future agenda item to discuss transition arrangements, including any changed values (e.g. party identifiers).	ASX	2 May 2017
16	14 March 2017	Create register of matters that may impact upstream, downstream systems or processes, including codes, identifiers and ISO 15022.	ASX	2 May 2017
18	14 March 2017	ASX to draft procedures for change requests to usage guidelines and code lists.	ASX	2 May 2017
21	2 May 2017	Provide a list of standard training topics to share. Noted this action item is combined with action item 20.	SWIFT	6 June 2017
22	2 May 2017	Provide members with a copy of the presentation material from the trial training webinar held on 27 April 2017.	ASX	6 June 2017
24	2 May 2017	Resolve issue with Comments function on MyStandards and advise members when fixed.	ASX/SWIFT	6 June 2017
25	2 May 2017	Provide samples of the proposed consolidation and rationalisation scenarios for EIS 138 and EIS 134.	ASX	6 June 2017
26	2 May 2017	Provide proposal to broaden the engagement and method to seek feedback on key concepts such as consolidation/rationalisation.	ASX	6 June 2017
27	6 June 2017	Publish list of comments received on MyStandards with ASX responses regularly, around the time of each meeting.	ASX	18 July 2017
28	6 June 2017	Re-publish ISO 20022 equivalent of EIS 138 with corrected default value INFO for issuer of financial instrument code.	ASX	18 July 2017
29	6 June 2017	Review EIS 102 mapped equivalent message with Scott Oakland, JPM – optional inclusion of HIN.	ASX	18 July 2017
33	6 June 2017	Provide a presentation of CHES EIS mapping to ISO 20022, and typical ISO 20022 flows to assist committee discussion of key topics (e.g.	ASX	18 July 2017

No.	Meeting Date	Closed Action Items	Owner	Closed Date
		rationalisation, consolidation, descope of certain processes like allegement modify). ASX would also seek input from key members about the best process going forward.		
34	6 June 2017	Add the overview of transaction ids to the July meeting agenda.	ASX	18 July 2017
31	6 June 2017	Sample consolidated (EIS 138) and rationalised (EIS 138 and 134) messages published in the MyStandards community – in a separate collection “Sample Message Review”. Members to review and provide further comments via MyStandards, email.	Members	22 August 2017
32	6 June 2017	For Cancel/Correct & Modify, ASX recommendation revised to only do cancel/correct for bilateral modifications (and not allow modify – removal of EIS 121). ASX to contact users of EIS 121, and action remains open until all members confirmed their agreement with the recommendation.	ASX, Members	22 August 2017
30	6 June 2017	Obtain international usage comparisons on the use of UTC time format. Members to provide input from international offices where possible.	ASX, members	22 August 2017
35	18 July 2017	ASX to publish all final draft usage guidelines in MyStandards and highlight to members those usage guidelines that need their review. SWIFT to advise if a flag is available in MyStandards to indicate particular review items.	ASX, SWIFT	22 August 2017
36	18 July 2017	Provide members with details of feature in MyStandards to affirm a comment.	ASX, SWIFT	22 August 2017
17	14 March 2017	Provide further information on party identification for issuers – UIC or BIC and proposed process.	ASX	10 October 2017
37	18 July 2017	Provide comparisons to other market implementations of transaction ids.	ASX, SWIFT	22 August 2017
38	22 Aug 2017	Review consistency of the application of UTC date, date and time, zulu format, and add item to upstream/downstream considerations log re the use of UTC for Trade Date confirmations	ASX	10 October 2017

No.	Meeting Date	Closed Action Items	Owner	Closed Date
		from AMOs (with flow on impact to EIS 164 equivalent).		
40	22 Aug 2017	Provide list of CHES EIS messages in scope for detailed mapping during 2 <sup>nd</sup> half of 2017, including identification of descope messages.	ASX	10 October 2017
44	10 Oct 2017	ASX project team to consider effective housekeeping of rights that expire worthless – and whether this could be improved.	ASX	21 November 2017
45	10 Oct 2017	Review recommendations put to committee in Agenda item 6c) – approach to ISO best practice exceptions and provide feedback to ASX.	Members	21 November 2017
46	10 Oct 2017	Review recommendation put to committee in Agenda item 6d) – inclusion of unique event id in Market Infrastructure Tx id (MITI) field.	Members	21 November 2017
47	10 Oct 2017	Allow for future use of Party2+ identification in messages, and ensure discussion on same point at working group meetings re business requirement.	ASX	21 November 2017
19	2 May 2017	Provide sample of demonstration of comparison between ISO 20022 and ISO 15022 messages.	Scott Oakland, JPM	On hold
23	2 May 2017	Further review of the ASX CHES demand reporting summary and responses to questions contained in that summary. ASX to continue review of reports and provide further candidates for descope at meetings.	Members / ASX	21 November 2017
39	22 Aug 2017	Chair to contact members seeking feedback on the approach of the Technical Committee, any suggestions to improve the process.	ASX	21 November 2017
41	22 Aug 2017	Conduct bilateral discussions with share registries and mailing houses regarding structuring of registration details and associated static data.	ASX	21 November 2017
42	22 Aug 2017	Conduct bilateral discussions with share registries regarding current holding balance changes associated with corporate actions and proposed withdrawal of EIS 421.	ASX	21 November 2017

No.	Meeting Date	Closed Action Items	Owner	Closed Date
43	10 Oct 2017	Provide a proposed governance method for Technical Committee input to and review of all matters tabled at the Standards Evaluation Group (SEG), including any matters raised by ASX on behalf of community.	ASX	21 November 2017
48	21 Nov 2017	Members to review information provided in agenda item 6d) and respond to the question – was there appetite for using xml in model 1b or 2a as presented or keep the mapping 1 to 1.	Members	6 February 2018
49	6 February 2018	ASX to confirm additional ‘as-is’ usage guidelines that could be published in Q2 and members to provide expression of interest in reviewing this set.	ASX	17 April 2018
50	22 May 2018	Digital Asset to review the NDA regarding the DAML SDK and respond to questions around one way vs. two way.	DA	26 June 2018
52	22 May 2018	ASX to give consideration to how it would advise users of any change to the external code lists and report back to members.	ASX	31 July 2018
54	26 June 2018	Members to review and advise ASX of any feedback on the recommendation that Transaction Date Time (<TxDtTm>) in the sett_101 message is UTC.	Members	31 July 2018
55	31 July 2018	A member asked where change requests for SR2019 would be visible. The Senior Manager confirmed ASX would send information on where to find the information. The information is also published on MyStandards.	ASX	4 September 2018
53	22 May 2018	Members to answer 4 questions if they are considering using a BIC as their party identification: whether they would use a new or existing BIC, whether the BIC was connected or non-connected, whether it was a BIC8 or BIC11, and if that BIC would apply to all activity for that organisation or actor, or for multiple activities. Examples would be helpful.	Members / ASX	9 October 2018
56	31 July 2018	Provide members with more information on the Corporate Actions STP Phase 2 project.	ASX	9 October 2018
57	31 July 2018	Members to review the consideration to provide a complete set of settlement obligations (net broker, gross broker - per slide #12 from 31 July presentation) and advise feedback to ASX.	Members	9 October 2018

No.	Meeting Date	Closed Action Items	Owner	Closed Date
59	31 July 2018	Share registries to share findings from study of registration details at the 4 September meeting.	Share registries	9 October 2018
61	4 September 2018	ASX to ensure coverage of possible scenarios for locking in the requirements, particularly those that are participant driven for certain reasons.	ASX	9 October 2018
63	4 September 2018	Members to review ASX's recommendations regarding changes to the sett_101 as presented in Agenda item 6d) and provide feedback by 18 September 2018.	Members	18 September 2018
51	22 May 2018	ASX to consider how impacted stakeholders could be engaged on the standards for registration details prior to the next meeting.	ASX	27 November 2018
58	31 July 2018	ASX to publish proposed to be messages for updates to accounts – reda_023, reda_020, reda_021 for member review.	ASX	27 November 2018
60	4 September 2018	ASX to prepare and publish a consolidated list of all actions and outcomes from Technical Committee meetings, and update after each meeting going forward.	ASX	27 November 2018
64	9 October 2018	ASX to advise Members the confirmed date for Technical Documentation release in December, and the associated webinar details.	ASX	27 November 2018
66	9 October 2018	Members to consider any specific topics regarding settlement, holding locks for inclusion in the agenda of the upcoming Focus group and advise ASX.	Members	27 November 2018
67	9 October 2018	ASX to review level of consolidation for Unilateral and Bilateral settlement instructions usage guidelines.	ASX	27 November 2018

