Minutes

ISO 20022 Technical Committee Meeting

Date	Friday, 8 February 2019	Time	9.00am – 11.00am
Location	ASX Offices – Level 1, 20 Bridge Street, Sydney and via webinar		

1. Welcome, Agenda

2. Minutes from last meeting, open actions

3. CHESS 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) Re-cap on register of upstream / downstream matters

    b) Re-cap on Technical Documentation release December 2018

    c) Transfers / Conversions – Participant to Issuer

    d) Review of 'to-be' messages

    e) Focus Group outcomes – FIX for trade reporting

7. Next Meeting - Tuesday 26 March 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	
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	

Company	Name	Job Title	Apologies
Citicorp	Matthew Warner		
Citicorp	Ashok Kumar Balusa		
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	

Company	Name	Job Title	Apologies
HSBC	Asri Asat	Optimisation Manager, Securities Service	
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 Group	Robert Watson	IT Architect, Technology & Innovation Division	
Link Group	Stephen Dear	Project Manager	
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 Brkrg Funding & Fin Tech	
Morgan Stanley	Oscar Dela Cruz		
Morgan Stanley	Andrew Fielder		
Morgan Stanley	Gordon Davies	VP/Firmwide Ops	
Morgan Stanley	Andrew Sime		
Morgan Stanley	Emily Krezlewski	Operations	
NAB Asset Management	Suresh Chinnappa	Head of Custody Service Operations	
National Australia Bank	Regina Gosney		
National Stock Exchange	Yemi Oluwi	Head of Technology	
Nomura Research Institute	John Ryan	Senior Consultant	
Nomura Research Institute	Ashish Jha		
Nomura Research Institute	Sayantan Majumdar	Chief Manager, Business Solutions	
Nomura Research Institute	Diptesh Chakraborty	Solution Architect	

Company	Name	Job Title	Apologies
Northern Trust	Yen Pan Chung	Senior BA, Market Advocacy and Innovation Research	
Northern Trust	Pawel Kalbrun		
Securitease	Anton Smith	Director	
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	
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)	
Gary Hobourn	Senior Economic Analyst, Regulatory and Public Policy	Apology
Con Korkofigas	Senior Legal Counsel	
Tegan Jones	Senior Legal Counsel	
Cliff Richards	Executive General Manager, Equity Post Trade Services	Apology
Katie McDermott	General Manager, Equity Post Trade Services	
Karen Webb	Senior Manager, Equity Post Trade Services	
Russell Eyre	Enterprise Architect	Apology
Anne-Marie Fisher-Taylor	Project Subject Specialist	
Fraser Moodie	Manager, Integration and Connectivity, CHESS Replacement	Apology
Frederik Van den Weghe	Senior Manager, Business Analysis	Apology
Karen Hamilton	Manager, Business Analysis	
Priscilla Ferri de Barros	Senior Business Analyst, Equity Post Trade	
Sachin Zope	Business Analyst, Equity Post Trade	

The meeting commenced at 9.00am.

AGENDA ITEM 1: AGENDA OVERVIEW

The Chair welcomed Technical Committee members to the meeting including members attending by webinar, and noted a number of new members had joined the Committee.

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 27 November 2018 had been finalised and no comments had been received from members. 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 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 that have covered ISO 20022, and that ASX's 2018 Consultation Paper also provided further information on ISO 20022 messaging. ASX expects to reassess what training is required after the Working Group has been completed, and requested that members advise ASX if there were any particular needs for training. **This item remains on hold**.

Action item 62 was for 1) ASX to review the intended timing for housekeeping of unmatched messages, any standardisation opportunities for timing; 2) whether settlement requests could be future dated; and 3) ASX would also consider the visibility of holding locks to issuers on an intra-day basis. The Chair explained that 1) the housekeeping is still under review, 2) no forward scheduling of non-batch settlement requests would be possible, and 3) ASX's consideration of the visibility of holding locks to issuers on an intra-day basis will likely fold into the Corporate Actions Focus Groups planned in the future. **The second part of this item was closed, with the first and third parts remaining open.**

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 did not have a definitive position on this at this point in time, and **this item remains open**.

Action item 68 was for ASX to provide a 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. The Chair advised that the session was held on 29 January 2019, and **this item was closed**.

Action item 69 was for members to provide feedback on the principles for the adoption of ISO 20022 (per ASX presentation slide number 6). The Chair noted that ASX had not received any comments from members.

A member confirmed they were comfortable with the principles but sought clarification about the process where the Committee is reviewing messages, when proposed changes are being made, adherence and consistency with the principles of ISO 20022 adoption, and who is the 'gatekeeper'. The member called out the specific example of the last principle (being mindful of the impact on the system behaviour, including development effort), and the relative cost/benefit. The General Manager, Equity Post Trade Services, noted that ASX is indeed intending to be mindful of the impact, but the community has agreed to adopt ISO 20022, hence the solution design needs to minimise the impact on systems but the overarching deliverable needs to be adoption of ISO 20022. The General Manager, Equity Post Trade provided the example of feedback from Focus Groups, such as the feedback from registries on the impact of the registration details change on their systems, which has been factored into the solution design. The Chair requested the member send through examples of where they believe the principles have not been followed. ASX would also consider how it measures and tests its principles of ISO 20022 adoption from a cost/benefit perspective, and clearly articulate why the changes are proposed. **(Matters arising 1 – Action item 70)**

A member noted that ASX had defined a number of different uses of "sese" messages for example vs. the EIS equivalents, and was there opportunity for consolidation into a single message. The Senior Business Analyst, Equity

Post Trade confirmed that ASXs approach for consolidating messages is to ensure the consolidation makes sense by business area, including consideration of related business events. This is a balance vs. using consolidated messages that may rely on external documentation (like T2S) to describe all scenarios and usage.

Notwithstanding the discussion that this action item prompted, the Chair **closed this item**, with general consensus that the principles remained right and relevant.

A member noted that ASX's CHESS Replacement technical documentation does not have revision marks, or is dated as at, and hence a reader must read the documentation in its entirety in order to surmise what had changed, and that revision marks would be much easier for the reader. The Manager, Business Analysis, noted that since the first release of technical documentation in December 2018, the only change that has been made was one update to one number in one UML message, and this was called out in the section 'What's New'. When the second drop of documentation is released in March 2019, ASX will use the Release Notes to make explicit what is changing, and any revisions/version control will be visible.

A member asked whether questions raised to ASX will be published to other committee members, given the likely relevance to other committee members. The member noted he had 12 questions outstanding, and the lack of granular response to these questions is hindering progress. The Chair committed ASX to reviewing SLAs around response times to queries and questions, including acknowledging questions where ASX may not currently have an answer. **(Matters arising 2 – Action item 71)** The Senior Manager, Equity Post Trade Services suggested ASX could address these comments later in this meeting, given the agenda item regarding technical documentation.

AGENDA ITEM 3: CHESS REPLACEMENT PROJECT UPDATE BY ASX

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

The General Manager noted that the project was on track. Digital Asset (DA)'s software delivery is moving ahead at pace, and the project team continues to grow. Sue Julian, a previous member of this committee, was recently hired by ASX from Link Market Services.

Blythe Masters had stepped down as CEO of DA, but will remain a member of DA's board, shareholder and strategic advisor. AG Gangadhar has been appointed Chairman of the Board and acting CEO whilst the search for a permanent CEO occurs. Blythe's stepping down has no impact on the timeline for CHESS Replacement.

The next key milestone is the availability of the Customer Development Environment (CDE) in April 2019; a development environment for both ASX and participants. Each participant or vendor will be provided access to their own dedicated test environment. Drop one will support all key connectivity options – direct, AMQP and SWIFTNet. Functionality in drop one will include account creation and unilateral and bilateral instructions. The data within CDEs will not be retained when upgrading to future releases (for example CDE drop 2, 3 etc) – the entire environment will be refreshed. ASX would encourage development of re-runnable test scripts.

The next Connectivity & Integration working group will be held on 6 March, focused on CDE, and this will likely occur via webinar given the broad interest.

The first tranche of technical documentation went live on 14 December. Over 300 people from various organisations have registered to access the documentation, and the link can be found on the ASX CHESS Replacement homepage. Of note, the documentation included a six month rolling feature view within the release notes. This covers the capabilities/features that will be included in the next tranche of technical documentation to be released in March, for the code to be released in June (CDE drop 2). ASX will update the rolling forward feature view for the August drop of code (CDE drop 3) by the end of February. ASX will host the application forms to register to access CDE on the technical documentation site – also by the end of February.

Referring to ASX presentation slide number 7, the General Manager, Equity Post Trade Services provided an update on the stakeholder engagement plan for 2019. The first Focus Group and Connectivity and Integration Working Group for 2019 have occurred. The topic of the Focus Group was AMO connectivity and trade registration, and Chi-X, NSX, SSX

and ASX Trade attended. The Connectivity and Integration Working Group was held earlier that week, and focused on ASX Net requirements and ISO message signing. Although the majority of current CHESS participants have ASX Net within their organisation today, not all participants use it to connect to CHESS. Production style connectivity needs to be in place prior to Industry Wide Testing (IWT) connectivity, commencing from July 2020, so clients who have ASX Net connectivity but do not use it for CHESS today should give consideration to migration now. Message signing provides data integrity, authentication and non-repudiation for ISO 20022 XML messages, and ASX will release further information on this topic at a later date. ASX is working towards kicking off the Implementation and Transition Working Group on 20 March 2019, likely via webinar due to the number of interested parties. ASX will send out an email inviting people to register to attend in due course. The stakeholder engagement calendar of events for 2019 can be found on the CHESS Replacement homepage, and comments or feedback were welcomed via email to chessreplacement@asx.com.au.

A member enquired how much notice ASX would provide should anything on the 2019 stakeholder engagement calendar of events substantially change, given the flow-on effects for organisations' resourcing. The General Manager, Equity Post Trade Services confirmed that ASX would communicate any change as soon as it became aware of changes to deliverable dates or key milestones. The Chair noted similar concern expressed through the Business Committee, and reiterated that the market would be notified of changes as soon as known to ASX.

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 technical documentation release in December 2018 contained 37 finalised messages and 4 EIS messages were confirmed as descoped. Topics being worked on by the team, alongside the functional team, included transfers and conversions (for further discussion at today's meeting), corporate actions and the mFund service. It was noted that the draft usage guidelines discussed at the 27 November 2018 meeting were not published for committee review, rather were part of the December 2018 technical documentation release. No comments were permitted via MyStandards in relation to the technical documentation, and comments should be submitted via email to CSPSupport@asx.com.au.

A member queried whether the intention at the last (27 November) meeting had been to go through payment facilities, or whether it had dropped off the agenda. The Senior Manager, Equity Post Trade Services confirmed that the team had been working on different flavours of payment functionality, and given that the analysis work is still underway it was decided that tabling with this committee would be deferred in lieu of other topics where ASX's analysis was more mature.

A member queried how to identify exactly what functionality will be contained in each code drop, specifically for the registries. For example it wasn't clear if the issuer side of party information was included in the December documentation release. The Manager, Business Analysis confirmed that each drop will be accompanied by detailed release notes, which will specify exactly what will and will not be included. In addition, summary release notes will be provided as part of the documentation drop three months in advance of the code drop. The member queried whether the detailed release notes would specify which groups would be involved, and the Manager, Business Analysis confirmed that this feedback would be taken into consideration for drafting of the first detailed release notes to accompany the first April 2019 code drop.

The Senior Manager noted that the SWIFT MyStandards maintenance periods had changed from mid-week to weekend Australian time following ASX discussions with SWIFT, where ASX and the Australian community had been negatively impacted on a regular basis by the maintenance scheduling

On a global ISO 20022 engagement front, ASX continued to join the monthly meetings of the ISO 20022 Securities Standards Evaluation Group (SEG). ASX also continues to participate in a sub-group within SEG, the T2S Evaluation Team, given that ASX have identified a number of draft T2S messages that could be adopted for CHESS Replacement. The next meeting of the T2S group was planned for March, and a number of messages will be reviewed, with ASX having interest in around 10 messages under review. The Business Application Header (BAH) change request submitted by ASX is progressing well, and ASX is happy with the proposed updated BAH. The Business Justification submitted by ASX to cover

new messages that ASX may seek registration for went through a review process late last year with the SEG (and other groups), and was approved in December. The next stage is for ASX to continue to work through the functionality behind those new messages and get them ready for the process of seeking review and registration.

AGENDA ITEM 5: UPDATE FROM BUSINESS COMMITTEE

The Chair noted that the Business Committee last met at the end of November. The agenda included a briefing on the CHESS Replacement project, with a focus on the first release of technical documentation and the extensive customer engagement program. An update was also provided on ASX's 'Licence to Operate' initiatives, including providing critical market infrastructure and contemporising the technology environment at ASX. This includes everything from relocating the secondary data centre, to the CHESS Replacement project, to ASX Net upgrades, to making data repositories more contemporary. An update was also provided on ASX's Corporate Actions Straight Through Processing Phase 2 project. The Chair noted that the Business Committee would next meet on 4 April 2019, and the agenda had yet to be published.

AGENDA ITEM 6: MATTERS FOR CONSIDERATION

a)   Re-cap on register of upstream / downstream matters

The Senior Manager, Equity Post Trade Services explained the purpose of the register that ASX was maintaining as a result of discussions and actions arising from previous meetings. An update was provided on each of the items.

The first item referred to the adoption of BIC as an identifier for participants. It was noted that this item had been closed out through various meetings – where BIC as an alternate identifier was available. This matter was considered closed by ASX. A member queried whether a participant could have one BIC but split its business into two UICs in the CHESS replacement solution. The Senior Manager, Equity Post Trade Services noted the guidance ASX had already provided that this would not be allowed, and that a 1 BIC to 1 UIC relationship is required.

The second item referred to considerations to those in the market who use ISO 15022, and whether any backward compatibility considerations arose. This matter had been discussed and closed in prior meetings. The Senior Manager, Equity Post Trade Services also noted that the Registration Authority for ISO 15022 and 20022, through its various working groups, do ensure that any changes to the base messages are aligned across both standards. This matter was considered closed by ASX.

The third item was with regard to the documentation of procedure changes, including procedures for how to request change requests for example to code lists, usage guidelines. The Senior Manager noted this item remains open. And that ASX was ramping up its internal activities around how to operationalise the replacement of CHESS, and this item will be front of mind for procedures and how ASX gives its customers information on how change will be approached.

The fourth item was with regard to the adoption of four character codes to identify values (in place of 2, 3, 4 character codes), and mapping considerations to other systems. The Senior Manager noted that ASX's approach at present will be to adopt 4 character codes in CHESS Replacement, and do any necessary translation/mapping so as not to force any changes on upstream or downstream systems.

The fifth item referred to the need to outline a post implementation change schedule. The Senior Manager noted this item was being considered by ASX as part of the operationalisation activities. A member queried whether it was a November release date for ISO messages. The Senior Manager, Equity Post Trade Services confirmed that it was for ISO 15022 messages, but there was no hard cut-off date for ISO 20022 messages. The changes are published in the same cadence but it is not necessarily a mandatory change – each market must agree what version of the standards it is using. ASX had adopted the ISO 20022 harmonisation principles, including the principle that it should not be more than two versions behind the latest standard. ASX will review this as part of its ongoing releases.

The final item referred to the review of the consistency of the application of UTC date and time format. The Senior Manager noted this topic had been spoken to at some length in committee meetings. The formats to be used in the ISO 20022 messages have been agreed, and ASX will provide translation where necessary to and from other systems. This is also a topic for particular attention at the AMO focus group.

b) Re-cap on Technical Documentation release December 2018

Referring to ASX presentation slides numbered 14 to 17 the Manager, Business Analysis provided an update on the release of the first tranche of technical documentation on 14 December 2018. The release included functionality available in CDE drop 1, and where possible an early view of documentation was also provided, for example the documentation for bilateral and unilateral settlement instructions, which will not be included in CDE drop 1, but released to provide a holistic view. To date, over 340 people had registered to access the documentation, 41 people had registered within the MyStandards community, and 5 companies had registered within the readiness portal (comprised of 21 individual users).

Feedback on the documentation via the CSPSupport@asx.com.au mailbox had been constructive, and where themes emerge in the feedback ASX will update the Frequently Asked Questions (FAQs) on the site as well as update the documentation as necessary. Any changes to documentation will be clearly called out in the 'What's New' section. Where the query is more specific to an individual user, ASX will continue to respond bilaterally over email.

The documentation will be continually enriched and enhanced. In February the testing documentation will be released, including the CDE application form. In March ASX will release further functionality documentation, alongside messages and likely an update to connectivity.

The Manager, Business Analysis provided a re-cap on the contents of the first tranche of technical documentation, including functional specifications, messaging catalogue and ISO 20022 technical manual, and connectivity options.

A member asked why there was approximately only 50 EIS equivalent messages contained within the EIS Cross Reference Guide, and the Manager, Business Analysis confirmed this documentation would be enriched with each release until it contained a complete mapping of all EIS messages. The member queried why ASX wasn't publishing something akin to the MyStandards page containing a mapping of every, or at least a substantial majority of, EIS messages, together with the new elements that are not in EIS. The Manager, Business Analysis advised that ASX had worked closely with SWIFT to complete a mapping exercise of all EIS messages to ISO messages as a base message, based on like for like, prior to ASX's detailed functional analysis to determine whether changes or enhancements to the business process would be made. ASX cannot guarantee those will be the final messages used (rather this is being communicated via the tranches of technical documentation), but it is a guide/reference.

The member noted ASX had had the time and ability to explore and review the messages, and requested this be opened up to members, to enable them to likewise explore and review given each members' subject matter expertise in their own businesses. The member further clarified that ASX's focus to date had been around business areas it had expertise in – for example trade, netting, settlement, whereas little of the world of the member (e.g. registry) had been exposed via the technical documentation or this committee. The Chair noted that the first release was the first step in a process, and further information will follow with regard to the issuer related functions. The member cited statistics where over the past year the member's organisation consumed 18 million CUM balance records and 18 million holder updates. The Chair noted these figures, and reiterated that there is a prioritisation process. ASX was not in a position to release everything right now, is managing a broad group of stakeholder interests, and is cognisant of the significance of the issuer stakeholder group.

An AMO member queried how their organisation not being permitted access to the ASX's CHESS Replacement community on MyStandards served as the best solution, when that organisation (and indeed other AMOs) would bring expertise and knowledge to the dialogue around post trade products and services. The General Manager, Equity Post Trade Services reiterated the prioritisation of the users of the messages that will be impacted. It was not clear to ASX why AMOs, connecting via the alternative medium FIX, would need to be part of this community. The member responded that if ASX wanted the best solution it should have the broadest consultation, and AMOs would be additive to that process, rather than disruptive, adding value on matters unique to products ASX doesn't trade, or unique to functions that do not default to ASX. The Chair noted the member's request to join the MyStandards community, which ASX would consider. (**Matters Arising 3 – Action Item 72**).

Referring to ASX presentation slide number 18 the Senior Manager, Equity Post Trade Services re-capped on the two communities now available in MyStandards – the 'ASX ISO 20022 Technical Committee' community for continued publication of draft usage guidelines, and the new 'ASX CHESS Replacement' community for publication of ISO 20022 messages in line with releases of Technical Documentation. Comments from the former community are to be directed to the CHESS Replacement mailbox, and the latter, a more formal process via the CSP mailbox.

Referring to ASX presentation slide number 19, the Senior Manager, Equity Post Trade Services re-capped on the activities of this committee for 2019.

c) **Transfers / Conversions – Participant to Issuer**

Referring to ASX presentation slide number 20, the Manager, Business Analysis, commenced by providing an overview of what a Transfer and Conversion is; the holding movement from a Participant controlled account within the ASX Clearing and Settlement Platform (CSP) to an Issuer Sponsored account. The Manager noted that today's discussion was restricted solely to movements from Participant to Issuer, with Issuer to Participant movements to be covered in the next meeting. A member queried the accuracy of the definitions of Conversion and Transfers put forward by ASX in the presentation slide, noting that a Conversion out of CHESS doesn't 'move' the holding, it 'releases' it, and that there are more things that happen off the back of a conversion. In the case of Transfers, the member noted these were not necessarily to another account holder, to which the Manager, Business Analysis noted that yes it was not necessarily, but it could be. ASX's Senior Legal Counsel provided clarification that the references to Conversion and Transfer in the slide related to movements of financial products between the CHESS Subregister and Issuer Sponsored Subregister, with Conversions involving movements where there was no change of legal ownership and Transfers involving movements where there was a change of legal ownership.

With reference to ASX presentation slide number 21, the Manager, Business Analysis provided an overview of the change to the process – account registration details will no longer be provided within the Conversion or Transfer messages. A member noted that ASX's proposed solution presented a substantial shift from the draft message seen in December 2017, and that the substantial complexity of this solution flowed directly from standardised registration details. The member queried whether ASX would tie together all of the messages a user would receive, and stressed that a registry could not receive a Transfer without receiving alongside this the target information. The member noted they were not so concerned with the detailed fields but the process flow presenting risks and delays, and that the complicated change didn't agree with existing registry structures. The Manager, Business Analysis noted that the process would be presented later in today's meeting.

Referring to ASX presentation slide number 22, the Business Analyst, Equity Post Trade provided an overview of the 'To-be' Participant to Issuer Transfer and Conversion message consolidation, comparing current EIS messages to the 'to-be' messages. A member queried whether the process would add to broker costs, to which the General Manager, Equity Post Trade Services replied that while ASX had not finalised the fee schedule for CSP, it was not the intention that additional messages would increase costs. The member cited an example where an investor who had not chosen to be sponsored by the broker who was initiating the Transfer from CHESS to Issuer Sponsored, and who had consciously decided they did not need a CHESS HIN and wanted their stock on the Issuer Sub-Register – what would differentiate the request that the broker sends to CSP that says to create that account and holder, and then map that to the identity that you are trying to send the stock out of CHESS to the Issuer's world. The Chair sought clarification that the member was referring to the situation where a client was not sponsored by a broker, and they wanted to become Issuer Sponsored from the trade they have asked the broker to execute, i.e. the trade only 'touches' CHESS/CSP for the purpose of settlement. The Chair noted that the described process wasn't changing, but the member suggested it was, because ASX was creating an identity to package up with the Transfer. The Senior Business Analyst, Equity Post Trade confirmed that ASX was creating a new Account Type called Registration Identifier.

Referring to ASX presentation slides numbered 23 and 24, the Business Analyst stepped through the 'to-be' Participant to Issuer Conversion message flow – the Participant to Issuer Conversion Request and Confirmation.

A member enquired whether the hold.206 – Account Report, acct.016 – Party Report and hold.216 – Transfer/Conversion Confirmation would be received as one package, as well as whether the rules would need to change given that at the moment this is one EIS message. The Project Subject Specialist confirmed ASX's intention that the messages would be sent as a package. Another member agreed with the sentiment of the earlier feedback, that this represented a fundamental change that will greatly increase the complexity of the process. Another member noted that a CHESS to Issuer Transfer today is commonly used to register stock in the name of a buying client who wants to be Issuer Sponsored, and that this can be achieved by one message, whereas it appeared that the process proposed by ASX involved sending multiple messages. The Chair confirmed that this feedback was noted.

A member enquired whether ASX's proposed flow was used in other markets globally. The Chair confirmed that ASX would validate if that was the case. Another member supported the sentiment of the feedback that the proposed solution would introduce many more points of failure on the broker side, linking all of the legs together. A member enquired whether it was the intention that CSP would package all the account and holder messages together only after all of those things are in play, to which the Project Subject Specialist confirmed that this was correct.

The member commented that the process look like the off market paper transfer process. ASX's Senior Legal Counsel noted that the process applicable to settlement participants that are not market participants of having to send a hard copy signed transfer form separately to the message for a transfer to the CHESS Subregister, is a separate business requirement, for which ASX has released a consultation paper and is continuing discussions with ASIC around how that process could be streamlined. A member re-iterated concern around how complicated ASX's proposed Transfer/Conversion solution was, and suggested it was a prime example of a contravention of ASX's principles of ISO 20022 adoption, specifically making something far more complicated for the sake of producing less messages in definition. A member queried the transfer load, and whether the intention was for that to be able to carry a security holder reference number (SRN) that the issuer may have in their register, that may decide that the account and the holder are different to that SRN, and it would have to decide the consequences of that, particularly for a conversion. The Project Subject Specialist suggested it would be the same workflow as today. The member clarified that in a Conversion today, need to have the same holder on the other side – the CSP doesn't have the detail of Issuer Sponsored holders. The Chair committed to setting up a separate meeting with the Registries to further these discussions, the outcomes of which will be presented back to this committee (**Matters Arising 4 – Action Item 73**).

Referring to ASX presentation slide numbers 25 to 37, the Senior Business Analyst, Equity Post Trade stepped through the 'To-be' Participant to Issuer Transfer message flow, including holder creation, account creation and transfer request.

d) Review of 'to-be' messages

The Senior Business Analyst, Equity Post Trade advised that ASX would not publish draft messages at this point, rather they will be published after the March committee meeting, and also include Transfer and Conversion Issuer Sponsored to Participant.

A member queried where the UID for a party came into play, and whether a registry was supposed to use the UID as a reference to the party in their systems. The Business Analyst, Equity Post Trade confirmed that each report would have the UID. The General Manager, Equity Post Trade Services re-iterated that this could be discussed further at the separate session ASX would schedule with Registries.

A member queried how CSP would handle the situation where an organisation had an account created (UID, account details etc) and they also had a client who was selling an issuer sponsored, which they were not going to convert onto their account. Based on the account creation documentation received to date, the member does not know a field that could be used when you do not want to give back a HIN.

A member noted the focus today had been on Participant to Issuer, but the current operating rules around the conduct of a broker accessing an Issuer-Sponsored holding requires the Issuer to give up the registration details of the transferor. The Chair confirmed that Issuer to Participant Transfers and Conversions would be covered at the next meeting.

The Chair thanked members for this feedback, which ASX would take on board.

e) Focus Group outcomes – FIX for trade reporting

Referring to ASX presentation slide number 39 the Chair provided an update on the latest AMO Focus Group, held on 29 January 2019 on Trade Registration. The General Manager, Equity Post Trade Services noted ASX had received a lot of feedback from AMOs on connectivity options, and that any further feedback was due from AMOs by 12 February 2019.

AGENDA ITEM 7: NEXT MEETING

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

The Chair re-stated particular queries raised by members that would be addressed by ASX outside the committee:

* ASX to consider how changes to technical documentation can be identified to ensure they are clear and easy to understand;
* ASX will consider its engagement plan with Issuers and registries, and when they fold into the program of work with regard to the business workflows that impact them specifically.

The Chair confirmed actions arising from the meeting:

* ASX to consider how it measures and tests its principles of ISO 20022 adoption from a cost/benefit perspective, and clearly articulates why the changes are proposed;
* ASX to review SLAs and the timing of responses to queries submitted to both CHESS Replacement and CSPSupport mailboxes;
* ASX to consider an AMO's request to join ASX's CHESS Replacement Community on MyStandards;
* ASX to set up a meeting with Registries to further discuss Transfers and Conversions, prior to the Focus Group meeting currently scheduled for 27 February 2019;

A member enquired whether ASX was working toward a particular date to release cost information. The General Manager, Equity Post Trade Services noted that for connectivity, ASX had committed to providing pricing information by April 2019 (before CDE 1), and ASX was working to release it as soon as possible. For clearing and settlement fees, ASX was not in a position to publish the fee schedule several years before the service goes live. ASX wanted to incentivise use of the platform, and the fee schedule would not discriminate between different connectivity options. ASX's broad principal was not to increase fees if the number of messages increased.

The Chair noted that the next meeting would be held in March 2019 in Sydney, and the minutes from today's meeting would be disseminated as soon as possible.

A member queried the frequency and date of committee meetings for the remainder of 2019, and the Senior Manager, Equity Post Trade Services confirmed that the normal meeting date was Tuesday afternoon, and the dates were contained on ASX presentation slide number 42. Another member asked whether meetings would be split between Sydney and Melbourne, and the Chair confirmed that ASX will review the location based on demand.

The meeting closed at 11.00am.

Signed as a correct record of the meeting.

_____   8 MARCH 2019.
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 Sep 2018	ASX to review 1. the intended timing for housekeeping of unmatched messages, any standardisation opportunities for timing, 2. whether settlement requests could be future dated. **(this item was closed – ASX response that future dating would not be supported)** 3. ASX would also consider the visibility of holding locks to issuers on an intra-day basis.	ASX	Mar 2019
65	9 Oct 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	Mar 2019
70	8 Feb 2019	Members to provide feedback on where they considered the principles for ISO 20022 adoption not being followed, and ASX to consider how it measures and tests its principles of ISO 20022 adoption from a cost/benefit perspective, and clearly articulate why the changes are proposed.	Members and ASX	Mar 2019
71	8 Feb 2019	ASX to review SLAs and the timing of responses to queries submitted to both the CHESS Replacement and CSP Support mailboxes, including acknowledging questions where ASX may not currently have an answer.	ASX	Mar 2019
72	8 Feb 2019	ASX to consider an AMO's request to join ASX's CHESS Replacement community in MyStandards.	ASX	Mar 2019
73	8 Feb 2019	ASX to setup a meeting with Registries to further discuss Transfers and Conversions, prior to the Focus Group meeting currently scheduled for 27 February 2019.	ASX	Mar 2019

No.	Meeting Date	Closed Action Items	Owner	Due Date
1	13 Dec 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 Dec 2016
2	13 Dec 2016	Provide members with information on how to access SWIFT MyStandards.	ASX	14 Mar 2017
3	13 Dec2016	Provide members with an overview of ISO 20022 training options.	ASX/SWIFT	7 Feb 2017
4	7 Feb 2017	Provide members with list of current scope of messages for detailed mapping during first half 2017.	ASX	14 Mar 2017
5	7 Feb 2017	Schedule training webinar for the attendance by members and seek and review feedback after the initial webinar.	ASX / SWIFT	14 Mar 2017
6	7 Feb 2017	Add link to relevant ISO 20022 information websites to the CHESS Replacement web page.	ASX	14 Mar 2017
7	7 Feb 2017	Provide more details on access to online education available at swift.com.	SWIFT	14 Mar 2017
8	7 Feb 2017	Provide members with the current list of Market Identification Codes (MICs)	ASX	14 Mar 2017
9	7 Feb 2017	Provide members with more information on the use of BIC vs. UIC as the party identification code.	ASX / SWIFT	14 Mar 2017
10	7 Feb 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 Jun 2017
11	7 Feb 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 Mar 2017
12	7 Feb 2017	Provide list of proposed code (i.e. condition or BOM) in ISO 20022 format (4 character) mapped against CHESS codes.	ASX	14 Mar 2017
13	7 Feb 2017	Add a general CHESS Replacement update to the standing agenda for meetings.	ASX	14 Mar 2017
14	7 Feb 2017	Check the next Technical Committee meeting date planned for March and advise members of any change.	ASX	14 Mar 2017
15	14 Mar 2017	Schedule future agenda item to discuss transition arrangements, including any changed values (e.g. party identifiers).	ASX	2 May 2017
16	14 Mar 2017	Create register of matters that may impact upstream, downstream systems or processes, including codes, identifiers and ISO 15022.	ASX	2 May 2017

No.	Meeting Date	Closed Action Items	Owner	Due Date
18	14 Mar 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 Jun 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 Jun 2017
24	2 May 2017	Resolve issue with Comments function on MyStandards and advise members when fixed.	ASX/SWIFT	6 Jun 2017
25	2 May 2017	Provide samples of the proposed consolidation and rationalisation scenarios for EIS 138 and EIS 134.	ASX	6 Jun 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 Jun 2017
27	6 Jun 2017	Publish list of comments received on MyStandards with ASX responses regularly, around the time of each meeting.	ASX	18 Jul 2017
28	6 Jun 2017	Re-publish ISO 20022 equivalent of EIS 138 with corrected default value INFO for issuer of financial instrument code.	ASX	18 Jul 2017
29	6 Jun 2017	Review EIS 102 mapped equivalent message with Scott Oakland, JPM – optional inclusion of HIN.	ASX	18 Jul 2017
33	6 Jun 2017	Provide a presentation of CHESS EIS mapping to ISO 20022, and typical ISO 20022 flows to assist committee discussion of key topics (e.g. rationalisation, consolidation, descope of certain processes like allegement modify). ASX would also seek input from key members about the best process going forward.	ASX	18 Jul 2017
34	6 Jun 2017	Add the overview of transaction ids to the July meeting agenda.	ASX	18 Jul 2017
31	6 Jun 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 Aug 2017
32	6 Jun 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 Aug 2017

No.	Meeting Date	Closed Action Items	Owner	Due Date
30	6 Jun 2017	Obtain international usage comparisons on the use of UTC time format. Members to provide input from international offices where possible.	ASX, members	22 Aug 2017
35	18 Jul 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 Aug 2017
36	18 Jul 2017	Provide members with details of feature in MyStandards to affirm a comment.	ASX, SWIFT	22 Aug 2017
17	14 Mar 2017	Provide further information on party identification for issuers – UIC or BIC and proposed process.	ASX	10 Oct 2017
37	18 Jul 2017	Provide comparisons to other market implementations of transaction ids.	ASX, SWIFT	22 Aug 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 from AMOs (with flow on impact to EIS 164 equivalent).	ASX	10 Oct 2017
40	22 Aug 2017	Provide list of CHESS EIS messages in scope for detailed mapping during 2nd half of 2017, including identification of descoped messages.	ASX	10 Oct 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 Nov 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 Nov 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 Nov 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 Nov 2017
19	2 May 2017	Provide sample of demonstration of comparison between ISO 20022 and ISO 15022 messages.	Scott Oakland, JPM	On hold

No.	Meeting Date	Closed Action Items	Owner	Due Date
23	2 May 2017	Further review of the ASX CHESS 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 Nov 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 Nov 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 Nov 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 Nov 2017
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 Nov 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 Feb 2018
49	6 Feb 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 Apr 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 Jun 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 Jul 2018
54	26 Jun 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 Jul 2018
55	31 Jul 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 Sep 2018

No.	Meeting Date	Closed Action Items	Owner	Due Date
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 Oct 2018
56	31 Jul 2018	Provide members with more information on the Corporate Actions STP Phase 2 project.	ASX	9 Oct 2018
57	31 Jul 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 Oct 2018
59	31 Jul 2018	Share registries to share findings from study of registration details at the 4 September meeting.	Share registries	9 Oct 2018
61	4 Sep 2018	ASX to ensure coverage of possible scenarios for locking in the requirements, particularly those that are participant driven for certain reasons.	ASX	9 Oct 2018
63	4 Sep 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 Sep 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 Nov 2018
58	31 Jul 2018	ASX to publish proposed to be messages for updates to accounts – reda_023, reda_020, reda_021 for member review.	ASX	27 Nov 2018
60	4 Sep 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 Nov 2018
64	9 Oct 2018	ASX to advise Members the confirmed date for Technical Documentation release in December, and the associated webinar details.	ASX	27 Nov 2018
66	9 Oct 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 Nov 2018
67	9 Oct 2018	ASX to review level of consolidation for Unilateral and Bilateral settlement instructions usage guidelines.	ASX	27 Nov 2018

No.	Meeting Date	Closed Action Items	Owner	Due Date
68	27 Nov 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	8 Feb 2019
69	27 Nov 2018	Members to provide feedback on principles for adoption of ISO 20022 per agenda item 6b.	Members	8 Feb 2019