

Minutes

ISO 20022 Technical Committee Meeting

Date	Tuesday, 28 May 2019	Time	3.00pm – 5.00pm
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Location	NAB Offices, 500 Bourke Street, Melbourne Or by webinar
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1. Welcome, Agenda

2. Minutes from last meeting, open actions

3. Matters for Consideration (Business and Technical Matters)

- a) Focus Group update – Give-Ups
 - b) Re-cap on Transfers, Conversions, SRN Enquiry
 - c) Preliminary review of member feedback on published ‘to-be’ messages
 - d) Change of controlling participant
 - e) Holding adjustment
 - f) Warrants
 - g) ‘To-be’ messages for review
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4. Standing agenda items

- a) CHES Replacement project update by ASX
 - b) ISO 20022 project update by ASX
 - c) Update from Business Committee
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5. Next meeting - Tuesday 25 June 2019 - Sydney

Technical Committee Members

Company	Name	Job Title	Apologies
Australian Payments Network Limited	Andy White	Chief Executive 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	Apology
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	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		

Company	Name	Job Title	Apologies
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		
Computershare	Carl Christensen	Senior Project Manager	
Computershare	Nicki Priem	Projects Manager, Technology Services	Apology
Deutsche Securities	Kevin Novini		
Digital Asset	Fil Mackay	Senior Product Architect	
Digital Asset	Daniel Begley	Business Development & Strategic Partner Director	
FinClear Technology	Craig Gray	Product Manager – Australia and NZ	
FinClear Technology	Nikki Gleisner	Account Manager	
FinClear Technology	Allan Morris		
FinClear Technology	Craig Day		
FinClear Technology	Ravinder Jabbal		
GBST	Sue Schafer	Product Owner	
GBST	Khanh Le	Systems Architect	
GBST	Valter Di Girolamo	Senior Business Analyst	
Goldman Sachs	Josh Rice		
Goldman Sachs	Nidhi Luthra		
Goldman Sachs	Kenichi Shirasuna		
Goldman Sachs	Calvin Lo		
HSBC Securities Services	Gregory Wilkin	Head of HSBC Operations	
HSBC Securities Services	Salih Kulic	Manager Custody	

Company	Name	Job Title	Apologies
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	
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 Brkrng Funding & Fin Tech	
Morgan Stanley	Oscar Dela Cruz		
Morgan Stanley	Andrew Fielder		
Morgan Stanley	Gordon Davies	VP/Firmwide Ops	

Company	Name	Job Title	Apologies
Morgan Stanley	Andrew Sime		
Morgan Stanley	Emily Krezlewski	Operations	
NAB Asset Management	Suresh Chinnappa	Head of Custody Service Operations	
National Stock Exchange	Yemi Oluwi	Head of Technology	
Nomura Research Institute	John Ryan	Senior Consultant	
Nomura Research Institute	Ashish Jha		
Nomura Research Institute	Sayantana Majumdar	Chief Manager, Business Solutions	
Nomura Research Institute	Diptesh Chakraborty	Solution Architect	
Northern Trust	Yen Pan Chung	Senior BA, Market Advocacy and Innovation Research	
Northern Trust	Pawel Kalbrun		
Northern Trust	Tracey Murphy		
Securitease	Anton Smith	Director	
Securitease	Chris Werry	Business Analyst	
Securitease	Angela Losurdo	Business Systems Analyst	
Share Investing	tbc		
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	Neil Martin	IT – Project Management	
Wealthhub Securities	James Channon	Manager, Capital Markets Trading	
Wealthhub Securities	Alona Ma	Associate – Broking Operations Specialist	
Wealthhub Securities	Sandeep Samireddy Gari		

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	Apology
Adriana Wild Taylor	Legal Counsel	Apology
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, CHES Replacement	Apology
Frederik Van den Weghe	Head of Product, Equity Post Trade	
Karen Hamilton	Manager, Business Analysis	
Priscilla Ferri de Barros	Senior Business Analyst, Equity Post Trade	
Sachin Zope	Business Analyst, Equity Post Trade	
Sue Julian	Manager, Equity Post Trade	

The meeting commenced at 3.00pm.

AGENDA ITEM 1: AGENDA OVERVIEW

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

The Chair outlined the Agenda for the meeting, referring to the presentation slides prepared by ASX, and noted the changed agenda order this meeting where matters for consideration would be discussed prior to standing agenda items.

AGENDA ITEM 2: MINUTES FROM LAST MEETING, OPEN ACTIONS

The Chair noted that the minutes from the last meeting held on 7 May 2019 had been finalised, with one comment resulting in a change on page 12. The minutes had been distributed and published on the CHES Replacement web page.

The Chair noted the outstanding actions from the last meeting as outlined on slides numbered 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 this formed part of ASX's planning in the lead-up to go-live, and that ASX would be guided by committee members as to the appropriate timing and content. **This item remains on hold.**

Action item 62 part 1) was for ASX to review the intended timing for housekeeping of unmatched messages, any standardisation opportunities for timing; and part 3) ASX would also consider the visibility of holding locks to issuers on an intra-day basis. The Chair advised that part 1) was tied to action item 79 for a particular set of housekeeping scenarios and therefore could be closed. With regard to part 3) the Chair noted that this topic had not been tested at Focus Groups to date, and ASX would use that forum to consult and test prior to presenting back to this Committee. **Part 3) of this item remains open.**

Action item 79 was for members to provide feedback on the housekeeping of unmatched DvP and bilateral demand messages end of day (related to Action item 62 part 1). The Chair advised that ASX had not received any feedback and would therefore take forward the proposal for end of day housekeeping. **This item was closed.**

Action item 80 was for ASX to consider feedback regarding transparency of changes to scope, and consider how it could better bring changes to the Committee's attention. The Head of Product, Equity Post Trade advised that the Focus Groups and Technical Committee were key mechanisms for ASX to obtain user input on the solution design for the business requirements for the replacement system. ASX was currently undertaking an iterative process with users to formulate and develop the solution design for the business requirements. ASX has continually refined this process, such that the solution design for significant new and materially changed functionality in the replacement system was discussed with users prior to being captured in technical documentation and being submitted for development. The Head of Product, Equity Post Trade outlined the process that had been developed:

1. For significant new and materially changed functionality, solution designs were first presented to a Focus Group for discussion and any feedback (for example, give-ups).
2. Taking into account any feedback from the Focus Group, the solution designs were then taken to the Technical Committee for discussion and any feedback. The Head of Product, Equity Post Trade noted that all ISO messages, irrespective of whether they had gone to Focus Group or not, would go to Technical Committee.
3. Taking into account any feedback from the Technical Committee, the solution designs were then set out in technical documentation and provided to Digital Asset for development.
4. Technical documentation would be released to the market approximately three months prior to the associated code being released in the customer development environment, with some exceptions to this time frame noted. The Head of Product, Equity Post Trade advised that the technical documentation for transfers and conversions would not be released as part of the May 2019 release, given the extended timeframe for market feedback on ASX's

proposed solution design. Going forward, ASX would also make available a summary of Focus Group and Technical Committee feedback and ASX responses in conjunction with relevant technical documentation release.

Addressing the specific matter of changes to messaging (EIS to ISO), the Head of Product, Equity Post Trade noted ASX would not support backwards compatibility to the current EIS message suite in the implementation of ISO 20022 standards. The reasons for this included the fact that there had been a process of consolidation of a number of EIS messages into a single ISO message; and standardisation of element(s) use across a number of ISO messages (e.g. in ISO, field size for units should accommodate unit sizes across asset classes).

The Head of Product, Equity Post Trade advised that ASX would not be providing mapping of elements from EIS to ISO 20022, rather participants would need to make their own assessment of required internal system changes to adopt the ISO 20022 standard. Artefacts provided by ASX to assist participants in this transition included:

- The name of the current EIS message number in the ISO 20022 message schema name;
- EIS to ISO 20022 Cross Reference Guide on the technical documentation site;
- Bit Position for relevant and mappable element in the Annotations (Usage Guidelines); and
- The online platform (Readiness Portal) which allowed the user to compare Usage Guidelines based on the same ISO message, either online or via a downloadable Excel spreadsheet where all changes are colour-coded.

The Head of Product noted that for changes related to technical documentation, ASX provided a 'What's New' section highlighting all new changes since the last release, as well as colour coding changes to previously published content in orange.

A member noted that they had not observed any changes highlighted in ASX's technical documentation, and that they would have expected that account creation and modification, which had been de-scoped until the new content was delivered, would be highlighted as deleted. The Head of Product, Equity Post Trade noted that the account and holder pages of the technical documentation had a large banner atop the relevant page(s) advising that the content was under review. Regarding field sizes, the member noted ASX's point about consolidation of various EIS messages, but noted that EIS messages had different field sizes. The member thought ASX would already have a mapping document for its internal use, and whilst it was more an issue for this member's vendors, a mapping document would be helpful for all of the committee members. The Head of Product, Equity Post Trade confirmed that ASX did not have such a document. The member reiterated the benefit of having one document highlighting significant changes produced by ASX for dissemination to the market rather than each participant conducting their own comparison. Other members flagged the benefit of immediate notification of changes such as change to field size for unit balance and temporary account identity being a number rather than alphanumeric. The General Manager, Equity Post Trade Services noted ASX's challenge in identifying 'significant' changes, given the breadth and different types of users. The member clarified their perception of a significant change – any field size change that is a departure from the current EIS message size – particularly where ISO field size will be smaller than EIS message field size. The Chair noted that ASX would not provide backward compatibility but would evaluate providing better transparency on substantive changes. **(Matters Arising 1 – Action Item 84).**

A member acknowledged their support for ASX's proposed summary of Focus Group and Technical Committee feedback document, and sought clarification on the timing for its release, and whether it would include the reasons behind ASX's final solution design choice. The Head of Product, Equity Post Trade confirmed ASX's intention to release the summary of feedback document simultaneous with the release of the (relevant) technical documentation, and that the document would include the rationale for ASX's decisions.

The member also sought clarification around the impact of the extension of the timeline for feedback on transfers and conversions on the availability of technical documentation. The Head of Product, Equity Post Trade confirmed that the code for transfers, conversions and SRN enquiry was still scheduled to remain in the third (August) code drop in CDE. ASX would still release technical documentation in May 2019 (as planned), however this release would not include the

transfers, conversions and SRN enquiry content which could be expected, subject to feedback received by 31 May, in June 2019.

A member noted ASX's planned process for topics to be discussed in a Focus Group then the Technical Committee, and their surprise to see holding adjustments on the agenda for today's committee meeting given that there had not been a Focus Group on that topic to date. The Head of Product, Equity Post Trade clarified that the process of taking a topic to a Focus Group before the Technical Committee was applicable to significant new or materially changed functionality. The member noted that holding adjustments and transformations typically come out of corporate actions, and that there are three new elements for corporate actions compared to CHES, and questioned how ASX considered this not 'significant'. The Head of Product, Equity Post Trade noted holding adjustments topic contemplated replacement of two EIS messages with no significant business change and the matter had been tabled at today's meeting. As it related to corporate actions, there are dedicated forthcoming corporate actions Focus Groups. The member did not agree with this logic, rather argued that the messages for discussion today were the result of a corporate action event, the end result of entitlements being accepted, and that ASX was jumping to the end rather than the beginning of the process, and the committee had not been taken on any journey, and it might mean re-work. **Action item 80 was closed.**

Action item 81 was for Vendors to provide feedback to ASX if any changes in scope or time delays start to present challenges for their build. The Chair noted that ASX had not received specific feedback on this to date, noting that ASX had received some feedback around how some vendors will connect to CDE. A member noted that they had put this action to 3 vendors, with no specific feedback solicited. Another member had also put this to their team, and noted that whilst the timelines looked comfortable at this stage, any material delays could have a material impact on their end. A member noted that they had seen correspondence from ASX to the 'Working Group'¹ detailing the "Epics" it was working to, and asked for clarity around the timing, themes, total number of "Epics" and ASX's progress to date. The Head of Product, Equity Post Trade confirmed that ASX's published Forward Release Plan provided visibility over the forthcoming six months. The Chair encouraged vendors to continue to keep ASX informed of their progress and any issues. **This item was closed.**

Action item 82 was for ASX to confirm the date when DAML SDK will be made available in Windows. The Head of Product, Equity Post Trade confirmed that the DAML SDK became available on Windows 10 on 24 May 2019 as part of version 0.12.19. **This item was closed.**

Action item 83 was for ASX to consider feedback received regarding the proposed model and messages for Transfer/Conversions and respond to members with final outcomes. Given that the deadline for feedback was still open (due 31 May 2019), and further information would be provided in this meeting, the Chair proposed **that Action Item 83 was closed.**

AGENDA ITEM 3: MATTERS FOR CONSIDERATION

a) Focus Group update – Give-Ups

The Head of Product, Equity Post Trade provided an overview of the 7 May 2019 Focus Group on the topic of transfer of novated equities transactions between clearing participants (give-ups). Referring to ASX presentation slide number 8, the Head of Product, Equity Post Trade outlined ASX's proposed solution design. Feedback was due by 21 May 2019, and ASX was in the process of collating and analysing that feedback.

A member sought clarification of whether brokerage could be added onto a give-up, as could currently be done for derivatives. The Chair confirmed that ASX would follow up with the member directly on this point outside of this committee.

¹ The Working Group is a self-appointed name for a collection of financial market firms and industry associations

The Chair asked the committee whether anyone would be likely to use the give-up functionality. A member noted that they could see the advantages of the functionality.

The Head of Product, Equity Post Trade noted the next Focus Group meeting would be held on 18 June on the topic of Corporate Actions.

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

Referring to ASX presentation slide number 9, the Head of Product, Equity Post Trade provided an overview of the feedback received from 7 respondents to the Focus Group on transfers, conversions and SRN enquiry, noting that the deadline for feedback from this committee was still open. Feedback on the solution was mixed. Positive feedback included the changes were an improvement to current practices and that the changes would provide greater investor protection for stock held on SRN given that the check is moving from post-transfer to pre-transfer. A member qualified this, mostly in the case of conversions, noting that this was dependent on the registration details matching, which was not always the case and this risk needed to be managed.

The Head of Product, Equity Post Trade advised that ASX also received some negative feedback around the increased complexity with the introduction of the requirement to sequence two messages - holder registration details followed by transfer request. The Head of Product, Equity Post Trade noted that ASX's design pattern was chosen for its high reusability, and allows for substantial message consolidation (current estimates that 91 EIS messages will be consolidated into 29 ISO messages). ASX had received proposed alternatives to address the two-sequence message process including:

- Allowing sending of account and transfer messages together. The Head of Product, Equity Post Trade stated ASX's concern with this proposal was ISO compliance and reusability. It would create inconsistencies in the workflows between participants and issuers where registration details are involved.
- Send one message, containing both registration and transfer details, and the new system is responsible for splitting the messages to pass to the Issuer. The Head of Product, Equity Post Trade noted ASX's concern around the impact of this proposal on unique referencing of the transactions. It was noted that sending the messages in a sequence and using the identifier means that the participant could use that identifier in other subsequent workflows.

Feedback around the frequency of housekeeping was also received, with suggestions on the timeframe ranging from 5 days to 1 year. The Head of Product, Equity Post Trade reiterated previous committee meeting discussions that the driver behind end-of-day housekeeping was to ensure the correct registration details were used.

A member referred to another member's comments at the last meeting (page 12 of the 7 May 2019 Technical Committee minutes) explaining their organisations' omnibus HIN structure, and their expectation to use 1 registration ID for SRN enquiry, balance enquiry and the transfer. The member noted their experience with SRN enquiries was a failure rate of approximately 50 per cent. The Chair noted that ASX would take the feedback around success/failure rates (as also addressed in the conversation around investor protection) on board when analysing the feedback, and noted the importance of awareness of this matter with the broking community.

c) Preliminary review of member feedback on published 'to-be' messages

Referring to ASX presentation slide number 10, the Business Analyst, Equity Post Trade provided an overview of feedback received to date regarding the messages presented at the 7 May 2019 meeting for Transfers, Conversions and SRN Enquiry. Feedback had been received from 4 members, noting that the deadline for feedback was open until 31 May and ASX would publish its final responses once the review window had closed.

A member queried under what circumstances one would populate the mandatory field of registration reference of a hold_217 message with a HIN (instead of a registration ID) for an SRN Enquiry and Balance Enquiry. The Business Analyst, Equity Post Trade noted the optional field 'safekeeping account' would be populated with an SRN in the hold_217 message, and the HIN would not need to be populated, rather could use registration ID. Another member noted that in the case of an account settled by an issuer there would not be a HIN, and in that case one would use the registration

ID to populate the mandatory registration reference field. Another member noted that for those accounts that do have a HIN, it would be beneficial to use the HIN to populate registration reference instead of creating a separate registration ID.

Regarding housekeeping at end-of-day when an activity finished, a member contemplated a scenario where two separate registration IDs would need to be created to cover an issuer-sponsored transfer, due to the first being housekept before the order was completed in the market the following day. The Chair confirmed this understanding was correct, and the housekeeping of registration IDs would be dependent on timing of the business being conducted.

Also regarding housekeeping, another member noted their organisation used omnibus HINs and that they performed about 50 to 60 requests per day from an omnibus HIN to SRN or vice versa, hence the re-usability of registration reference was of particular importance. The member had been advised that the registration reference was valid for a given day, and that you could send multiple transfer requests using the same registration reference as long as at least one of those transfer requests was still outstanding. The Head of Product, Equity Post Trade confirmed that this understanding was correct – as long as there was something live with the registration reference, it would not be housekept/archived. Another member queried what would happen if transactions were executed on T, and more transactions are executed on T+1 relating to the same registration ID, whether that same registration ID would relate to the T+1 entity too, and then if on T+2 there was still transactions open from T and T+1 whether T+3 transactions can use the same id and so on, until at some point there are no outstanding transactions using that registration ID and it was housekept. The Head of Product, Equity Post Trade confirmed that this understanding was correct – as long as there were outstanding transactions using that registration ID it would not be housekept. The Business Analyst, Equity Post Trade added that a participant would be notified once a registration ID was housekept, hence they would know from what point onwards they would need to create a new registration reference. Further discussion around point-in-time and in-flight transactions occurred.

d) Change of controlling participant

The Business Analyst, Equity Post Trade provided an overview of the change in controlling participant functionality provided in CHES today, which would be consistent with the replacement system. There would be no changes to workflow. A member clarified whether there would be any changes to timing and whether the 48 hour authorisation timeframe still applied. The Project Subject Specialist confirmed that ASX's intention was still to process the authorisation overnight. The Project Subject Specialist noted that ASX was considering an increase to the 48 hour authorisation window, however would advise in due course once a decision had been reached with ASX Compliance.

A member noted that this functionality contemplated a change at the HIN level (i.e. everything contained within that HIN), and asked whether ASX had received any feedback from the broking community regarding the application of this functionality at a holding level that does not involve a transfer (i.e. CHES to CHES conversions), and noted that the inability to do this in CHES today was a sticking point for their organisation. Specifically the member suggested the ability to clone an account, split it into pieces, and move a standing instruction into another HIN. Discussion around how this would work ensued, and the Head of Product, Equity Post Trade confirmed that they were not aware of this coming up in historical working/focus groups (delivery v delivery including reference data), but noted they would consider this suggestion.

Referring to ASX presentation slide number 12, the Senior Business Analyst, Equity Post Trade stepped through the comparative EIS to ISO messages and message consolidation. The 12 EIS messages were consolidated into new 5 messages, plus a housekeeping message.

Referring to ASX presentation slide number 13 the Senior Business Analyst provided an overview of the flow for the 'to-be' change of controlling participant functionality.

A member asked if the rejection message would be the same even if it carried a HIN that did not exist. The Senior Business Analyst, Equity Post Trade clarified that in that circumstance a different rejection message would be received – a comm_808.

A member noted whilst a HIN was present in the message, that investor identity (including for mFunds, all associated from an AML perspective) was not presented to the potential recipient of the HIN throughout the message flow, and asked whether this information should be captured. Points around validation and AML were raised in support of this idea. The Chair noted that whilst this was not provided before the transfer today (rather after), it warranted further investigation. **(Matters Arising 2 – Action Item 85).**

A member asked at what stage registries would see visibility of changes in the next steps of this process. The Senior Business Analyst, Equity Post Trade advised that this would be covered in the Reporting topic. Members reiterated the sentiment expressed earlier in the meeting that whilst they understood ASX's process, they were only seeing one piece of total functionality, and stressed the benefits of a holistic view of the process as well as what was contained within the "Epics". The Chair advised that ASX would confirm that there would be no changes to the downstream change of controlling participant workflows (including the messages to the registries) as part of Reporting topic.

A member asked whether the bulk transfer function currently available via Appendix H would continue to be supported. The Project Subject Specialist confirmed that was correct.

Referring to ASX presentation slide number 14, the Senior Business Analyst, Equity Post Trade stepped through the cancellation flow.

Referring to ASX presentation slide numbers 15 and 16, the Senior Business Analyst, Equity Post Trade stepped through the hold_220 and hold_221 messages. Regarding the hold_220 request message a member asked whether this was capable of carrying a registration payload (account and holders), or whether they would need to be tagged in a supplementary reference. The Senior Business Analyst, Equity Post Trade advised that they had not performed the mapping yet, but that it would be similar to that of a transfer as it is the same base message. The identity payload (registration ID) could be included in the message and would be considered as part of the future Reporting work.

A member clarified whether the cancellation reason code on the returning message was a new field, to which the Senior Business Analyst, Equity Post Trade clarified that this the same as included in the relevant EIS message today.

e) Holding adjustment

Referring to ASX presentation slide number 17, the Senior Business Analyst, Equity Post Trade provided an overview of ASX's proposed, and better solution for the 'to-be' mapping for securities transformation, compared to the 'as-is' solution previously discussed at the committee.

Referring to ASX presentation slide number 18, the Senior Manager noted the 8 current EIS messages would be consolidated into 3 ISO messages. A member asked whether these adjustment messages could also be used for code changes related to issuer name/code changes. For transformations, the member noted that it added units to the equation as different stock codes. A code change has to/from stock, transformation of units on/units off, and the member asked if there was recyclability on a code change using the message.

Referring to ASX presentation slide number 19 the Senior Business Analyst, Equity Post Trade provided an overview of the hold_226 holding adjustment notification message, and noted that the Financial Instrument Identification could be populated with either ISIN or Security Code (i.e. not ASX code). Regarding the Balance field, a member noted feedback that given they would not receive intraday balances it may not be desirable to use From Balance. The Senior Business Analyst, Equity Post Trade advised that ASX would publish this message for feedback as per the normal process, noting this feedback already received. Another member noted the big issue for their organisation was timing – timing it such that there was nothing moving in the register when they try to inject changes into CHES, with others adding that this was the reason holding adjustment notifications were typically performed at start of day. The member suggested use of a ratio would be an alternative.

A member asked about usage of the mandatory 'Corporate Action Event Identification' field and whether this meant they would receive a golden ID on all holding adjustments (or if not what the field would be populated with), and would there be any validation to ensure the event type matches the corporate action ID. Some members noted that the Reference Point ID would be a logical thing to populate this field with, for those holding adjustments that are not ad

hoc, whilst other members noted they would need to consider this before providing feedback. A member noted that they often receive adjustments that are incorrectly coded, and all they have is the corporate action event type to guess which corporate action the message refers to by looking at what is current. The ASX Senior Business Analyst noted this field was currently mapped to the reason code. The members acknowledged this discussion may be premature given that corporate actions is a forthcoming topic for this committee, and the Chair did encourage feedback on that field whenever members were ready to provide it.

The Chair noted that ASX would take the comments on board and encouraged members to provide feedback when the message was released for review.

Referring to ASX presentation slide number 19, the Senior Business Analyst provided an overview of the hold_226 holding adjustment confirmation message. With reference to ASX presentation slide number 20 regarding the Holding Adjustment Confirmation, a number of members suggested the Posting Date should be considered as today.

f) Issuer's Agent Transfer flow (Warrants)

The Senior Business Analyst, Equity Post Trade explained the current and to-be warrant processing flow. The "sese" (securities settlement) message was the same as that presented for the Demand Transfer Settlement Instruction, including the mapping of the elements, with the difference that the participant will receive the same message as for a holding adjustment notification. A member clarified that the usage was for basket warrants, and noted in this flow that the issuer of a basket warrant could have no relationship with a share registry that looks after the constituent stock. The member noted that they were aware of one issuer not using the messages, and whether they were required going forward. The Chair acknowledged this feedback, but noted that there were multiple issuers ASX needed to liaise with to confirm use or lack thereof. The Head of Product, Equity Post Trade added that ASX was aware of the limited use of this functionality, and ASX was in ongoing discussions with the issuers to confirm whether it was necessary to replace this message suite for compatibility with the new system. Any changes to this functionality would be brought to this committee's attention for further consideration.

g) 'To-be' messages for review

Members were requested to provide feedback via comments in MyStandards on the 'to-be' messages discussed at this meeting by Friday 7 June 2019. An email would be sent to committee members to advise the availability of the messages in MyStandards, expected on Wednesday 29 May 2019. ASX note that it has subsequently advised members of an error on this slide – hold_225 should be hold_224.

AGENDA ITEM 4: STANDING AGENDA ITEMS

a) CHESS Replacement project update by ASX

The General Manager, Equity Post Trade Services noted that ASX was working with those organisations who had submitted applications for the Customer Development Environment (CDE). Several participants had connected to date, leveraging all three connectivity channels. The General Manager, Equity Post Trade noted this was a major milestone for the project and thanked the committee for their efforts to date.

Regarding costs, both for access as well as clearing and settlement fees, the General Manager, Equity Post Trade Services acknowledged the feedback received and advised that ASX was working towards providing an update at the next Business Committee meeting, after which an update would be provided to this committee.

The next Connectivity and Integration working group meeting would occur on 5 June 2019, focused on multichannel support. The next Focus Group would occur on 18 June 2019, focused on corporate actions topics.

ASX would soon launch a monthly newsletter, which committee members would receive along with other registered users, to provide timely information to a broad range of stakeholders. The frequency of the newsletters would increase as the project got closer to go-live.

A member noted they had received multiple enquiries regarding who was setup in CDE, and the Chair advised that information about the parties connected was confidential.

b) ISO 2022 project update by ASX

The Senior Manager, Equity Post Trade Services provided an update on the ISO 2022 project. Topics in progress for 'to-be' mapping included change of controlling participant, settlement transfer of novated equity transactions between clearing participants (give-ups/take-ups), holding adjustment, warrants, corporate actions and mFunds.

On the global ISO 2022 engagement front, ASX had continued to join the meetings of the ISO 2022 Securities Standards Evaluation Group (SEG) and T2S Evaluation Team (a sub-group of SEG), with good progress made in getting through the latest batch of nine account related messages. The next two batches of messages for consideration in June related to collateral reporting and intrabalance messages. Regarding ASX's change request submitted for the Business Application Header (BAH), the registration authority has advised ASX they would adhere to the timeframe of providing a decision by the end of 2019. ASX continued to work with the SWIFT Standards team regarding its forward work plan and where it needed messages to be progressed.

c) Update from Business Committee

The Chair advised that the last Business Committee meeting was held in April, and the next meeting was scheduled for 18 July 2019.

AGENDA ITEM 5: NEXT MEETING

The Chair thanked members for their contributions to the meeting NAB for hosting the committee in their Melbourne offices and noted the actions from the meeting.

The next meeting would be held on 25 June 2019 in Sydney, with the agenda including further updates on Focus Group discussions, member feedback on published messages and batch settlement.

The meeting closed at 5.00pm.

Signed as a correct record of the meeting.



Technical Committee Chair

24 JUNE 2019.

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 <ol style="list-style-type: none">1. the intended timing for housekeeping of unmatched messages, any standardisation opportunities for timing. (this item was closed, given related action item #79 was also closed)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	25 June 2019
84	28 May 2019	ASX will not provide backward compatibility, but will evaluate how to provide better transparency on substantive changes.	ASX	25 June 2019
85	28 May 2019	ASX to consider inclusion of investor identity (HIN) to allow a validation pre change of controlling participant transfer.	ASX	25 June 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 Dec 2016	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 CHES 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 CHES codes.	ASX	14 Mar 2017
13	7 Feb 2017	Add a general CHES 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
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

No. Meeting Date	Closed Action Items	Owner	Due Date
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 CHES 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
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

No.	Meeting Date	Closed Action Items	Owner	Due Date
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 CHES EIS messages in scope for detailed mapping during 2 nd 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
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 descoped 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

No.	Meeting Date	Closed Action Items	Owner	Due Date
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
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

No.	Meeting Date	Closed Action Items	Owner	Due Date
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
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
71	8 Feb 2019	ASX to review SLAs and the timing of responses to queries submitted to both the CHES Replacement and CSP Support mailboxes, including acknowledging questions where ASX may not currently have an answer.	ASX	26 Mar 2019
72	8 Feb 2019	ASX to consider an AMO's request to join ASX's CHES Replacement community in MyStandards.	ASX	26 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	26 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	7 May 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 / ASX	7 May 2019
74	26 Mar 2019	ASX to note the comment around re-work on accounts and potential impact on members own circumstances and consideration of slippage. ASX to come back to the committee if any further discussion is required.	ASX	7 May 2019
75	26 Mar 2019	ASX to review and respond to committee members regarding the availability of the access fee information.	ASX	7 May 2019
76	26 Mar 2019	ASX to review the availability of access fee information beyond go live + 3 years, and requested members contact ASX directly on this matter.	Members / ASX	7 May 2019

No.	Meeting Date	Closed Action Items	Owner	Due Date
77	26 Mar 2019	ASX to consider information to be provided to members regarding storage, capture, access of data within CSP and pass through of data.	ASX	7 May 2019
78	26 Mar 2019	Members to provide feedback around account creation and update related messages and information, including what they would and would not find of use in messages from CSP.	Members	7 May 2019
79	7 May 2019	Members to provide feedback on the housekeeping of unmatched DvP and bilateral demand messages end of day (related to Action item 62 – item 1).	Members	28 May 2019
80	7 May 2019	ASX to consider feedback regarding transparency of changes to scope, and consider how it could better bring changes to the Committee's attention.	ASX	28 May 2019
81	7 May 2019	Vendors to provide feedback to ASX if any changes in scope or time delays start to present challenges for their build.	Vendors	28 May 2019
82	7 May 2019	ASX to confirm the date when DAML SDK will be made available for Windows.	ASX	28 May 2019
83	7 May 2019	ASX to consider feedback received regarding the proposed model and messages for Transfer/Conversions and respond to members with final outcomes	ASX	28 May 2019

