



ASX CHESS Project

AMO Working Group

13 February 2025



Acknowledging Country

ASX acknowledges the Traditional Owners of Country throughout Australia. We pay our respects to Elders past and present.

Artwork by Lee Ann Hall, *My country My People*

Housekeeping

Troubleshooting

- > Please mute yourself when not speaking
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- > Presentation materials were distributed before the meeting and will be published on the website

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Competition Law Reminder

Workshop members are reminded to have regard to their obligations under competition law. In particular, please note that the Competition and Consumer Act prohibits a corporation from engaging with one or more persons in a concerted practice that has the purpose, effect or likely effect of substantially lessening competition.

Agenda

01 Welcome, Open Actions & Feedback

02 AMO WG - Future Operating Model & Engagement

03 AMO Legal Arrangements & Rule Change Consultation

04 CHES Project – Trade Condition Codes

01

Welcome, Open Actions & Feedback

For discussion

01 – Open Actions

#	Topic	Action	Raised	Due	Owner	Status
1	Account Segregation	ASX to confirm with AMO's inclusion of Account Segregation in FIX in R2 timeline	26 Sep 2024	Q1 2025	ASX	In Progress
2	Connectivity Options	AWS to AWS - ASX to investigate possible connections to our AWS instance from an AMO's existing AWS hosted site	15 Aug 2024	Q1 2025	ASX	Propose to Close - Update on AWS to AWS connectivity was provided in the 05 February Technical Committee meeting
3	Testing Scenarios	AMOs to provide input as to the failover / DR scenarios they would like covered in the testing plan	15 Aug 2024	Q1 2025	AMO	In Progress
4	FIX Messaging	ASX to provide iterative updates on FIX specification document to AMOs AMOs to provide feedback on FIX messaging specifications provided 12 June 2024	28 May 2024	Q1 2025	AMO & ASX	In Progress - FIX Spec version 1.2 is planned to be published in Q1 2025
5	Release 1 Documentation	ASX to provide further detail on the Release 1 documentation	28 May 2024	Ongoing	ASX	In Progress – Refer to Appendix 1
6	Forward Workplan	AMOs to provide topics for working group forward work plan	5 Dec 2023	Ongoing	AMOs	In Progress – Standing action

02

AMO WG – Future Operating Model & Engagement

02 – AMO WG Future Operating Model

- > AMO WG is proposed to focus on business related topics
- > AMO WG cadence is planned to be triggered by industry topics & non-technical project related activities
- > CHES project business related topics remain within the AMO WG, (for example: any service change proposals seeking AMO decision)
- > CHES project technical related topics are proposed to move into the Release 1 Build and Test Forum
- > AMOs and AMO Software Providers are planned to be invited to attend the Release 1 Build and Test Forum
- > AMO WG CHES project technical related Open Actions are proposed to move to Release 1 Build and Test Forum
- > AMO WG CHES project business related Open Actions are proposed to remain within the AMO WG

02 – Upcoming Engagement

Indicative AMO Working Group engagement plan

2025												
	Jan 24	Feb 24	Mar 24	Apr 24	May 24	Jun 24	Jul 24	Aug 24	Sep 24	Oct 24	Nov24	Dec 24
Business Committee			12/03 BC			20/06 BC			17/09 BC			10/12 BC
Technical Committee		05/02 TC	03/03 TC	02/04 TC	06/05 TC	04/06 TC	09/07 TC	06/08 TC	03/09 TC	08/10 TC	05/11 TC	03/12 TC
AMO WG		13/02 Rules and Procedure Changes	18/03 [placeholder]	10/04 [placeholder]	14/05 [placeholder]	12/06 [placeholder]	17/07 [placeholder]	13/08 [placeholder]	11/09 [placeholder]	16/10 [placeholder]	13/11 [placeholder]	11/12 [placeholder]
R1 Build and Test Forum		13/02 Forum Launch and ITE Readiness	18/03 [placeholder]	10/04 [placeholder]	14/05 [placeholder]	12/06 [placeholder]	17/07 [placeholder]	13/08 [placeholder]	11/09 [placeholder]	16/10 [placeholder]	13/11 [placeholder]	11/12 [placeholder]
	Q1			Q2			Q3			Q4		

Month	Date	Time
Technical Committee		
March meeting	Monday, 03 Mar	1:00pm – 3:00pm

Month	Date	Time
Business Committee		
March meeting	Wednesday 12 Mar	2pm – 4pm

03

AMO Legal Arrangements & Rule Change Consultation

03 - CHES Project Legal Arrangements - Proposed Approach and Drafting Principles

- > Legal arrangements to reflect CHES project system technical build
- > Aim to minimise changes to existing Rules and Procedures
- > Plan to consult on all Rules and Procedures changes relevant for Release 1 at the same time and, likewise, all Rules and Procedures changes relevant to Release 2 will be consulted on at the same time (vs. last project where Rule changes were consulted on in 3 tranches for one release)
- > Use material consulted on in previous iteration of CHES R Project, where relevant and appropriate
- > Bilateral meetings if requested

03 - Rules and Procedures Consultation – Release 1

Scope: Proposed changes to ASX Clear Operating Rules and Procedures; and ASX (Trade) Operating Rules Procedures (Rules and Procedures)

Changes driven by the CHESSE Project

- > the implementation of a new FIX Gateway and FIX messaging for AMOs
- > decommissioning some existing CHESSE functionality, including the ability for Clearing Participants to remove trades from novation and set-off, and exclude trades from set-off, in certain circumstances



No changes are proposed to be made to the ASX Clear Operating Rules or Procedures relating to core clearing functionality (including registration, novation, netting and risk-management)

03 - AMO Contractual Terms Consultations – Release 1 and 5-Year Contract Review

Scope: Proposed changes to the Trade Acceptance Service Legal Terms; Product Services Legal Terms; and Operational & Technical Standards (AMO Contractual Terms) include:

Changes driven by the CHES Project	Changes driven by 5-year Contract Review
<ul style="list-style-type: none">• Numerous amendments to reflect the implementation of the new FIX Gateway and FIX Messaging for AMOs (replacing the existing EIS)• Amendments to reflect that all market operators will access the Trade Acceptance Service on the same technical and legal basis:• Amending existing drafting which distinguishes the service provided to (existing) AMOs and ASX Limited;• Removing the 'Service of Comparable Quality' clause to provide contractual certainty that all AMOs will receive the same service.	<ul style="list-style-type: none">• Revised criteria for when an Operational Support Assessment and Clearability Assessment are required to be conducted• Enhanced functionality under the OT Standards to allow alternate file interface submission during a technical outage• Updates to the Dispute Resolution clause to reflect the updated body for arbitration of disputes• Longer notification periods for the termination of the TAS Terms and Product Services Terms.

03 - Release 1: Proposed timeline – Rules and Procedure Changes

ALL DATES ARE
INDICATIVE AND
SUBJECT TO CHANGE



03 - Release 1: Proposed timeline – AMO Contractual Terms

ALL DATES ARE INDICATIVE AND SUBJECT TO CHANGE



04

CHESS Project – Trade Condition Codes

04 - CHES Project – Proposed Trade Condition Codes for ITE Open

Code	Description	Novation Eligibility	Netting Eligibility
BC	Preferred Any Price Block Trade	Yes	Yes
BK	Buy Back	Yes	Yes
BP	Booking Purposes Only	No	No
BT	Any Price Block Trade	Yes	Yes
CM	Single Sided Combination	Yes	Yes
CP	Centre Point Preference Trade	Yes	Yes
CT	Combination Trade	Yes	Yes
CX	Centre Point Trade	Yes	Yes
DR	Directed Reporting	Yes	Yes
EC	Exercise of Call	Yes	Yes
EP	Exercise of Put	Yes	Yes
EQ	Equity/Option Combination	Yes	Yes
ET	ETF Special Trades	No	No
GL	Govt Loan Securities	Yes	Yes
L1	Late Trade - Book Squaring	Yes	Yes
L2	Late Trade - Hedging Trades	Yes	Yes
L3	Late Trade - Order Completion	Yes	Yes
L4	Late Trade - Error Rectification	Yes	Yes

Code	Description	Novation Eligibility	Netting Eligibility
L5	Late Trade - Put Through	Yes	Yes
LT	Late Trade - Post 5PM	Yes	Yes
NX	NBBO Crossing Trade Report	Yes	Yes
OC	OTC Contingent Equity Trade	Yes	Yes
OR	Overseas Resident (Foreign to Foreign)	Yes	No
OS	Overseas	Yes	Yes
P1	Put Through - \$1M	Yes	No
QB	Quote Display Board Trade Report	Yes	Yes
S1	Special - \$2.5M	Yes	Yes
S2	Special - \$1M	Yes	Yes
S3	Special - \$0.5M	Yes	Yes
SP	Special - Derivatives	Yes	Yes
ST	Price Stabilisation	Yes	Yes
SX	Special Sale Portfolio	Yes	Yes
TM	Tailor Made Combination	Yes	Yes
XT	Crossed Trade	Yes	Yes



The proposed list of Condition Codes for ITE Open is subject to change



Questions

Closed Actions

#	Topic	Action	Raised	Closed	Owner
1	FIX ComplIDs	AMOs to provide guidance on how they'll be configuring their flow across multiple FIX sessions	11 Apr 2024	15 Aug 2024	AMOs
2	Condition Codes & Basis of Quotation Codes	Prepare short paper to validate when a new or unknown code is introduced to the conditions code table and basis of quotes	3 Jul 2024	15 Aug 2024	ASX
3	FIX Messaging	Condition Codes & Basis of Quotation Codes - ASX to consider removing these from scope and replacing them with a net / non-net and novate / non-novate identifier	15 Aug 2024	26 Sep 2024	ASX
4	Network Design	Network Architecture & Failover - ASX to investigate alternative options raised regarding design elements of failovers.	11 Apr 2024	26 Sep 2024	ASX
5	Reference Data	ASX to investigate whether current reference data can be provided	26 Sep 2024	14 Nov 2024	ASX
6	Reporting	Security Detail Messages – ASX to confirm optionality to receive security definition messages and potential risks/impacts if this field is mandatory	26 Sep 2024	14 Nov 2024	ASX
7	Reporting	Security Details Report – ASX to document the proposal and to include as an Agenda item at the next AMO WG	15 Aug 2024	14 Nov 2024	ASX
8	FIX Messaging	Segregation Field - Additional information to be provided to AMOs to seek feedback of proposal	15 Aug 2024	14 Nov 2024	ASX
9	C&S Interoperability	Review future usage of this component to determine timeframe to build/deliver and ability to test for Release 1 (i.e. is it just project testing, or are AMOs required to test?)	28 May 2024	14 Nov 2024	ASX
10	Forward Calendar	ASX to prepare a roadmap to provide stakeholder impact visibility across the major work streams running in tandem (such as current CHES initiatives, CHES Project, and T+1).	28 May 2024	14 Nov 2024	ASX

Appendix

Appendix 1 – Indicative Release 1 Documentation Forward Plan

Appendix 1 – Release 1 Industry Readiness Activities – Indicative Forward Plan

Upcoming and completed Release 1 readiness activities

Activity	Subject	Purpose	Planned Date	Status
Publish Documentation	Release 1 Industry Test Approach	Describe the detailed industry test approach and expected activities of each involved party, as well as timing, entry and exit criteria and expected test outcomes of all Release 1 industry test phases	Q3 2024	Published 6 Sept 2024
Publish Documentation	Release 1 FIX Specifications	Provide a detailed specification of all FIX messages, including message structures, rules, and message flow diagrams. Market-relevant specifications will be published in iterations as ASX analyses and completes designs for each drop	Q4 2024	Published 14 Nov 2024
Publish Documentation	Release 1 Connectivity Guide	Detail the technical connectivity requirements to connect to the CHES project system, including connectivity method(s), network details and security details	Q4 2024	Published 17 Dec 2024
Engagement Activity	Release 1 Activity and Progress Tracking Overview	Interactive session to provide an overview and discuss ASX proposed test phase activity and progress tracking approach	Q1 2025	
Engagement Activity	Release 1 AMO Accreditation Overview	Interactive session to provide an overview and discuss the prerequisites and process for performing AMO Accreditation	Q1 2025	
Publish Documentation	Release 1 AMO Accreditation Guide	Provide detail on the CHES project AMO Accreditation phase, expectations regarding conduct and expected results including the Accreditation process, connectivity, and message scenarios	Q1 2025	
Engagement Activity	Release 1 Clearing Regression Deep Dive	Deep dive workshop to provide an overview and discuss the prerequisites and process for performing Clearing Regression activities, identify and understand industry requirements on topics requiring further consideration, and finalise approach to Clearing Regression	Q2 2025	
Publish Documentation	Release 1 Clearing Regression Test Guide	Detail the minimum ASX-specified Clearing Regression test scenarios, key activities and expectations regarding conduct and expected results including entry and exit criteria	Q2 2025	
Engagement Activity	Release 1 Operational Readiness Overview	Interactive session to provide an overview and discuss the prerequisites and process for confirming Operational Readiness	Q2 2025	
Publish Documentation	Release 1 Guide to Operational Readiness Phase	Detail the Operational Readiness scenarios including mandatory success criteria	Q2 2025	
Engagement Activity	Release 1 Cutover & Migration Approach Overview	Interactive session to provide an overview and discuss the approach to Cutover & Migration	Q2 2025	
Publish Documentation	Release 1 Cutover and Migration Approach	Detail the minimum ASX-specified Clearing Regression test scenarios, key activities and expectations regarding conduct and expected results including entry and exit criteria	Q2 2025	
Engagement Activity	AMO Parallel Test Overview	Interactive session to provide an overview and discuss the approach to Parallel Test	Q2 2025	
Publish Documentation	Release 1 Guide to AMO Parallel Test	Provide detail on the Parallel Test phase, key activities and expectations and expected results including entry and exit criteria	Q3 2025	
Engagement Activity	R1 Cutover Deep Dive	Deep dive workshop to provide an overview and discuss the prerequisites and process for performing Cutover activities, identify and understand industry requirements on topics requiring further consideration, and finalise approach to structuring Cutover Runbook	Q3 2025	
Publish Documentation	R1 Cutover Runbook	Provide AMOs with key tasks and milestones, with an outline of detailed steps including planned timing. The runbook will be used in dress rehearsals and refined as required ahead of the final go-live event. Note that the cutover runbook will also include the steps required to rollback	Q3 2025	

Thank you.

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