

CHESS PROJECT TECHNICAL COMMITTEE

8 October 2026



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
- Please use the 'raise hand' feature on MS Teams if you would like to ask a question
- Please introduce yourself when talking for the benefit of all members
- Meeting is being recorded for the purposes of capturing decisions and actions
- Dial in details (audio only):
 - +61 2 7208 4607
 - Phone Conference ID: 903 473 064#
 - Presentation materials were distributed before the meeting and will be published on the website.

Important Information

Competition Law Reminder

Committee 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.

01 – Welcome, Open Actions & Feedback

Agenda

01	Welcome, Open Actions & Feedback	Noting
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CHES Release 2 Updates

02	CHES Release 2 Project Delivery	Discussion
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03	CHES Release 2 Industry Readiness	Noting
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Additional Focus Areas

04	Working Group Updates	Noting
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05	Corporate Action Election Functionality	Discussion
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06	Proposed Approach for Customer Data API	Discussion
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07	Collateral Management System Update	Noting
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08	CHES Release 1 BAU Update	Noting
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09	Forward Engagement and AOB	Discussion
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01 - Open Actions

As at September 2026

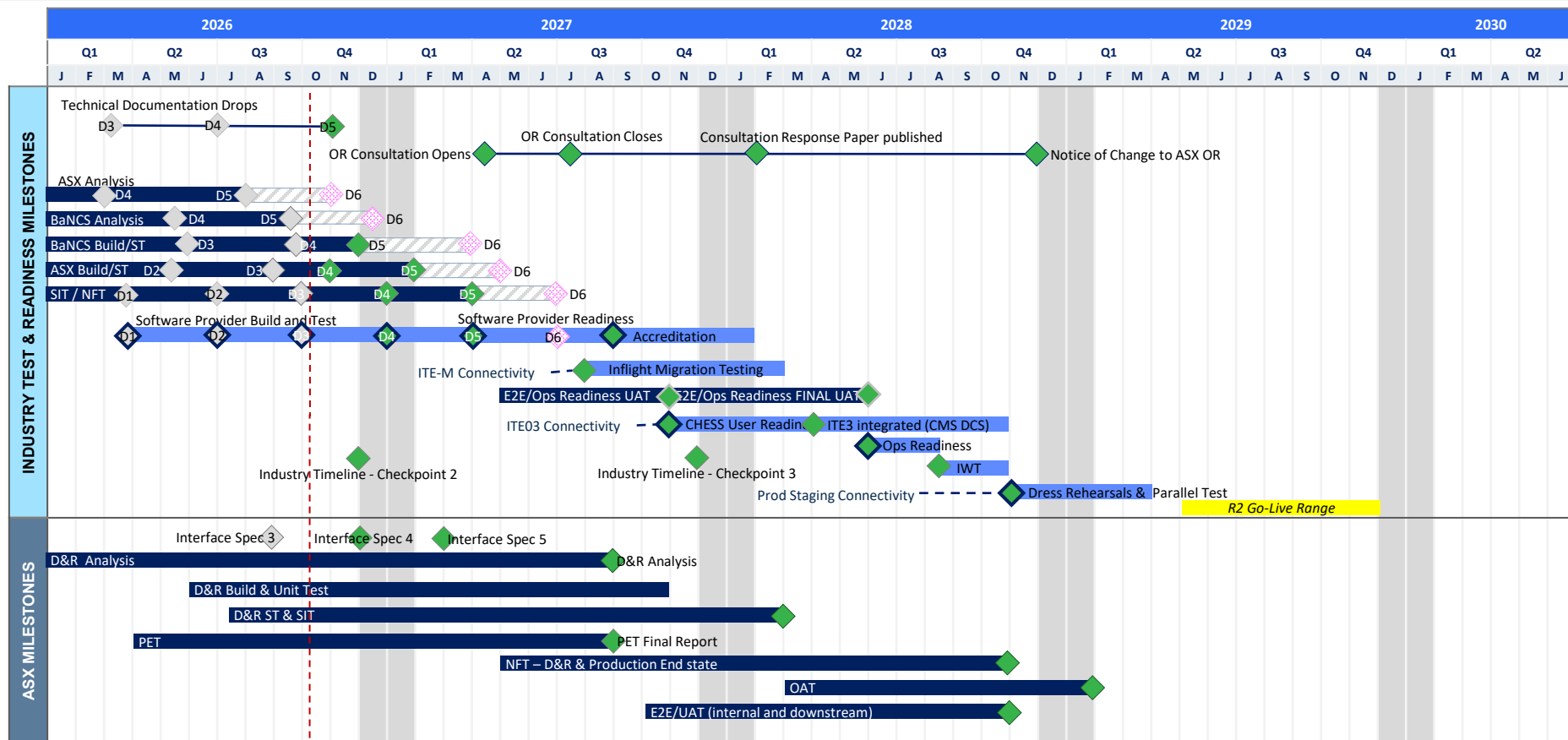
#	Action	Raised	Update	Status
TC_11	ASX to raise an industry risk on the industry readiness impacts of undefined parallel testing and migration rehearsal scope	3 Sep TC	Industry risk outlining that industry readiness planning requires further parallel test and cutover detail has been raised. Refer to agenda item 2b	Propose to close
TC_12	ASX to revert to the Technical Committee with the technical requirements of the proposed solution the collateral management system for members to consider feasibility and impacts	3 Sep TC	An update on the technical requirements is expected to be provided as part of agenda item 7	Open

02 – CHESS Release 2 Project Delivery

02a – CHESS Release 2 Update

02a – CHESS Release 2 Indicative Project Timeline – Sep 2026

High level overview of the indicative timeline



02a – CHESS Release 2 Delivery Update

As at September 2026

Drop 3 (Clearing Upgrade, Payments, Issuer Sponsored & Registry Processes)

- Deployment of Drop 3 functionality to the CHESS Release 2 Industry Test Environment (**ITE2**) was completed on 6 October enabling the commencement of the next phase of industry testing. Drop 3 deployment:
 - expands industry testing to include clearing, payments, issuer-sponsored holdings and registry processes, providing participants with access to a broader range of business processes and message flows
 - resolves most known issues for Drop 1 and Drop 2.

Drop 4 (Change of Controlling Participant & Portfolio Transfers, Holding Adjustments, Batch Payments)

- Drop 4 testing commenced in late-September 2026, which is later than anticipated due to the prioritisation on Drop 3. Drop 4 testing is targeted to be finalised by December 2026.

Drop 5 (Corporate Actions and Collateral)

- Drop 5 requirements have been signed-off and build activities commenced in September 2026. Given the size and complexity of the Drop 5, ASX is assessing whether any non-critical scope items can be moved to Drop 6 to mitigate potential impacts to the delivery schedule
- Drop 5 User Technical Documentation is targeted for publication in late-October 2026.

Other Key Updates

- The industry recommendation on corporate action election functionality was deferred to the 10 December 2026 Business Committee meeting to address the concerns raised by the share registries. Refer to agenda items 5.

02b – CHESS Release 2 Project Risks

02b – Project Risks and Issues

As at September 2026

Risk Impact Category	Associated Drop Milestone	Description	Mitigation	Residual Exposure
Schedule	Drop 4	Delays in the commencement of testing activities may impact the Drop 4 ITE2 release date	Review Drop 4 Scope to identify critical test cases for prioritisation	Medium
Schedule	Drop 5	Size and complexity of Drop 5 may impact ASX and industry build and test milestones	- Review Drop 5 scope and prioritise critical external scope items - Assess if any non-critical scope items can be moved to Drop 6	Medium
Customer	Dress Rehearsals & Parallel Test	Additional unplanned industry effort required for parallel testing and dress rehearsals may impact industry readiness for Go-Live	- Prioritise early engagement topics on Cutover and Parallel Test (Sep 26 - Nov 26) - Industry Timeline Checkpoint 2 will seek feedback on meeting project milestones with early information provided on Cutover and Parallel Test	Medium

02b – Project Risks and Issues

As at September 2026

Risk Impact Category	Associated Drop Milestone	Description	Mitigation	Residual Exposure
Customer	Go-Live	Industry Readiness may be impacted due to TMX CBOE acquisition	- Understand acquisition status and potential re-platform plans to assess project impacts - Re-assess risk once planning details are confirmed	Medium
Legal	Go-Live	Delays in rules consultation activities may impact readiness for Go Live	Plan to commence rules consultation with Industry Apr 27 and allow for 3 months for Industry response.	Medium
Customer	Go-Live	Industry readiness schedule delays could impact major CHES Release 2 milestones, including Go-Live	- ASX to provide industry with technical documentation and deliver features into ITE iteratively per the published roadmap - ASX to facilitate annual industry timeline checkpoints to assess the risk relating to achieving critical milestones - Industry to proactively raise risks to ASX relating to their delivery including if timelines are at risk due to competing organisational priorities	Medium
Customer	Go-Live	All CHES Users may not be ready for new mandatory functionality (corporate actions elections & non-batch DvP) for CHES Release 2 Go-Live	Some new mandatory functionality is planned to be enabled at an agreed date following Go-Live	Low

02c – CHESS Release 2 Scope & Roadmap

02c – Indicative CHES Release 2 Scope Roadmap – Sep 2026

	Drop 1	Drop 2	Drop 3	Drop 4	Drop 5	Drop 6
Feature Scope	- Participant and Registry/issuer Setup - Accounts and holdings - Unilateral non-batch instructions - Account and holding balance reporting	- Settlement instructions - Batch settlement (excluding payments) - Pass-through investor data	- Trade registration & netting - Issuer sponsored processes - Cum entitlement balance and holding movement reporting - Claims and adjustments - Corporate actions tranche A (cash)	- Change of controlling Participant & portfolio transfer - Holding adjustments - Batch Payment - Batch exceptions (including default management and backout) - RITS batch integration - Corporate actions tranche B (securities)	- ETO/CMM collateral - Daily margin advice - Offer administration facility - Corporate action elections without payment - Corporate action elections with payment - Corporate actions tranche C (remaining) - RITS RTGS integration - SWIFT for Payment Providers	- Defect fixes and CRs - Additional ASX internal operational and business processes
User Journeys	Participants can test the full account lifecycle (create & update, lock and cancel) Participants can perform simple transfers between accounts they administer Registries and Participants can receive account and holding balance reports	Participants can match and schedule settlement instructions Participants can settle instructions in a daily batch (excluding payment provider and payment services flows), including unit failure Participants and Registries can test pass through investor data	Participants can receive market trades in ISO 20022, novate, net and schedule for settlement Participants and Registries can test issuer sponsored flows Participants and Registries can receive corporate action and holding movement reporting Participants obligations are adjusted to account for fails and adjustments Participants can reserve balances and specify trust amounts	Participants can perform change of controlling Participant and portfolio transfers Registries can process corporate actions including performing holding adjustments Payment providers can manage payment facilities and authorise funds for batch payments Participants and Payment Providers can test remaining batch settlement processes (such as, backout, cancellation and close-out)	Participants can lodge non-cash collateral and ETO cover and adjust margin Participants and Registries can test takeovers, buybacks and bank account communications Participants and Registries can test option elections without payment (DRP/BSP) Participants and Registries can test option elections with payment (Rights, SPPs) Participants can test non-batch payment processes	<i>To be determined</i>
Status	- Technical documentation published - Drop 1 Software Provider Build & Test phase commenced 30 March 2026	- Technical documentation published - Drop 2 Software Provider Build & Test phase commenced 6 July 2026	- Technical documentation published - Drop 3 Software Provider Build & Test phase expected to commence October 2026	Technical documentation published	Technical documentation expected to be published in October 2026	<i>To be determined</i>

↔ Movements between drops
 ♦ Scope clarifications

Blue denotes an update since last presented
 Indicative roadmap – subject to change

02c – CHESS Release 2 Industry Change Requests – Sep 2026

ASX ID	Area	Description	Target Delivery Drop	Status
CRA-3828	Accounts	Restrict Registration details to prevent special characters <, >,	Drop 3	Planned
CRA-4101	Novation	Changes to incorporate guidance around implementation of house / client segregation for the treatment of crossing and informational trades	Drop 4	Planned
CRA-4102	SRN Enquiry Validations	Revise the validation criteria for SRN Enquiries	Drop 4	Planned
CRA-3800	Connectivity	Support SWIFT channel for payment providers	Drop 5	Planned
CRA-4028	Settlement Instructions	Addition of new settlement instruction fields – Trade Amount, Executing Broker Amount, Consumption Tax	Drop 5	Planned
CRA-4432	Corporate Actions	Provision of Bank Account information via messaging for Rights & Share Purchase Plans	Drop 5/6	In planning
CRA-4558	Transfers & Conversions	Additional business validations to support removal of the Registrable Transfer Document	Drop TBD	In assessment

Blue denotes an update since last presented

03 – CHESS Release 2 Industry Readiness

03 - Software Provider Readiness Dashboard

Testing momentum continues to grow, with a shift to broader Drop 2 coverage and increased focus on settlement workflows

Drop 1 ISO Message Testing

- 16 SPs (67%) have commenced testing on all available Drop 1 ISO messages, with SPs continuing to expand testing on account lifecycle workflows (acct_003)
- Several SPs have indicated they are considering seeking exemptions for specific account messages and are in the process of sending through exemptions for assessment.

Drop 2 ISO Message Testing

- Testing continues to build momentum with 19 SPs (79%) commencing testing D2 messages, with 18 SPs receiving successful responses - an increase of 5 SPs since August I&T WG
- 5 SPs have not yet commenced testing Drop 2 messages. ASX continues regular engagement with Software Providers to understand delivery/testing plans towards accreditation readiness
- Industry testing has expanded into broader Drop 2 features, with increased adoption of bilateral settlement instructions, batch settlement testing and end-to-end settlement workflows progressing
- The next opportunity to strengthen coverage across settlement workflows includes settlement updates, cancellations and linked settlement scenarios, which continue to see relatively limited testing across the industry.

Software Provider (SP) Readiness Metric	Impacted Milestone	Measure	On Track (Start measuring)	At Risk (if not completed)	Requires Remediation (if not completed)	Status
Drop 1: Commence testing messages	Software Provider Build & Test	Commence testing all Drop 1 ISO messages (refer to appendix for detail)	30 Mar 26	29 May 26	31 Jul 26	All Commenced
Drop 2: Commence testing messages	Software Provider Build & Test	Commence testing all Drop 2 ISO messages (refer to appendix for detail)	6 Jul 26	31 Aug 26	30 Oct 26	In Progress
Drop 3: Commence testing messages	Software Provider Build & Test	Commence testing all Drop 3 ISO messages	Oct 26	27 Nov 26	29 Jan 27	Not Started

Completed milestones: ITE2 AMQP Connectivity (Registry & Participant Software Providers)

Software Providers to indicate how they are tracking to milestone metrics and requested to notify ASX if their own program of work status declines to a level where they assess there is a risk in failing to meet milestone metrics

Software Providers [^]	Milestones – As at 21 September 2026		
	Engagement	Drop 1 Messages	Drop 2 Messages
SP1		Commenced	Commenced
SP2			
SP3			Commenced
SP4		Commenced	Commenced
SP5			Not Started
SP6		Commenced	Commenced
SP7			
SP8			
SP9			Not Started
SP10			
SP11		Commenced	Initiated
SP12			Not Started
SP13			
SP14			
SP15			
SP16		Commenced	
SP17			Not Started
SP18			
SP19		Commenced	Commenced
SP20			
SP21			
SP22			Commenced
SP23		Commenced	Not Started
SP24		Commenced	Commenced

Risk	Rating
Industry Materialised Schedule Risks	

[^] The number of Software Providers (SPs) are subject to change – Payment Provider (PP) SPs will be onboarded inline with PP Milestones

Organisations with approved exemptions for a message will be represented as successfully tested to maintain reporting anonymity

(Not yet commenced any messages)

Legend

Commenced – At Least 1 Successful Message

Commenced – All Messages

03 - Software Provider Coverage Dashboard

For noting

For discussion

For recommendation



ENGAGEMENT
24 / 24

TRACKING GREEN



INDUSTRY SCHEDULE
RISK STATUS
24 / 24

TRACKING GREEN



SOFTWARE PROVIDERS
TESTING
22/24 (+3 SPs)

TRACKING GREEN

D2 MESSAGE ACTIVITY¹
18/24 (+5 SP)
AT LEAST 1 SUCCESSFUL MESSAGE
IN PROGRESS

DROP 1 COVERAGE
COMMENCED ALL MESSAGES²
16 / 24 (1 SP)
IN PROGRESS

DROP 2 COVERAGE
COMMENCED ALL MESSAGES²
11 / 24 (+9 SP)
IN PROGRESS

As at 21-Sep-26

DROP 1 MESSAGE COVERAGE

Software Providers*	All expected ¹ – D1 Messages Successfully ² Tested	Account creation (acct_001)	Account modification (acct_003)	HBAL Reporting Request (rptg_601)	Account Notification Reporting Request (rptg_602)	Settlement Instruction Creation (sett_105_01)
SP1	○	□	□	●	□	●
SP2	●	●	●	●	●	●
SP3	●	●	●	●	●	●
SP4	○	●	●	●	□	●
SP5	●	●	●	●	●	●
SP6	○	□	□	□	□	●
SP7	●	●	●	●	●	●
SP8	●	●	●	●	●	●
SP9	●	●	●	●	●	●
SP10	●	●	●	●	●	●
SP11	○	□	□	□	●	□
SP12	●	●	●	●	●	●
SP13	●	●	●	●	●	●
SP14	●	●	●	●	●	●
SP15	●	●	●	●	●	●
SP16	○	●	●	●	○	●
SP17	●	●	●	●	●	●
SP18	●	●	●	●	●	●
SP19	○	□	□	□	□	●
SP20	●	●	●	●	●	●
SP21	●	●	●	●	●	●
SP22	●	●	●	●	●	●
SP23	○	●	●	□	□	□
SP24	○	□	□	□	□	●

DROP 2 MESSAGE COVERAGE

All expected ¹ – D2 Messages Successfully ² Tested	Settlement Instruction Creation (sett_105_02)	Settlement Instruction Cancellation Request (sett_107)	Settlement Instruction Update Request (sett_113)	TFN/ABN Advice (acct_012)
○	●	●	□	□
●	●	●	●	●
○	●	□	□	●
○	●	●	□	□
□	□	□	□	□
○	●	●	□	□
●	●	●	●	●
○	●	●	●	●
□	□	□	□	□
●	●	●	●	●
○	○	□	□	□
□	□	□	□	□
●	●	●	●	●
●	●	●	●	●
○	●	●	●	●
□	□	□	□	□
●	●	●	●	●
○	●	□	□	□
□	□	□	□	□
○	●	●	●	●
○	●	●	●	●
○	●	□	□	□
○	●	□	□	□

¹ Successful tested assessed as successful transmission of at least one message and does not consider if a Software Provider has successfully tested all permutations of a message that are appropriate for organisations using their software.

² All mandatory messages are assessed as expected messages. Approved exemptions are assessed as successfully tested to maintain Software Provider and exemption anonymity.

* The number of Software Providers are subject to change.

Note: Registry Software Providers marked as completing all inbound messages if target Registry outbound message generated tested to maintain Software Provider anonymity

Legend □ Not Started ○ Commenced - In progress ● Successful message received
On track At Risk Requires Remediation

ASX

03 – Software Provider Activity Dashboard

For noting

For discussion

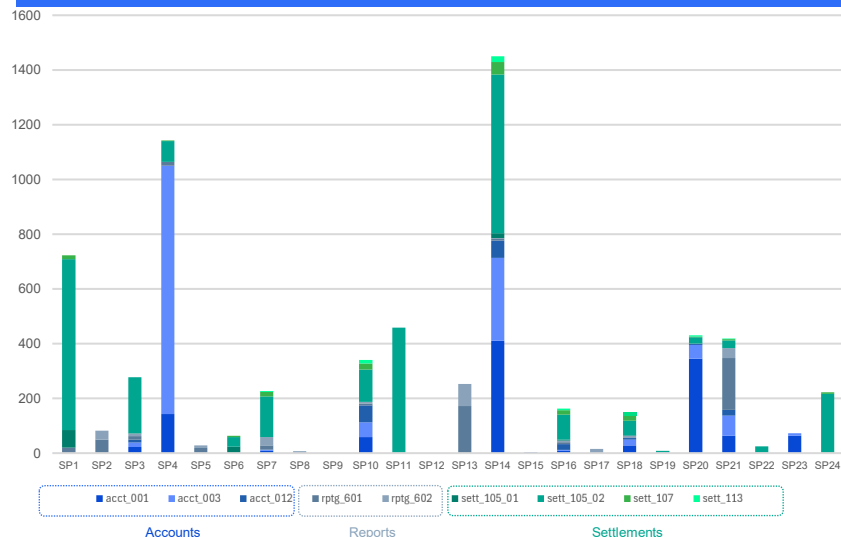
For recommendation

Growing adoption of Drop 2 settlement functionality is driving increased testing activity and broadening test coverage

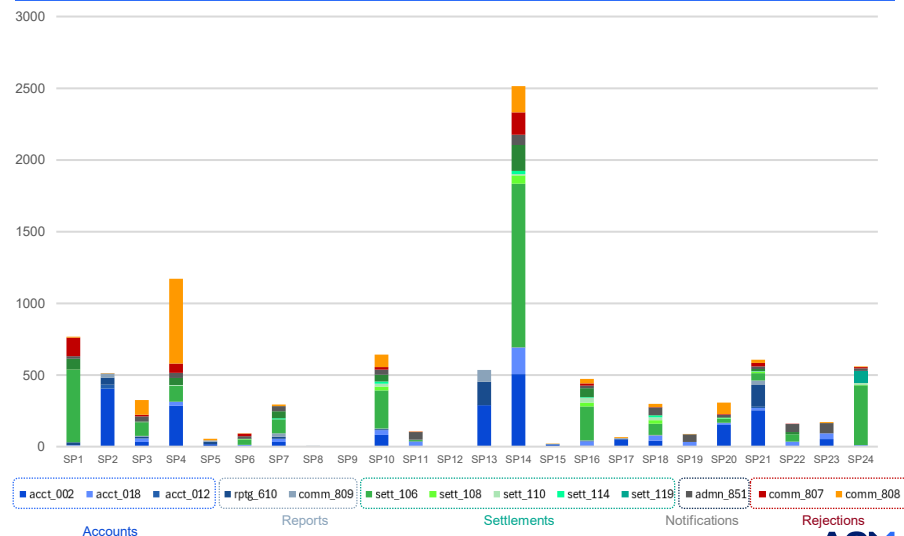
- Settlement testing coverage continues to broaden across Drop 2 scenarios, with Software Providers expanding testing beyond foundational Drop 1 unilateral non-batch settlement flows into the broader range of Drop 2 settlement scenarios
- Since the August I&T, where Drop 1 settlement messages represented more than 80% of settlement testing, Drop 2 bilateral and batch settlement testing has grown to account for over half of all settlement instructions. This shift highlights strong momentum in expanding test coverage and progress towards validating more complex settlement processes.

As at 21 September 2026

DROP 2 TESTING – INCOMING ISO MESSAGES



DROP 2 TESTING - OUTGOING ISO MESSAGES



Note: Not all response messages are shown in the outgoing graph to preserve chart readability and anonymity.

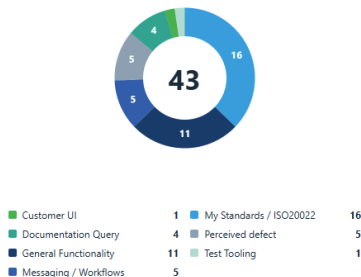
03 - ITE2 Support Requests

Support requests remain steady and manageable, with no current concerns regarding the volume of open cases or case ageing

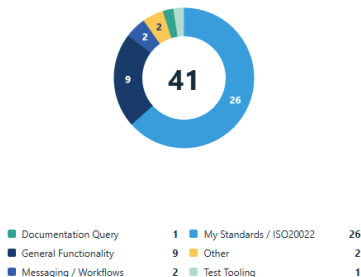
Functional Cases

Functional and operational support

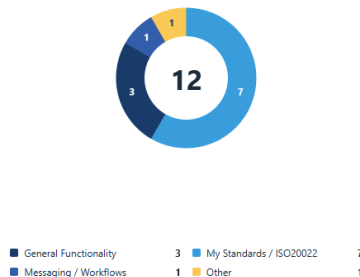
Functional Cases Last Month



Functional Cases This Month



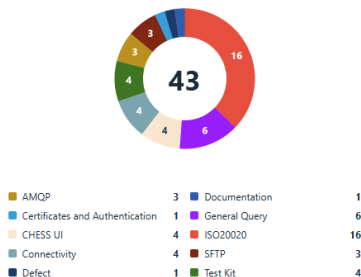
Functional Cases Open



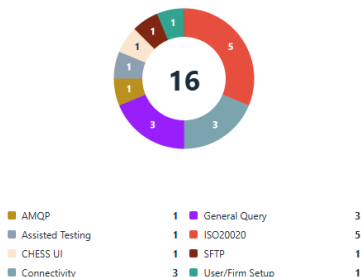
Technical Cases

Technical support

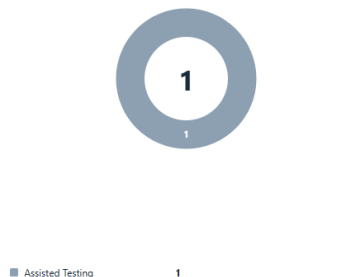
Technical Cases Last Month



Technical Cases This Month



Technical Cases Open



Functional Insights

- Account and holder management has generated the highest query volume, with recurring queries around modification message sequencing, lock and unlock rules, concurrent status change handling, and business validation logic
- Transfer and conversion workflows - particularly around issuer-sponsored-to-CHESS processes, have emerged as a growing area of interest, with several participants raising multi-part queries that have required internal escalation
- Holdings, reporting, and corporate actions queries have been increasing the past month, reflecting the beginning of engagement with Drop 3 scope.

Technical Insights

Majority of technical cases fell into these categories last month:

- Messaging Issues & Assisted Testing Requests
- Connectivity, AMQP Issues, Message Limits
- Drop 3, Future State ISO Queries
- Access Certificates
- SFTP Onboarding

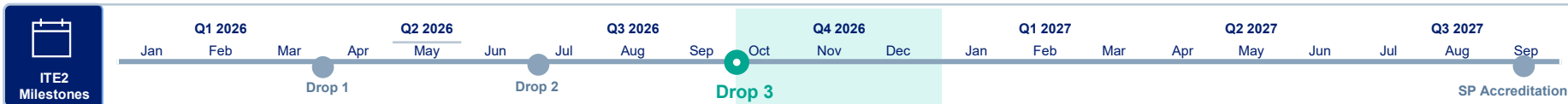
Reminder: Business Message Identifier uniqueness is maintained within a drop testing window but software providers should expect reuse / duplication across drop testing windows.

03 - Drop 3 Overview

For noting

For discussion

For recommendation



1. MARKET TRADES & CLEARING

Trade
Registration/
Cancellation
& Netting

Trade
Cancellation

2. ISSUER SPONSORED WORKFLOWS

Issuer to
CHESS
Transfer/
Conversions

CHESS to
Issuer
Transfer/
Conversions

SRN
Enquiry

3. CORPORATE ACTIONS

Claims &
Adjustments
(Cash Events -
Settlement
Failures)

Reports:
Cum
entitlement
balance and
holding
movement

4. SETTLEMENT INSTRUCTIONS

Holding for
Settlement
Reservation
& Releasing

Trust
Amounts
(Unilateral
batch)

5. HOUSEKEEPING

Settlement &
Issuer
Sponsored
Processes



NEW TEST TOOLS

1. REGISTRY AUTO RESPONDER

- Supports Participant users test Issuer Sponsored Workflows for SRN Enquiry, Issuer to CHESS, and CHESS to Issuer
- Registry Auto Responder authorises, rejects, or ignore based on configured set of SRN data and security codes provisioned.

2. TRADE FILE UPLOAD TOOL

- Ability to submit trades through to CHESS without passing through an AMO (using SFTP).

3. CORPORATE ACTION CALENDAR

- Non-production Corporate Action events and securities will be scheduled on an alternating fortnightly cycle to support testing of cash event message flows and reports.

Details to be published in the Drop 3 Release Notes and updated [CHESS Release 2 Guide to Industry Testing](#)

TEST KIT ENHANCEMENTS

PARTICIPANT TEST KITS

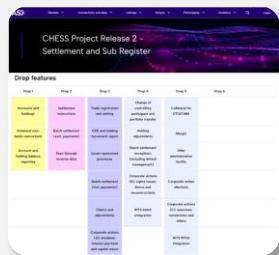
- 4 Trading Participants clearing through 2 Clearing Participants
 - 2 existing Participant UICs will have Trading & Clearing roles applied
- Settlement Entrepôt accounts linked to Position Accounts
- Separate **Trade Notification Queue** added as per Software Provider's instructions (optional)
- New Fixed Income security type added, with a set of new securities seeded in Accumulation HINs to support Corporate Action testing.

REGISTRY TEST KITS

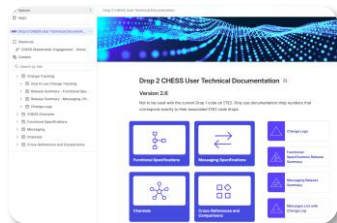
- New Fixed Income Security Type added, with a set of new securities seeded in the test Participant's Accumulation HINs to support Corporate Action testing.

Details to be published in the [CHESS Release 2 Guide to Industry Testing](#)

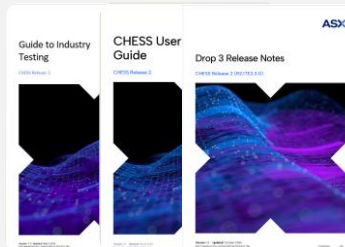
03 – Drop 3 Reference Material to Support Build & Testing



CHES
R2 Hub



CHES
UTDs



Documents



FAQs



Known
Issues
Log

CHES Release 2 Hub:

- R2 Drop Features + Roadmap
- Link to Documentation
- R2 document roadmap
- Contacts for Support
 - [Technical support](#)
 - [Functional support](#)
 - [General queries and Relationship Management](#)

Drop 3 CHES User Technical Documentation:

- Release Summary - [Functional Specifications](#)
- Release Summary - [Messaging, Channels and Cross-References and Comparisons](#)
- [Drop 3 - Messages List with Change Log](#)

Relevant Documents:

- Drop 3 Release Notes
 - Available functionality
 - Assisted Process Testing
 - Corporate Actions Calendar
- Updated CHES UI Guide
- Updated Guide to Industry Testing
 - Test Tools: New Registry Auto Responder, Trade File Upload Tool
 - Quick Reference Guide

Updated [FAQs](#):

- Connectivity FAQs
- Testing FAQs
- CHES Test Kits
- CHES UI
- Common Terms

[Known Issues Log](#) to be updated to include:

- Drop 3 technical issues
- Resolved issues from Drop 1 and Drop 2

03 - Planned Drop 3 Auto Responders & Tooling

For noting

For discussion

For recommendation

Auto responders for Issuer Sponsored security messaging and SFTP Test Trade File Upload Tooling available with Drop 3 functionality

05 - Release 2 Drop 3 Tooling Overview

ASX is proposing the following tooling to support Software Provider build and test activities for Drop 3



SRN Enquiry

Registry: Simulate a Participant SRN Enquiry through the CHES UI.

Participant: Registry Auto Responder returns an SRN Balance Report, rejection, or no response based on configured set of SRN data and security codes provisioned.



CHES To Issuer Transfers

Registry: Simulate a Participant request through the CHES UI.

Participant: Registry Auto Responder returns an SRN Balance Report when 'consent to receive SRN' is selected.



Issuer to CHES Transfers

Registry: Simulate a Participant request through the CHES UI.

Participant: Registry Auto Responder authorises, rejects, or ignore based on configured set of SRN data and security codes provisioned.



Trade File Upload Tool

Participant: Ability to submit trades through to CHES without passing through an AMO (using SFTP).

27 Implementation and Transition Working Group | 29 August 2026 | Public

ASX

Drop 3 Test Tooling:

- Previously covered in [20 August 2026 Implementation & Transition Working Group](#)
- Further details will be published in the [CHES Release 2 Guide to Industry Testing](#)

03 - Existing Known Issues update

[For noting](#)[For discussion](#)[For recommendation](#)

Most known issues from Drop 1 and Drop 2 testing to be closed – several to carry over into Drop 3 testing window

46 open external defects for Drop 1 and Drop 2 exist in the Known Issues Log as at the completion of the Drop 2 testing window. 35 were resolved and delivered as part of Drop 3. Of the 11 remaining open defects, none are assessed as blocking settlement, registry or corporate action processing.

Ref ID	Remaining D1 and D2 Open Defects Summary
CHR-31753	CHESS UI Accounts: Restricted special characters " " (pipe) is allowed in the Holder Name and Designation fields.
CHR-36474	CHESS UI: Search is case sensitive for all queries and requires search details to match exactly
CHR-41605	ISO Messages: Negative Test - CHESS Release 2 solution may not reject ISO messages with duplicate <BizMsgIdr> values when being processed in close succession
CHR-44368	ISO Messages: Incorrect routing and referencing in Settlement Instruction Cancellation Removal Notification (sett_123) for bilateral scenarios
CHR-44670	ISO Messages: Duplicate Settlement Instruction Advice (sett_106) messages may be generated and processed for a single transaction
CHR-44912	ISO Messages: Settlement Instruction Confirmation (sett_119) messages may not be generated for some transactions during high-volume processing scenario
CHR-44928	CHESS UI: Incorrect values may be populated in certain CHESS UI screens - The 'Hold Reason Additional Information field' is not available in CHESS UI (other identified items resolved)
CHR-45934	ISO Messages: Headers for some messages in the response queues may be missing tags/tag values
CHR-48900	ISO Messages & CHESS UI: Holding balances for historical dates may differ from the specification
CHR-50256	ISO Messages: Account cancellations initiated by ASX Operations may incorrectly generate an unsolicited Account Modification Instruction Acknowledgement (acct_018)
CHR-50613	ISO Messages: Account Modification requests (acct_003) containing multiple modifications for the same Holder Identifier may be incorrectly rejected

03 – Known issues impacting testing in ITE02

For noting

For discussion

For recommendation

ASX targets delivery of testable code with each ITE drop to enable industry testing to progress. Several issues impacting testable workflows exist however all core Drop 3 functionality is operational and available for industry testing

Feature	Functionality	Known Issues
Clearing Services	Trade Registration and Netting	All testing available with no known issues
Settlement Services	Settlement Instructions	Testing available for all messages with workarounds – Some messages may not be generated or may be generated with incomplete or stale tag values in specific scenarios.
	Claims and Adjustments	Testing available for all messages with workarounds – Claims may not be generated for Settlement Instructions in several statuses but are testable in statuses including 'Matched'
	Cash Corporate Actions	All testing available with no known issues
Subregister Services	Issuer Sponsored processes	Testing available for all messages with workarounds – Select message tags not populated or populated with stale data but do not impact workflow completion
	Reports	Testing available for all messages with workarounds – Some reports include extra records for zero balance holdings, and some reports require more input information than just an ISIN or a HIN to populate
CHESS UI	UI Initiated workflows	Testing available for all messages with workarounds – Some field values become stale after updates or are populated with incorrect or null values
Industry Test Tooling	Auto Responders	Testing available for all messages with workarounds – Single Settlement Auto Responder Settlement Instruction Cancellation workflow failing to settle when specific sequence followed



Details of new Drop 3 Known Issues are available in the [Known Issues Log](#)

Note: ASX completing remaining Drop 3 testing as at 24 September 2026 I&T Working Group. Published Known Issues Log will contain final list of identified known issues

04 – Working Group Updates

04a – Implementation & Transition Working Group (I&T WG)

04a – I&T WG Summary

24 September 2026 Implementation & Transition Working Group

Relevant I&T WG Documents

[IT WG Presentation Material](#)



Next Implementation &
Transition Working
Group 22 Oct 2026

Cutover and Implementation Dress Rehearsals

- ASX advised that it was preparing a standalone cutover planning pack to centralise the initial assumptions shared at the September 2026 ITWG and to support further industry discussion. The more detailed cutover migration approach and operating model remain scheduled for later stages of the program
- ASX outlined that it intends to conduct internal rehearsals before industry implementation dress rehearsals. The industry rehearsals are expected to validate the end-to-end cutover sequence, including data migration, deployment, participant changes, connectivity, business verification testing and migration reconciliation
- ASX recommended for ITWG members use the September 2026 ITWG material to commence internal planning and raise concerns early, while acknowledging that further detail will be provided through the standalone cutover pack and subsequent working-group engagement.

Parallel Testing

- ASX provided an overview of its approach for parallel testing and advised that the scope, success criteria and assessed workflows are planned to be developed with industry over upcoming I&T WG meetings
- ASX proposed 4 cycles across the parallel test phase as the initial planning assumption. No ITWG member feedback was raised regarding the proposed four-cycles.

Timeline Checkpoint 2

- ASX provided an overview of Timeline Checkpoint 2 which would be facilitated as an industry survey to assess industry confidence and risks against Software Provider Accreditation, CHES User Operational Readiness and Release 2 go-live milestones, including whether confidence has changed since Timeline Checkpoint 1
- ASX requested responses from all Software Providers and CHES Users. Organisations that do not respond through the survey may be followed up through bilateral engagement
- No specific concerns or objections were raised during the Timeline Checkpoint 2 discussion. The principal industry consideration identified during the September 2026 ITWG meeting was that confidence assessments will depend on sufficient clarity regarding the scope and effort associated with cutover, dress rehearsals and parallel testing.

User Technical Documentation

- ASX provided an overview of planned the Drop 3 deployment, functionality, test tools and test-kit enhancements, and advised that holding administration lock/unlock functionality had been deferred to Drop 4
- No member questions were raised on the September documentation revision or the Drop 3-to-Drop 4 functionality deferral.

04a – Cutover weekend indicative outline

Overview and timeline

Single-weekend cutover

Release 2 is proposed to go live over one weekend. The market closes as usual on Friday afternoon, EOD processes are run, ASX migrates and deploys, participants make their changes, and BAU resumes Monday.

Multiple Implementation Dress Rehearsals (IDRs)

The weekend is intended to be fully rehearsed with the industry before go-live. IDRs are mandatory for all CHES users and will be a dry run of the real event — same data, timing, sequence and duration.

Why start now?

Rehearsals are intended to be scheduled across weekends in Q4 2028. CHES users will need to make adequate preparations, such as organising staff to be rostered out-of-hours, having required environments available, and internal runbooks and rollback plans written and validated.

Indicative outline of cutover weekend

FRI**Friday End of Day**

Market closes; final messages downloaded; CHES access disconnected

SAT**ASX migration & deployment**

Reference/settlement data migrated & reconciled; platform deployed & technically verified

SAT**CHES user changes + BVT**

Participants to make own system changes and complete required verification testing for connectivity

SAT/SUN**Go / No-Go decision**

Readiness confirmed by ASX against exit criteria; migration reports reviewed

MON**Business as usual**

Clearing and settlement resumes on the new platform at market open on Monday

04a – Rehearsal requirements and details

Environment, connectivity and data requirements for Participants

Cutover must validate the data migration and confirm readiness for Day 1 business. This means reconciling and signing off the customer reports ASX provides against CHES User production systems. This cannot be done on obfuscated data, so rehearsals are intended to run on real, unmasked production data with production-grade security.



Production-like environment

ASX plans to provision a production-like environment (**Pre-Production Staging Environment**) for the dress rehearsals inside the ASX Production ringfence. Participants connect to it for Business Verification Testing (**BVT**) during IDRs. Participants are expected to keep their Prod-like environment separate from live CHES and available after the weekend for Day 1 testing.



Connectivity & onboarding

Participants are expected to:

- provision network access (e.g. ASXNet / SWIFTNet) and exchange security certificates
- prove connectivity to Pre-Prod Staging Env before each event
- plan how this will be achieved for the actual cutover, which will likely be to a different environment.



Production-grade security

Rehearsals propose to use unmasked production data.

Participants are expected to:

- apply production-level controls and align to ISO Standards
- validate their security posture.

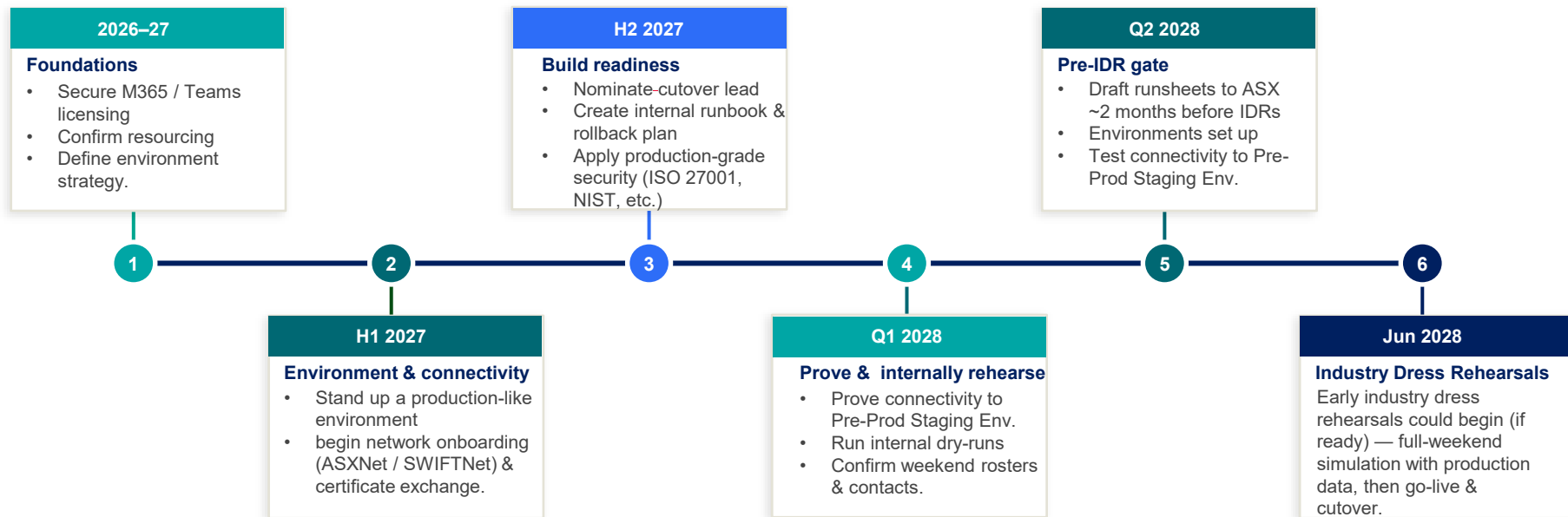


Data & migration reports

Participants are expected to analyse the customer migration reports they will receive and build a plan to reconcile them efficiently on the weekend.

04a – Proposed roadmap for the cutover rehearsals

Anchor planning to the early industry dress rehearsals currently scheduled June 2028, then work *back* quarter by quarter. Start with the longest-lead items — licensing, environments and connectivity — and work *forward* quarter by quarter.



Longest lead time starts earliest — begin the left-hand items now.

04a – Parallel Test Purpose

- Perform monitoring and assessment of industry solutions and processes using production data and volumes in production grade infrastructure to validate success criteria achieved
- Validate that CHES Release 2 solutions and processes can efficiently and effectively execute production-volume workflows and critical business processes (including those open at cutover), using production data, triggers, and outcomes as the benchmark for comparison.

WHAT IT IS

- Validate outcomes of transactions associated with key workflows can be triggered using production data / triggers and completed in line with defined success criteria
- Only production data and calendars / events will exist in the Parallel Test environment.

WHAT IT'S NOT

- Not a parallel run with exact replication of production processes and outcomes **for all transactions** – specific success criteria to be defined and explainable difference in some outcomes expected
- Not a phase where non-production calendars or events can be tested – non-production events for scenario coverage performed in prior test phases.

WHO

All CHES Users (supported by ASX Operations):

- C&S Participant
- Settlement Only
- Registry
- Payment Provider

HOW

- To-be-determined solutions to trigger production transactions associated with key workflows in staging environment. Workflow completion required by CHES Users
- **ASX to monitor** and assess selected key workflows to verify to-be-determined success criteria met
- **Users to perform their own assessments** in parallel with ASX and attest their go-live readiness when completed.

WHEN

- November 2028 – March 2029
- Four 1-week cycles proposed (Industry feedback sought):
 - 2 cycles in Q4 2028
 - 2 cycles in Q1 2029

04a – Approach for Key Areas of measurement

3 key areas of validation proposed with measured transactions and success criteria to be determined once approach confirmed



Migrated 'in-flight' transactions complete as per production outcomes

Mitigate: Cutover transaction risks

Measure: compared values align, or align to production with explainable differences



Agreed new transactions for measurement completed successfully in line with defined acceptance criteria

Mitigate: System accuracy processing production data at regular production volumes

Measure: compared values align, or align to production with explainable differences



All key processes and transactions can be completed at production volumes successfully

Mitigate: Business and system management of daily obligations

Measure: unexpected open transactions, and transaction errors

04a – Potential Parallel Testing Measured Processes

Processes for specific measurement to be defined and success criteria to be determined, noting that events are limited to what's occurring in production at the time

Proposed messages and processes to consider for specific for measurement (may not be feasible but to be assessed)

AMQP	Ability to connect, read/write to AMQP Queues, maintain stable session	Resilience	Ability to generate & transmit BCP Files	Issuers & Instruments	Listings, Delistings, Suspensions
Reference data	Calendars	Market Trades	Register and novate market trades from AMOs	Netting & Novation	Calculate and generate individual settlement and Nett Obligations
Transfers	Complete relevant Unilateral & Bilateral Transfers	Settlement instructions	Management of settlement instructions incl failures through to completion	Settlement	Batch and real-time settlement completion
CMM & Collateral	ETO & CMM cover & margin advice	Corporate Actions	Unit adjustments, code changes & claims	Customer reporting (other)	Generation and distribution of Specified Demand and EoD Reporting
Issuer Conversions	Conversions, sub-register, encumbrances and enquiries	Primary Market Facility and ETFs	Management of any settlements associated with Primary Markets + ETFs		

Not specifically measured for success criteria (may still be required to complete parallel test processes)

User onboarding & management	End-to-end management of users and their identity and access	Individual A/c management	Account creation & maintenance	Payments	Payment facilities, pre-payment auth. and RITS funds movements
Mailing house & eStatements	Paper and electronic statements and notifications	Billing	Revenue estimation, customer billing, billing interfaces and fail levies	Bulk Account Management	Appendix H & Bulk closures
Cutover	Cutover scope, approach and rehearsals	Default Management	Participant failure and bulk obligation rebooking	Test data, Tools, and environments	Integrated CHES User Systems and processes
Agreements controls	Clearing + Settlement Rules, CHES User Agreements, Supervision	Data migration	Migration of all CHES data, Migration reconciliation	Up & Downstream Systems	All reporting to Ops, risk, statistical, management, regulatory etc

04a - Timeline Checkpoint 2

Plans to continue measuring industry confidence & risks for key milestones



Software Provider Accreditation

Questions relating to confidence and risks impacting Software Provider Accreditation Readiness by September 2027



CHES User Operational Readiness

Questions relating to confidence and risks impacting CHES User Operational Readiness by June 2028



2029 Go-Live

Questions relating to confidence and risks impacting Go-live Readiness by Q2 2029



Further Details

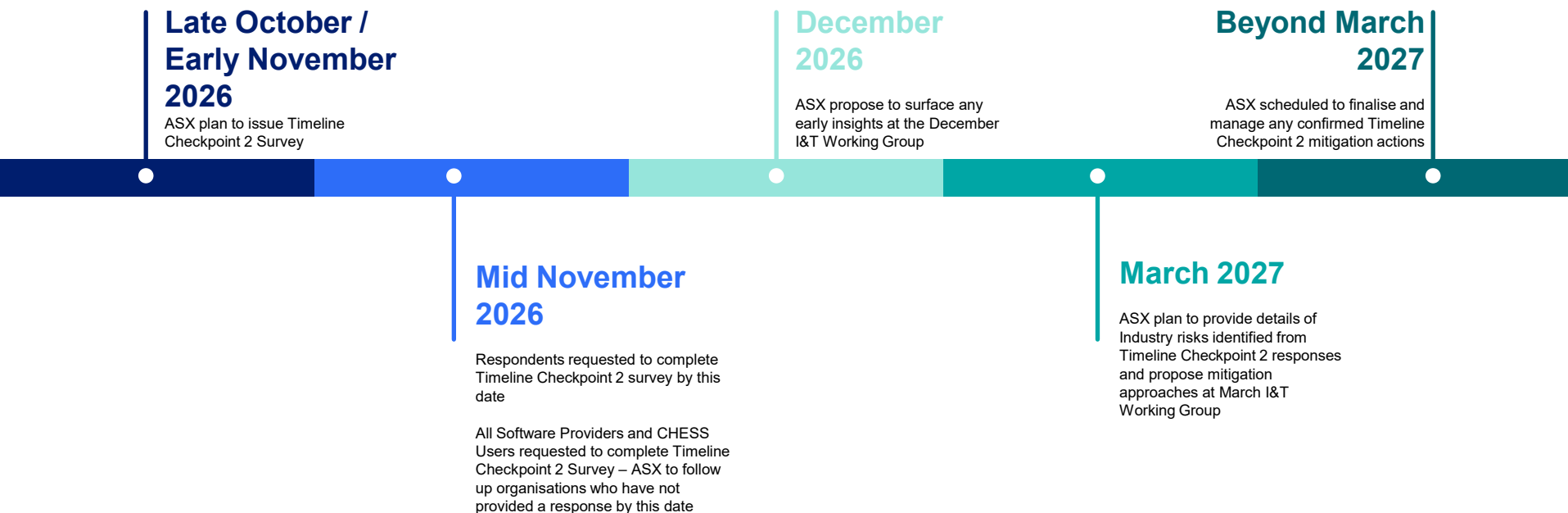
Free-text space provided for organisations to outline specific information relating to their ability to achieve the planned Release 2 schedule



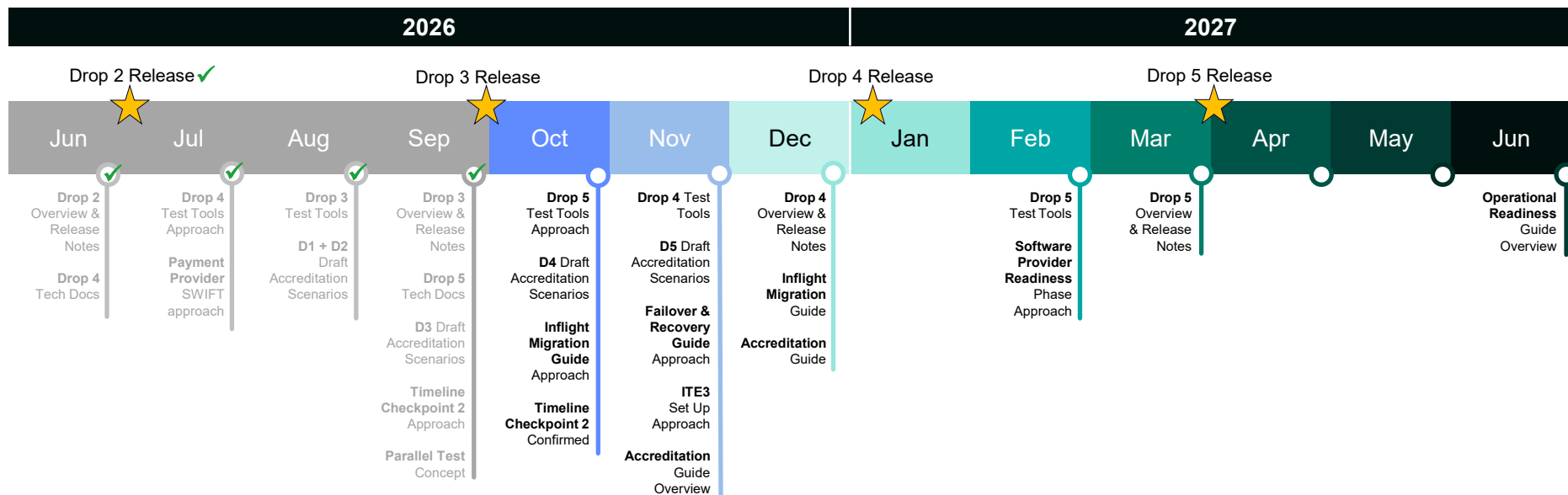
All Release 2 Software Providers and CHES Users are requested to complete the Timeline Checkpoint 2 survey

04a – Timeline Checkpoint 2 Planned Schedule

Survey is planned to be available for response in early-mid November 2026



04a – Planned I&T Engagement Roadmap



04a – I&T WG Open Actions

As of September 2026

#	Action	Raised	Update	Status
ITWG_39	ASX to clarify SETT_105 accreditation scenario requirements	20 Aug I&T WG	Update planned to be provided within Sep I&T WG	Closed at 24 September 2026 ITWG meeting

04b – Business Design Working Group (BD WG)

04b – BD WG Summary

7 October
Business Design
Working Group –
ETF Deep Dive

Relevant BD WG Documents

[BD WG Presentation Material](#)



Next Business Design
Working Group
4 Nov 2026

ETF Creations & Redemptions

- ASX outlined Release 2 improvements that could support automation, reduce risk and speed up ETF creation and redemption processes ahead of T+1
- A proposed procedural change would replace holding adjustments with transfers and conversions
- ETF workflows sit within ASX procedure guidelines and generally do not affect software design or rules
- Industry views differed: some saw no need for change, while others felt the proposals should go further
- ASX plans to share further detail and alternative options with the BD WG in the coming days
- Further feedback and discussion at the December BD WG will inform the final ASX procedure guidelines, due for publication next year.

Additional Investor Data

- ASX outlined progress on additional ETF investor information. Some ETF issuers highlighted significant industry benefits from sharing adviser details.
- ASX will assess whether to include this information in Release 2 or a later release
- ASX proposed supporting partial DRP elections for all nominees and will seek input from issuers and registries on current limitations and restrictive plan rules.

Paperless Communications

- Following recent Business Committee discussions, ASX presented initial proposals for moving to paperless communications by 2029 and how Release 2 could support this
- The proposals attracted substantial feedback, with discussions to continue across multiple forums.

Minimum Marketable Parcel

- ASX outlined a review now commencing on the minimum marketable parcel framework for ETFs in response to industry feedback, including input from Release 2 engagement. This feedback suggested reviewing the framework and considering a reduction in the minimum parcel size.

04b - Proposed Upcoming BDWG Sessions – 2026

Indicative schedule

#	Session	Topic(s)	Invitees	Proposed Date	Status
32	ETF Forum	ETF Deep Dive	All	7 October 2026	Planned
33	Corporate Action Elections – Additional Deep Dive	Additional deep dive discussion to resolve outstanding items in relation to Corporate Action elections	All	4 November 2026	Planned
34	Release 2 Additional Deep Dives	Operational hours, settlement linking, hold and release functionality (continued)	All	2 December 2026	Planned

Note: indicative order, subject to change based on industry inputs and further planning. Multiple sessions may be required per topic
 Blue denotes an update since last presented

04b – Business Design Working Group Open Actions

As of September 2026

#	Action	Raised	Update	Status
BDWG_21	Provide finalised update in relation to consolidated feedback on hold / release	Aug 2025 BD WG & Sep 2025 ISO WG	- Outstanding questions remain in relation to close-out, fail fees, rules and obligations - Discussed in September BD WG, to be discussed further in December BD WG	Open
BDWG_29	Clarify auditability functionality, including maker / checker, in relation to the CHES UI	Jun 2026 BD WG	Continuation of discussions around the CHES UI will be planned for future BD WG sessions (month TBC)	Open

05 – Corporate Action Election Functionality

05 - Corporate Actions Elections Functionality

Update on the 16 September Business Committee meeting

- ASX proposed its recommendation for Corporate Action election functionality, including the engagement process, ASX's responses to industry feedback and the detailed solution design.
- ASX clarified the proposed mandatory development of Corporate Action election functionality by Share Registries and Participants
 - Share Registries would be required to develop the capability to accept a valid election submitted through CHES
 - Participants whose client election processes continued to rely on less automated arrangements (for example processing elections via email or spreadsheets) would be expected to develop the proposed solution design. Participants would not be expected to enter Corporate Action election processes they did not currently perform or provide and were not expected to replace established, acceptable electronic arrangements such as BPAY.
- Significant discussion was generated around the industry benefits and challenges of implementing the new functionality. Custodians, institutional Participants and full-service retail Participants continued to provide strong support. Select share registries requested further engagement on the supporting legal framework and operating model impacts.
- The recommendation on the proposed solution design for Corporate Actions functionality was deferred to the 10 December 2026 Business Committee meeting to address the concerns raised by select Share Registries.

05 - Corporate Actions Elections Functionality

ASX plans to revert to the Business Committee with its recommendation on corporate action election functionality at the 10 December 2026 Business Committee meeting

Industry Next Steps

ASX plans to hold a final Business Design Working Group session on **Wednesday 4 November 2026** to respond to feedback received, covering:

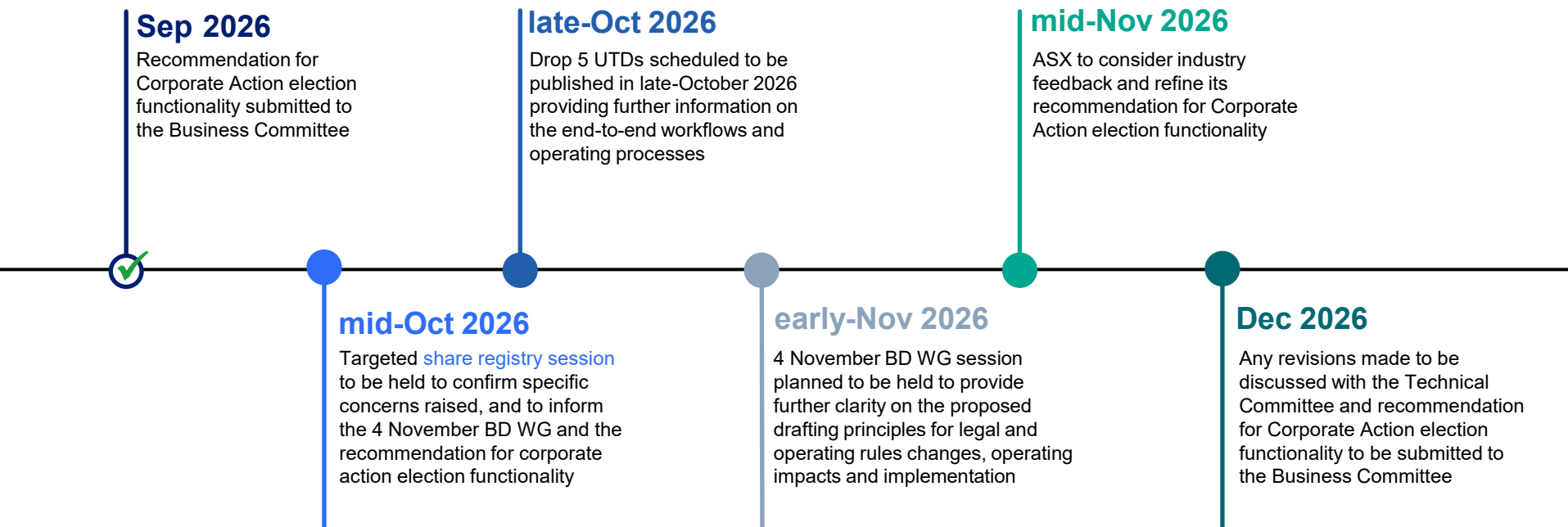
- The principles underpinning the proposed Operating Rule framework
- Operating impacts of the proposed solution design
- Implementation cost drivers and industry impacts
- Processes for transmitting beneficial holder information
- Mandatory adoption and exemption considerations
- Accreditation, testing and implementation timelines.

ASX Additional Considerations

ASX advised Business Committee members that:

- Finalised drafting of the proposed amendments to the ASX Settlement Operating Rules for Release 2 will not be available by 10 December 2026 as this is dependent on the agreed functional design, and formal industry consultation on the proposed Operating Rules is not planned to commence until April 2027
- Drop 5 User Technical Documentation is expected in October 2026 to provide further detail on end-to-end workflows and operating processes
- ASX is unable to produce a complete industry-wide or cohort-level business case without access to organisations' confidential cost and benefit information, however industry feedback and data points can help illustrate the impacts of current processes.

05 – Corporate Actions Elections Indicative Timeline



Blue denotes an update since last presented

06 – Customer Data API

06 - Customer Data API

ASX proposal for the Customer Data API

Overview

An optional Customer Data API (**API**) was proposed as part of the Consultation on the Scope and Implementation of Release 2 and was subsequently confirmed as in scope for engagement in ASX's response of 26 November 2024.

Some use cases the API was intended to facilitate include:

- Real-time access to holding balances
- Future interoperability requirements for third party data access.

Whilst industry provided initial interest as part of response to consultation, there hasn't been significant engagement on the API to date and analysis has been limited due to prioritisation on core CHESS Release 2 functionality.

ASX Proposal

Given the potential risks of delivering an additional API as part of the core solution, and the impacts to the critical path, it is proposed that a dedicated data API is not considered part of the scope for Day 1.

To ensure the CHESS Project promotes future data access capability and interoperability however, we propose to enable an API that could provide:

- access to holding balances for ASX's statements vendor* in real-time
- the same data feed to Participants and Registries optionally for similar use cases, with an option to extend to third parties.

ISO 20022 over AMQP will remain as the preferred method of communication for CHESS User connected systems for messages. The API could be enabled for additional value-add services at a later date.

* The existing file-based interface would be retained on a like-for-like basis with minimal change, with API being developed as the future solution.

07 – Collateral Management System Update

07 – Margining REST API

Context and overview

ASX proposes to offer several integration options and notification methods to enable direct access to the Collateral Management System, across markets (Cash Market, ETOs, Futures).

One option will be via a REST API, aligning with other non-cash interfaces. Integration via REST API will not be mandatory - organisations may determine the most relevant access method for their organisation.

Function	UI / Email	ISO 20022			CSV / PDF
		Rest API	SFTP	AMQP	SFTP
Margin Notification	Yes	Yes	Yes	No	Yes
Excess Cash Management	Yes	Yes	N/A	No	N/A
Collateral & Interest Earned Statements	Yes	TBC*	TBC*	No	Yes
Future Collateral Optimisation Opportunities	Yes	Yes	N/A	No	N/A

** To be confirmed with industry at a future date*

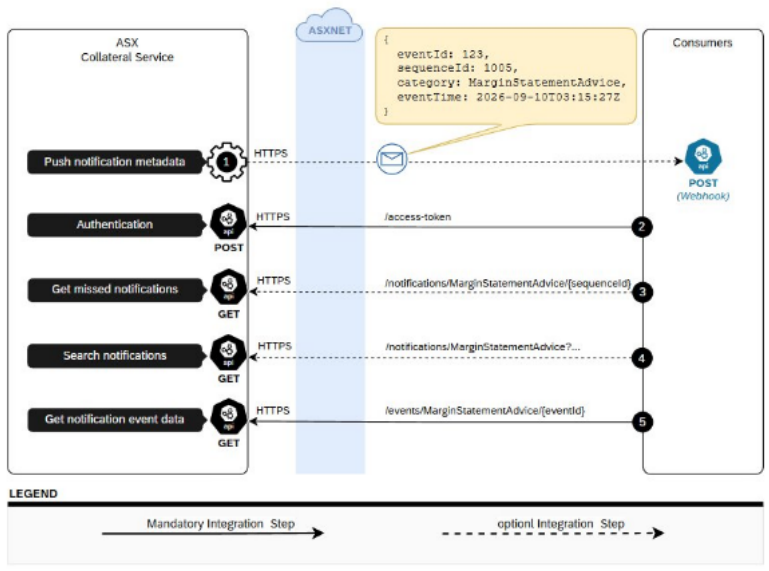
07 – Margining REST API

ASX proposal for the Margin Advice notification API

In order to expedite delivery of margining notifications to participants, ASX will support a ‘webhooks’ approach wherein:

- Participants register a webhook (callback service) with ASX at the time of onboarding
- ASX will ‘push’ a notification to that webhook which notifies the Participant that a margin advice is ready for retrieval
- Participants will ‘GET’ the margin advice using the REST API and the provided reference.

Alternatively, or as a fallback, participants can poll the REST API to ‘GET’ outstanding notifications. Further details will be provided during the 8 October Technical Committee meeting and will be distributed post the session.



#	Step
1	Webhook notification delivery (Optional) The Notification Service sends a webhook notification to the consumer's configured webhook endpoint.
2	Consumer authentication (Required) Before accessing protected APIs through the API Gateway, the consumer application must obtain an OAuth 2.0 access token.
3	Retrieval of a specific or missed notification (Optional) If a webhook notification is missed or cannot be successfully processed, the consumer application can retrieve the corresponding notification metadata by querying for the specific event ID.
4	Notification search (Optional) The API supports search criteria that allow the consumer to retrieve notification metadata for the specified category based on criteria. E.g. From & To.
5	Event data retrieval (Required) After receiving a notification, the consumer application can invoke the callbackUrl (provided out of band) to retrieve the complete event data

08 – CHESS Release 1 BAU Update

08 – CHES Release 1 BAU Updates

Indicative schedule as at September 2026

Release	Summary	External impact	Implementation
CHES Clearing Release 1.1	CHES Release 1.1 enhancements for internal functionality and non-functional FIX gateway changes. Duplicate message process mitigation. Further information will be provided directly to AMOs.	AMO only	Target end Oct 2026

As part of normal operations, the BAU team is expected to continue carrying out scheduled technical maintenance. This is expected to include routine upgrades and monthly patching to keep systems secure, stable, and resilient. These activities are not expected to impact external customers or market operations

09 – Forward Engagement and AOB

09 – Indicative Forward Engagement Calendar

	October 2026	November 2026	December 2026
Technical Committee	8 October - CHESS Release 2 Project and Working Group updates - CHESS Release 2 Drop 3 Overview - Corporate Action Election Functionality - Customer Data API - Collateral Management System Update	5 November – In Person - CHESS Release 2 Project and Working Group updates - CHESS Release 2 Drop 5 UTDs - Timeline Checkpoint 2	3 December - CHESS Release 2 Project and Working Group update - Corporate Action Election Functionality - H2 2026 Pulse Survey 2027 Forward Engagement Schedule
Implementation & Transition Working Group	22 October - ITE2 Activity & Query Support Updates - Technical Documentation Update - Drop 5 Test Tools Approach - Inflight Migration Guide Approach - Timeline Checkpoint 2	26 November - Drop 4 Test Tools - Drop 5 Draft Accreditation Scenarios - Failover & Recovery Guide Approach - ITE3 Set up Approach - Accreditation Guide Overview	17 December - Drop 4 Overview and Release Notes - Inflight Migration Guide - Accreditation Guide
Business Design Working Group	7 October ETF Deep Dive	4 November Corporate Action Elections – Additional Deep Dive	2 December Operational hours, settlement linking, hold and release functionality (continued)
ISO Design Working Group	As required	As required	As required
Issuer Engagement	21 October CHESS Project overview	-	-

09 - Indicative Forward Plan - CY2026

Technical & Business Committee 2026 Dates

Month	Date	Time
CHES Replacement Technical Committee		
November – In person	Thursday 5 November	3pm - 5pm*
December	Thursday 3 December	2pm – 3.30pm

Month	Date	Time
ASX Business Committee		
December	Thursday 10 December	4pm – 6pm

ASX is planning to hold the 5 November Technical Committee meeting in-person and invites all members to ASX's Martin Place office. ASX is expected to confirm the meeting details with all members via the CHES Project inbox



Questions



Observer Feedback

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