CHESS Replacement Technical Committee Minutes

4 June 2025 Meeting

At the 4 June 2025 meeting, the Technical Committee Agenda and the Actions were:

AGENDA AND KEY TOPICS DISCUSSED

- Welcome, open actions and feedback
- Project status
- CHESS Release 1 Build and Test update
- CHESS Release 1 cutover approach
- Working group updates
- CHESS Release 2 optional versus mandatory functionality
- H1 2025 pulse survey results
- Forward engagement for 2025

AGREED ACTIONS

There was one new action raised at the June 2025 meeting for the Technical Committee.

1. ASX to determine whether industry participants would be required to attest to CHESS Release 1 rollback plans

Minutes from the meeting are attached.

Agenda

CHESS Replacement Technical Committee

Date	4 June 2025	Time	2:00pm – 4:00pm
Location	Microsoft Teams Meeting		

Agenda

1.	Welcome, Open Actions, Feedback
2.	CHESS Project Status
3.	CHESS Release 1 Build and Test update
4.	CHESS Release 1 cutover approach
5.	Working group updates
6.	CHESS Release 2 optional v mandatory functionality
7.	H1 2025 pulse survey results
8.	Forward Engagement for 2025

Action Items Raised in Meetings

Item number #	Action	Due date	Status	Owner
2025 June (1)	ASX to determine whether industry participants would be required to attest to CHESS Release 1 rollback plans	Ongoing	Open	ASX
2025 April (1)	ASX to consider how it could provide further transparency on changes to ISO Design for Technical Committee members to track changes being proposed in the ISO Working Group	Ongoing	Open	ASX
2025 May (1)	ASX to provide the final list of optional and mandatory functionality in advance of submission to the Business Committee meeting.	June 2025	Closed	ASX
2025 March (1)	ASX to consider including a pulse survey question on the operating model between the Technical Committee and the Working Groups	May 2025	Closed	ASX
2025 February (1)	ASX to assess the feasibility to use BICs as the primary method of identification for the CHESS project	April 2025	Closed	ASX
2025 February (2)	ASX to provide a 3-month forward engagement plan of the Technical Committee and Working Groups covering the key topics to be discussed	March 2025	Closed	ASX
2024 December (1)	ASX to provide additional information on how participant cohorts responded in the consultation for the Release 2 implementation approach	February 2025	Closed	ASX
2024 December (2)	ASX to provide a schedule on when the scope objectives that require further engagement will be taken back to the Technical Committee and Business Committee in 2025	February 2025	Closed	ASX
2024 November (1)	ASX to consider further industry engagement at the ESPPSC to discuss participant viewpoints on payment channels	February 2025	Closed	ASX
2024 August (1)	ASX to clarify the ability to access CHESS through an AWS end point	February 2025	Closed	ASX

CHESS Replacement Technical Committee Members

Company	Representative	Title	Delegate / Apology
ASX	Tim Whiteley	Technical Committee Chair and Project Director, CHESS Replacement Project	
Observer	Paul Rayson	Business Committee Chair	

Clearing and Settlement Participants

Company	Representative	Title	Delegate / Apology
ABN AMRO CLEARING	Matthew McMahon	Head of Operations	
AUSIEX	Ashish Jha	Director, Solution Delivery Management	
BANK OF AMERICA	Monika Ahrns	Project Manager	
BNP PARIBAS	Wayne Murphy	Project Manager	
CITI	Lyall Herron	Program Manager	
CMC	Jamie Driscoll	Program Lead – Back Office Implementation	
COMMSEC	Ryan Jones	Crew Technical Lead	
FINCLEAR SERVICES	Nikki Gleisner	Senior Business Analyst/Client Relationship Manager	Apology
GOLDMAN SACHS	Simon Wyss	COO, Australia/ New Zealand Engineering	Apology
HSBC	Simon Siluk	Senior Product Manager	
INTERACTIVE BROKERS	Darren Halse	Managing Director	Apology
J.P. MORGAN	Miriam Wu	Direct Custody Product Manager – Australia and New Zealand	
MACQUARIE GROUP	Paul Bragg	Operations Analyst	
MORGAN STANLEY SECURITIES	Rebecca Collins	Executive Director	
MORGAN STANLEY WEALTH	Andrew Sime	Executive Director	Heinz Aufner
MORGANS	Daniel Spokes	Director, Client Support Services	Apology
NAB	Rodd Kingham	Head of Investment Service (WealthHub Securities)	
THIRD PARTY PLATFORM	Adam von Giese	Chief Operating Officer, Third Party Platform	
UBS	Scott Hanlon	Head of Operations, Executive Director	Apology

Third Party Software Vendors

Company	Representative	Title	Delegate / Apology
BROADRIDGE	Danielle Gerace	Head of Client Service Australia	
COMPUTERSHARE	Leanne Bailey	Senior Business Analyst	
FINCLEAR	Craig Gray	Head of Product for Settlement & Clearing systems	
FNZ	Nick Clarke	Head of Product Management – Capital Markets	Sue Schafer
SECURITEASE	David Hinkley	General Manager	

AMOs

Company	Representative	Title	Delegate / Apology
ASX TRADE	Christos Giogkarakis	Head of Equities Trading Technology	
CBOE	Ben Phillips	VP – Chief Operating Officer APAC	
NSX	Richard Atkins	Market Operations & Technology	
SYDNEY STOCK EXCHANGE	Stuart Guinness	Director Regulatory Affairs / Company Secretary	

Share Registries

Company	Representative	Title	Delegate / Apology
AUTOMIC GROUP	Richard Kennedy	Senior Software Engineer	Apology
BOARDROOM	Joshua Barton	Project Manager of Major Projects	
COMPUTERSHARE	Cate Gilbert	Technical Specialist – Special Project Support	
MUFG PENSION AND MARKET SERVICES	Blanca Valle	Senior Technical Business Analyst – Corporate Markets	

Observers

Company	Representative	Title	Delegate / Apology
AFMA	Damian Jeffree	Senior Director of Policy	
AIRA	Ian Matheson	Chief Executive Officer	Apology
GIA	Simon Pordage	Brand Ambassador for Governance Institute of Australia & Company Secretary for ANZ)	Apology
SIAA	Judith Fox	Chief Executive Officer	Michelle Huckel

Auditors

Company	Representative	Title	Delegate / Apology
ASIC	Derek Scott	Senior Specialist, Market Infrastructure Markets	
ASIC	Nick Hughes	Technology and Delivery Consultant	
ASIC	Liang Chen	Analyst, Market Infrastructure	
RBA	Nick Rowbotham	Acting Manager, Domestic Supervision and Resolution, Payments Policy Department	
RBA	Simon Truong	Lead Analyst, Domestic Supervision and Resolution, Payments Policy Department	
ERNST & YOUNG	Roberto Fitzgerald	Partner, Financial Services	
ERNST & YOUNG	Juan Carlos Martin de los Santos	Director, Technology Risk	

ASX Management Representatives

Company	Representative	Title	Delegate / Apology
ASX	Clive Triance	Group Executive, Securities & Payments (Project Sponsor)	Apology
ASX	Andrew Jones	General Manager, Equities	Apology
ASX	Triona Quinlan	General Manager, Technology Delivery	
ASX	Steven Hannan	Senior Manager, Stakeholder Engagement, Equities	
ASX	Chris Boyes	Senior Product Manager, Securities & Payments	
ASX	Ashley D'Souza	Senior Manager, Equities	
ASX	Jason Genford	Head of Technology Delivery	
ASX	Peter Jessup	Release 1 Product Owner (SI Business Lead)	
ASX	Russell Eyre	Enterprise Architect, Securities and Payments	
ASX	Mark A. Kaplan	Accenture (SI)	

AGENDA ITEM 1: Welcome, Actions and Feedback

The Chair welcomed members and delegates to the 4 June 2025 meeting.

The Chair reminded members of their obligations under Competition Law and encouraged active participation, noting the purpose of the Committee was for stakeholders to provide input and feedback.

The meeting attendance was recorded and is reflected in the tables provided. The 4 June 2025 Committee minutes were approved and are now available on the CHESS project website.

An overview of the agenda was provided before the Chair proposed to close one of the two open actions from the 6 May 2025 meeting:

Item Number	Action	Discussion
2025 May (1)	ASX to provide the final list of optional and mandatory functionality in advance of submission to the Business Committee meeting	Open action was closed. ASX provided the final list of optional and mandatory functionality for Business Committee recommendation as part of agenda item 6 of today's meeting.
2025 April (1)	ASX to consider how it could provide further transparency on changes to ISO design for Technical Committee members to track proposals in the ISO Working Group	A summary overview of Drop 1 ISO design changes relative to the ISO design of the previous CHESS Replacement project is expected to be provided at a Technical Committee meeting prior to the first technical documentation release in late-August 2025

Member discussion

No member feedback recorded.

AGENDA ITEM 2: Project Status

The ASX General Manager, Technology Delivery provided key updates on the CHESS Project's delivery and risks, noting that:

- Testing for AMO Readiness functionality is currently expected to be completed by late-June 2025.

- ASX performance testing on a trade load of 21 million trades had been executed with positive results observed

- All required source data is now available in the Data Platform to enable the end-to-end build of the data products for CHESS Release 1. The Data & Reporting team has finalised its recruitment of the 4 additional roles and is approximately 50% through the data product build phase

- Provisioning of the to-be Prod environment for CHESS Release 1 has been completed and deployment is targeted for mid-June 2025

- Drafting of the CHESS Release 2 Drop 1 specification documentation is in progress and targeted for sign-off by mid-June 2025. BaNCS build is scheduled to commence in mid-June 2025.

- Design of the two channels for the external user interface and ISO messaging for CHESS Release 2 has been completed. Initial ASX build activities have commenced and is targeted for completion by late-September 2025

- The project risks on the delays in BaNCS non-functional testing, delays to the Data and Reporting build and CHESS Release 1 delivery priority impacting CHESS Release 2 were expected to be closed.

The ASX Senior Product Manager, Equities, Securities and Payments outlined that the industry change request for customisation to account notifications received by Registries had been approved with no expected impact to the schedule.

Member discussion

A member thanked ASX for its efforts in progressing the industry change request on account notifications through to approval.

AGENDA ITEM 3: CHESS Release 1 Build and Test Update

The ASX Head of Technology Delivery provided an update on industry activity for the CHESS Release 1 AMO Build and Test phase noting that:

- The ITE environment has remained available and stable for industry testing throughout May 2025

- ASX is expected to transition its industry activity tracking from aggregated total volumes to message coverage by organisations anonymised. The transition is anticipated to provide clarity on how organisations are tracking on their industry readiness activities for AMO accreditation.

Member discussion

No member feedback was recorded.

AGENDA ITEM 4: CHESS Release 1 Cutover Approach

The ASX Cutover & Transition Manager provided an overview of the CHESS Release 1 cutover approach. It was noted that:

- The cutover to the new CHESS Clearing Service is anticipated to be implemented over a cutover weekend

- All cutover activities are expected to commence and be completed on the Saturday of the cutover weekend with the Sunday providing a day of contingency

- Two cycles of dress rehearsals and parallel testing are planned to be completed in the lead up to the cutover weekend. The first cycle is planned for November 2025 and is expected to include rollback testing with the second cycle planned for February 2026

- At this stage, the proposed rollback window is the last available time during the cutover weekend to perform rollback activities and be ready for start of day on the Monday. ASX is currently investigating if rollback is viable once business processing has commenced following the cutover weekend.

Member discussion

A member requested for ASX to further consider the impact of weekend BAU activities during the cutover weekend in further iterations of the cutover timeline, for example with message pick-ups for Clearing Participants and Registries. The ASX Cutover & Transition Manager advised that the component of the system for message pick-ups is not expected to be impacted by cutover activities. The ASX Cutover & Transition Manager further noted that a detailed timeline on the cutover weekend is expected to be provided to Technical Committee members as the Project progresses through its cutover planning.

A member queried whether there would be any market impacts as a result of ASX and AMOs completing dress rehearsal activities. The ASX Cutover & Transition Manager advised that a dedicated CHESS environment would be used to simulate the dress rehearsal components the require existing CHESS.

A member commented that ASX's rollback approach for CHESS Release 1 would be a good demonstration of its contingency planning for CHESS Release 2 and queried whether industry would be required to attest to any rollback plans. The ASX Cutover & Transition Manager advised that the Project was still finalising the CHESS Release 1 rollback approach and recorded an open action to ASX to determine whether industry participants would be required to attest to any roll back plans.

AGENDA ITEM 5: Working Group Updates

a) Implementation & Transition Working Group

The ASX Head of Technology Delivery provided an overview of the key items discussed at the 27 May I&T Working Group (IT WG) focussing on:

- The Clearing Regression survey issued to determine whether Clearing Participants intended to performing testing through an AMO or by using the file upload tool

- The approach to test backwards compatible messages across the multiple test phases, noting that that Clearing Participants could initiate trades and submit up to 5,000 trades per day during the Clearing Regression phase

- Corporate action testing as it related to the synthetic data. Synthetic corporate action events and securities were expected to be established in a rolling calendar to support testing of mandatory scope

- Clearing Regression attestations expected to be completed by Clearing Participants. Final attestation points were expected to be provided to industry in late–June 2025 as part of the Clearing Regression Guide.

The ASX Head of Technology Delivery noted that three IT WG open actions were raised in the May meeting. Two were expected to be addressed in the June IT WG meeting and the third action on rollback expected to be addressed in the July IT WG meeting once the roll back approach has been finalised.

Member discussion

No member feedback

b) ISO Design Working Group

The ASX Senior Manager, Equities Post Trade provided the following key updates from the 21 May ISO Design Working Group (ISO WG) meeting:

- Workflows relating to settlement instruction functionality settlement instruction management and payment free of delivery instructions were discussed

- ASX confirmed that a hybrid model is expected to be adopted when communicating rejected messages which is a pivot from the previous CHESS Replacement Project where admi–2 002 message was used to report rejections

- The remaining CHESS Release 2 Drop 2 functionality on batch settlement is expected to be covered at the 19 June ISO WG meeting.

Member discussion

A member commented on the current design of hold and release and held a view that it was a regression to the current settlement process. The ASX Senior Manager, Equities Post Trade responded that the member's feedback was being considered and that a response was expected to be provided at the 19 June ISO WG meeting.

c) Business Design Working Group

The ASX Senior Product Manager, Equities, Securities and Payments provided an overview of the 15 May Business Design Working Group (BDWG) meeting. It was noted that:

- The 15 May BD WG meeting was held to deep dive on the remaining scope of CHESS Release 2 Drop 2. Key items covered include how to manage foreign restricted securities and bank accounts, the proposed process for registering crossings, an overview of the current settlement process in BaNCS, settlement instructions and the impact of fees to business processes

- The 5 June BD WG focus group session with Payment Providers was moved to 7 August 2025

- Three new open actions were being tracked. Two were expected to be covered in the July BD WG meeting and the final open action was currently under investigation with ASX.

Member discussion

A member queried when ASX going to discuss scope related to trust processing. The ASX Senior Product Manager advised that scope relating to trust processing was expected to be covered as part of the deep dive into CHESS Release 2 Drop 3 at the July BD WG meeting.

A member queried the revised approach for crossings and the associated fee impacts. The ASX Senior Product Manager advised industry feedback has been received on both fees and fail fees related to crossings and this was expected to be covered in the July Technical Committee meeting.

AGENDA ITEM 6: Optional and Mandatory Functionality

The ASX Senior Product Manager, Equities, Securities and Payments provided an overview of the proposed Technical Committee recommendation to the Business Committee on the optional or mandatory functionality for CHESS Release 2 and requested for any final Technical Committee member feedback or concerns.

The ASX Senior Product Manager, Equities, Securities and Payments advised that ASX planned to further engage with members on the ability to process DvP settlements outside of the batch and on corporate action elections. It was noted that these two functionality items would not be taken forward to the Business Committee at this stage and was expected to be progressed by late 2025.

Member discussion

No member feedback was recorded.

AGENDA ITEM 7: H1 2025 Pulse Survey

The ASX CHESS User Relationships Manager provided a high-level overview of the H1 2025 pulse survey results and advised that ASX is anticipating engaging with members that provided qualitative feedback.

The ASX CHESS User Relationships Manager advised that the H2 2025 pulse survey was anticipated to be submitted to industry following the first industry checkpoint in November 2025.

Member discussion

No member feedback was recorded.

AGENDA ITEM 8: Forward Engagement Plan

The ASX CHESS User Relationships Manager provided an overview of the 3-month forward engagement plan and noted that the next Business Committee meeting is expected to be held

on 18 June covering the Technical Committee recommendation on the optional and mandatory functionality for CHESS Release 2.

Member discussion

No member feedback was recorded.

AGENDA ITEM 9: Observer Feedback

The Independent Observer noted that the meeting logistics were adequate. The meeting content was presented quite clearly and the Chair managed the agenda and member feedback well. ASX was respective of Technical Committee contributions noting that a broad range of questions were asked, all of which were addressed adequately and followed up as actions as required. Participation from Technical Committee members was balanced and ASX remained professional throughout the meeting.

The meeting closed at 3:00PM.

Signed as a correct record of the meeting.

_____   9 July 2025
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Chair   Date