

# CHES Project

# CHES REPLACEMENT TECHNICAL COMMITTEE

ASX

6 August 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
- 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: 452 951 992#
- 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.

# Agenda

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|-----------|------------------------------------|
| <b>01</b> | Welcome, open actions and feedback |
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| <b>02</b> | CHESS Project status |
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| <b>03</b> | CHESS Release 1 Build and Test update |
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| <b>04</b> | Working Group updates |
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| <b>05</b> | CHESS Release 2 User Technical Documentation update |
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| <b>06</b> | Corporate actions and non-batch DVP |
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| <b>07</b> | Forward Engagement for 2025 |
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# 01 – Welcome, Open Actions & Feedback

# 01 - Open Actions

Open actions carried to the August Technical Committee meeting

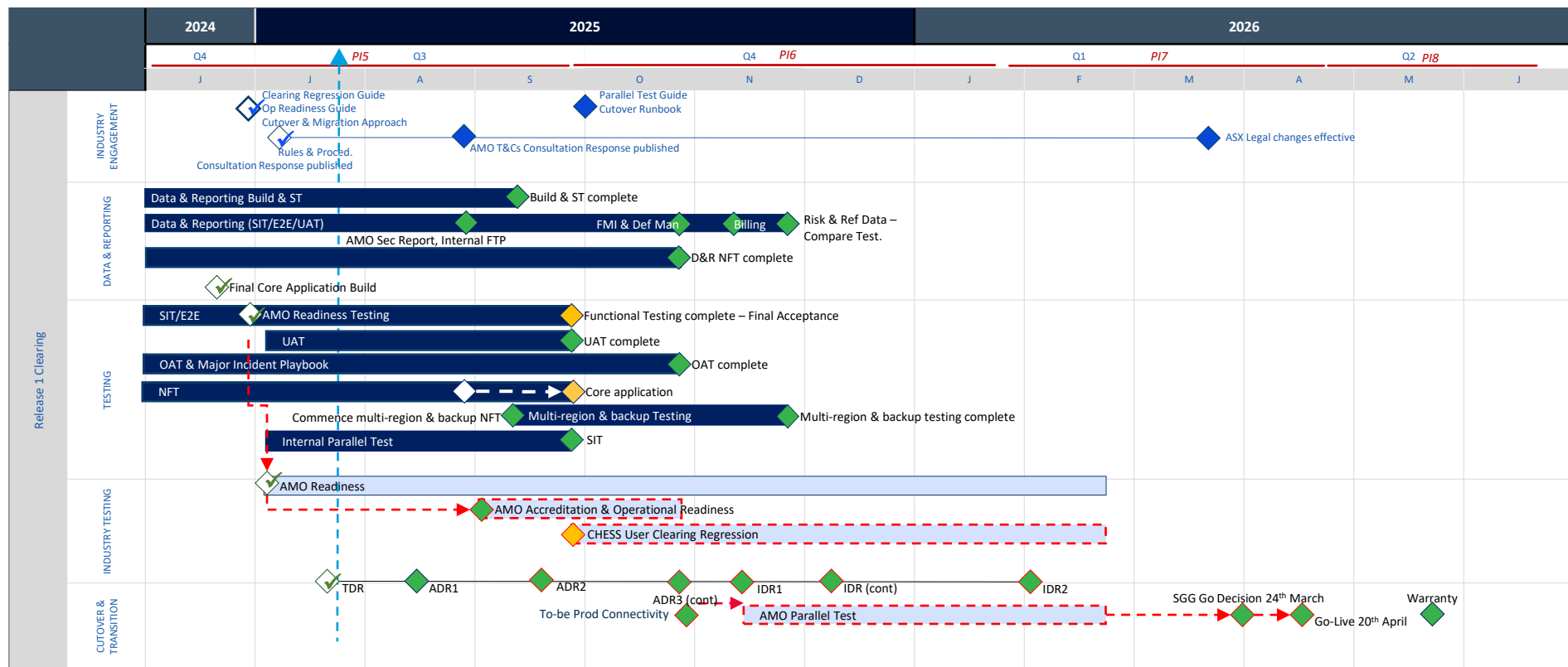
#	Action	Raised	Update	Status
<b>2025-07-01</b>	ASX to provide Technical Committee members with an overview of decisions made in its Working Groups	August 2025 TC	ASX to track closed Technical Committee and Working Group open actions and any potential decisions made. Refer to appendix C for summary of Q2 2025 closed actions	<b>Propose to close</b>
<b>2025-06-01</b>	ASX to determine whether industry participants would be required to attest to CHES Release 1 rollback plans	June 2025 TC	Update on roll back options was provided at the July Implementation and Transition Working Group. Industry participants are not expected to attest to rollback plans. CHES Release 1 rollback to be covered to agenda item 4a	<b>Propose to close</b>
<b>2025-06-02</b>	ASX to determine its approach to finalise the optional or mandatory determination of non-batch DVP and corporate action elections functionality	June 2025 BC	Refer to agenda item 6 for the proposed approach for non-batch DVP and corporate action elections functionality	<b>Propose to close</b>
<b>2025-06-03</b>	ASX to provide an overview of the CHES Project support model to the Technical Committee and Business Committee	June 2025 BC	Overview of the to CHES Project support model is expected to be provided at the September Technical Committee meeting	Open

# 02 – CHESS Project Status



# 02a – CHESS Release 1 Update

# 02a – CHESS Release 1 Indicative Project Timeline – August 2025



# 02a – CHESS Release 1 Project Update

## Clearing Regression Preparation

- Clearing Regression is progressing with build and testing activities targeted to be completed by late-September 2025
- The Project is currently amber due to the risk that there is insufficient time to complete all testing for Clearing Regression
- To mitigate the potential impacts, the Project is re-assessing the testing effort and resource profile required to complete testing activities.

## Cutover Preparation

- The to be-Prod environment was deployed in late-July 2025. The to be-Prod environment is expected to be used as the dedicated environment for dress rehearsal activities
- Phase 1 of Cutover Dress Rehearsals was completed on 21 July 2025. An internal Technical Dress Rehearsal event was held and all ASX technical tasks were successfully completed
- The Project has now moved to preparation of Phase 2 with the first ASX Dress Rehearsal event expected to commence in mid-August 2025.

# 02a – CHESS Release 1 Project Update

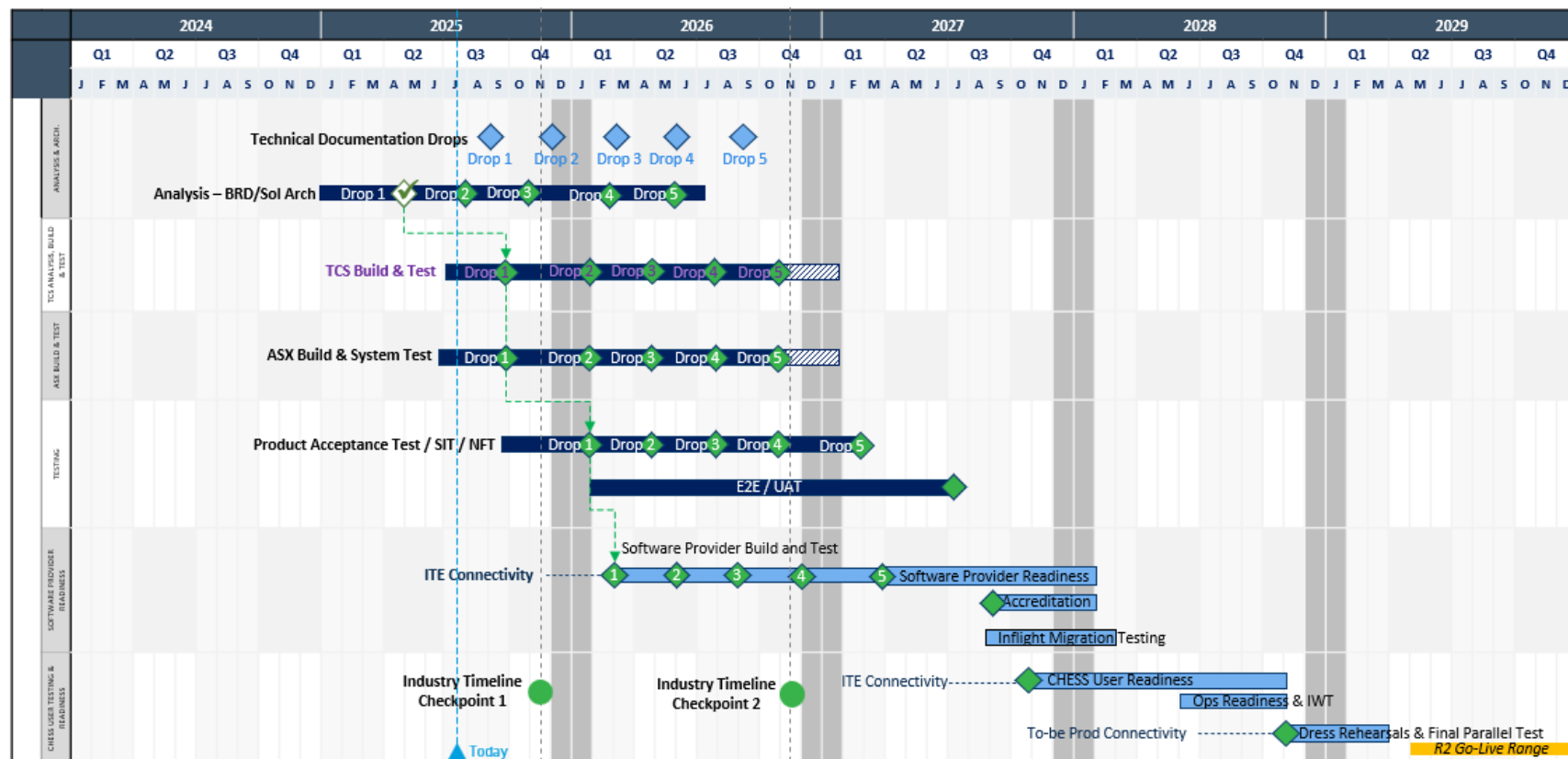
## Other Release 1 Updates

- The alternate file ingestion interface and fixes to the known AMO Readiness issues were delivered via the patch release on 25 July 2025. All functionality required for the AMO Accreditation phase is now available to AMOs and AMO Software Providers
- Drafting of the Parallel Test Guide is in progress and is targeting publication in late-September 2025.

# 02b – CHESS Release 2 Update

# 02b – CHESS Release 2 Indicative Project Timeline – August 2025

High level overview of the indicative timeline



# 02b – CHESS Release 2 Project Update

## Drop 1

- ASX and BaNCS build activities are progressing and expected to be completed by late-September 2025
- The BaNCS off-the-shelf settlements application for CHESS Release 2 was successfully deployed
- Drafting of the CHESS User Technical documentation is in progress and is targeting publication in late-August 2025.

## Drop 2 and Drop 3

- Drafting of the Drop 2 business requirements and pre-analysis for Drop 3 targeted to be completed by 31 July 2025.

## Other Release 2 Updates

- Drafting of Release 2 Industry Test Approach document is progressing and is targeting publication in late-September 2025
- Planning for the first Industry Timeline checkpoint has commenced with industry engagement via the IT WG and Technical Committee expected in September 2025.

# 02c – Project Risks



## 02c – Project risks

Area	Description	Mitigation	Residual Exposure	Status
Schedule	Industry readiness delays may impact CHES Release 1 go-live	<ul style="list-style-type: none"> <li>Report on industry engagement and readiness activities to ensure AMOs and Clearing Participants are meeting readiness expectations</li> </ul>	Medium	Open
Customer	CHES Release 1 rollback approach may require additional industry testing effort	<ul style="list-style-type: none"> <li>Finalise the CHES Release 1 rollback approach and assess the potential impacts of testing with Industry</li> </ul>	Low	Open
Delivery	Insufficient time to complete Clearing Regression testing	<ul style="list-style-type: none"> <li>Review scope and re-assess effort and resource profile required to complete testing</li> <li>Review defects and scope to ensure that high risk/impacting changes are brought forward and prioritised for delivery</li> </ul>	Medium	Open
Delivery	Quality of code delivered into testing may impact future CHES Release 1 and Release 2 milestones	<ul style="list-style-type: none"> <li>Increase scope of unit and system test</li> <li>Review and uplift governance of system testing</li> <li>Uplift system test environments to improve testing coverage</li> </ul>	Medium	Open

# **03 – CHESS Release 1 Build and Test Update**

# 03 – ITE Activity in July

AMO Readiness release deployed and available as of 7 July. Patch releases completed on 11 July and 28 July to resolve known issues and enable Alternate File Ingestion Interface (AFII).

## ITE Update

- The ITE environment remained available and stable for Industry Testing throughout July
- ITE enhanced for production volumes in 7 July AMO Readiness Release
- Several trade capture (AE) volume spikes from AMOs completed
- Assisted testing activities commenced:
  - 2 x FIX Gateway Disconnections/Failovers
  - 2 x F5 Firewall Disconnections/Failovers
  - 1 AFII
    - 1 Organisation participated
- 3 Issues raised by AMOs (Resolved in July Patch)
  - CHR-23045 - Cancel TradeCaptureReport (AE) Failure
  - CHR-23073 - LastPrice (31) in (AR) message is show as a whole number for cancelled trades
  - CHR-22795 - Reference Data updates impacting ability to accept Pending Trades.

Message/Scenario Types	Org 1	Org 2	Org 3
Log On			
Heartbeat			
Log Out			
Log On with PW reset			
MsgSeqNum higher than expected			
New Trade			
As At Trade			
BOQ Trade			
Condition Code Trade			
Multiple Condition Code Trade			
Trade Cancellation			
AR Rejection handling			
Pending Trade – Accepted			
Pending Trade Rejected			
Market Data Snapshot			
Unexpected disconnect & timeout			
Unexpected disconnect & reconnect			
Auxiliary Endpoint Log On			
File Ingestion scenarios			

### Legend

Not Started

Commenced -  
unsuccessfulWorkaround –  
successfulNot Retested  
Post AMO  
ReadinessSuccessful/  
Complete

# 03 – Industry Readiness Dashboard

Industry Readiness and Stakeholder engagement status as at 22 July 2025

## AMOs

- All AMOs or AMO Software Providers connected to ITE completed testing for all available functional messages
- For AMOs not yet connected, engagement ongoing to understand their ITE onboarding plan. No concerns raised for AMOs who are not yet connected given their development and testing is being performed by an AMO Software Provider
- AMO Readiness functionality now available for testing in ITE.

## Clearing Participants

- Increased engagement required for CPs that have preferred infrequent bilaterals - engagement will focus on clearing regression preparation
- CPs that were not previously part of the I&T WG and TC are now invited for all future sessions - bilateral discussions will address any gap in clearing regression expectations (amber status reflected for 3 organisations that require focused engagement)
- All CPs will be required to provide feedback on clearing regression preparation - feedback can be provided using scheduled bilaterals or using the R1 survey check-in.



- If a readiness tracking metric moves to **amber** or **red**, the project will consider this as a potential delivery risk that requires treatment
- Organisations leveraging a Software Provider are tracked inclusive of their Software Provider activities
- Engagement is measured by Committee, Working Group and Bilateral meeting attendance. Engagement will move to **amber** if there has been no contact for 30 days. Status moves to **red** if there has been no contact for more than 60 days.

Org ID	Cohort (*2)	Engagement (*3)	AMO Accreditation	AMO Operational Readiness	Clearing Regression
1	AMO				
2	AMO				
3	AMO				
4	AMO				
5	CP				
6	CP				
7	CP				
8	CP				
9	CP				
10	CP				
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29	CP				
30	CP				
31	CP				
32	CP				

# 03 - Release 1 Industry Readiness Tracking Metrics

## AMO Metrics

From July 2025 onwards, industry readiness tracking is anticipated to transition from reporting on testing activity and coverage to tracking readiness for upcoming mandatory test phases measured by an agreed set of industry readiness criteria.

AMO Readiness Metric	Qualitative or Quantitative	Impacted Milestone	Measure	On Track (Start measuring)	At Risk (if not completed)	Requires Remediation (if not completed)
AMO or Software Provider Readiness Self Assessment	Qualitative	<b>Overall timeline</b>	AMO or Software Provider to indicate how they are tracking	<i>AMO or Software Provider to indicate status as part of bilaterals</i>		
Functional Message Workflows	Quantitative	<b>Accreditation</b>	Successful execution of message-based accreditation scenarios	1 May 25	15 Aug 25	30 Sep 25
Non-Functional and resilience testing (BCP)	Quantitative	<b>Accreditation</b>	Successful execution of resilience accreditation scenarios	7 July 25	15 Aug 25	30 Sep 25
Software Accreditation Completion	Quantitative	<b>Accreditation &amp; Operational Readiness</b>	Successful completion of Accreditation	1 Sep 25	30 Sep 25	15 Oct 25
AMO ITE Connectivity	Quantitative	<b>Operational Readiness</b>	Applicable to AMOs with Software Vendors. Connected by specified dates.	7 July 25	30 Sep 25	15 Oct 25
Operational Readiness Completion	Quantitative	<b>Operational Readiness</b>	Successful completion of Operational Readiness	1 Sep 25	15 Oct 25	31 Oct 25
To-Be-Prod AMO connectivity	Quantitative	<b>IDRs</b>	Connected to To-Be-Prod by specified dates	1 Sep 25	24 Oct 25	7 Nov 25
AMO Parallel Test FIX deployment	Quantitative	<b>AMO Parallel Test</b>	AMOs to deploy Production FIX component to facilitate AMO parallel test	1 Nov 25	14 Nov 25	17 Nov 25
AMO Attestation	Quantitative	<b>Go Live</b>	Receipt of Attestation Form by specified dates	1 Feb 26	20 Feb 26	28 Feb 26

# 03 - Release 1 Industry Readiness Tracking Metrics

## Clearing Participant Metrics

Clearing Participant Readiness Metric	Qualitative or Quantitative	Impacted Milestone	Measure	On Track (Start measuring)	At Risk (if not completed)	Requires Remediation (if not completed)
Clearing Participant Readiness Self Assessment	Qualitative	<b>Overall timeline</b>	Clearing Participant to indicate how they are tracking	<i>Clearing participant to indicate status as part of bilaterals</i>		
Clearing Participants connected to XP1 and file upload folder	Quantitative	<b>Clearing Regression</b>	Connected to XP1 by specified dates.	1 Oct 25	1 Nov 25	1 Dec 25
Clearing Regression Testing	Quantitative	<b>Clearing Regression</b>	Testing commenced as demonstrated through monitoring successful transactions in XP1	1 Oct 25	1 Dec 25	15 Dec 25
Clearing Regression Testing Complete	Quantitative	<b>Clearing Regression</b>	Testing complete as demonstrated through monitoring successful transactions in XP1	1 Oct 25	15 Feb 26	21 Feb 26
CP Attestation	Quantitative	<b>Go Live</b>	Receipt of Attestation Form by specified dates	1 Feb 26	15 Feb 26	28 Feb 26

# 04 – Working Group Updates

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



# 04a – Implementation & Transition Working Group Update

## 29 July Implementation & Transition Working Group meeting

### CHESS Release 1 Clearing Regression

- Confirmation of the Clearing Regression exemption process for Clearing Participants
- Clarity on Attestation Point #3 to confirm backwards compatible EIS messages can be supported by Clearing Participant's to continue business as usual services

### CHESS Release 1 AMO Parallel Test

- Purpose of AMO Parallel Test phase, including optional involvement for CP's who plan to test during this phase
- Overview of AMO Parallel Test reports intended to be generated for CP's who opt-in

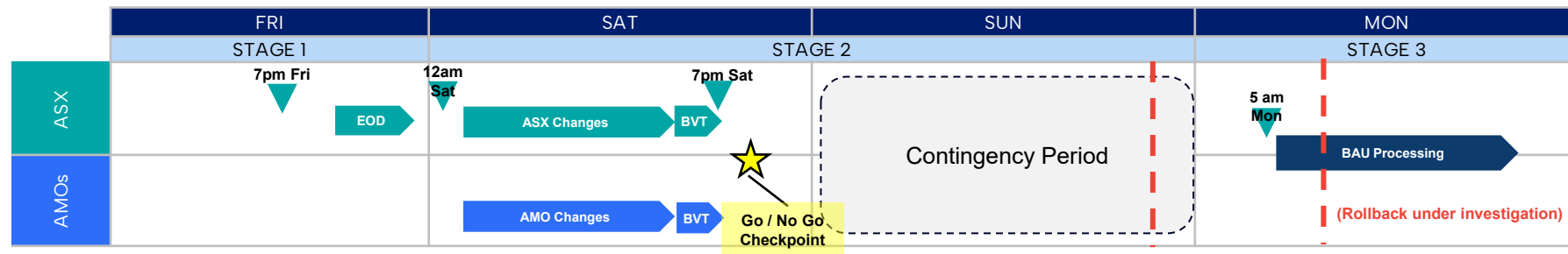
### CHESS Release 1 Cutover

- Discussion on rollback options, including the possibility of holding back EIS 164/116 notifications on the Monday morning following Cutover weekend.

# 4a – Cutover Update

Options for a Monday rollback are continuing to be considered and will aim to be confirmed prior to September

We anticipate the CHES Project Release 1 Go Live Cutover will take place over one weekend with all activities planned to complete on the Saturday. An approach to weekend rollback is defined and planned to be rehearsed as part of IDR1. Only ASX and AMO participation is required.



## Key considerations in assessing Monday rollback options

- A rollback involves re-enabling Trade and Clearing functionality in the current CHES system. If initiated on a Monday, trades must be replayed from the beginning of the day once this functionality is restored
- Replaying trades will generate EIS 164/116 notifications for trades that were already processed prior to the rollback decision
- The rollback options under consideration aim to minimise the impact on Clearing Participants. This includes preventing duplicate EIS 164/116 notifications from being sent during a Monday rollback
- The current option being explored involves holding back all EIS 164/116 notifications on Monday morning (e.g., until 10:00am). This approach would enable a rollback during that window, without requiring CPs to implement solutions for handling duplicates. The EIS 164/116 notifications would then be released based on confirmation of successful processing in the new Clearing Service (BaNCS). Market feedback required.

# 04a – Implementation & Transition Working Group Open Actions

#	Topic	Action	Raised	Update	Status
ITWG_07	Parallel Testing engagement	ASX to consider viability to bring forward its engagement on Parallel Testing	April 2025 ITWG	Update provided in July I&T WG	To be closed
ITWG_10	CHESS Release 1 rollback approach	ASX to finalise its CHESS Release 1 rollback approach for ITWG consideration	May 2025 ITWG	Analysis being performed on the roll back option of holding back EIS 164/116 notifications for an agreed morning period.	Open
ITWG_11	Release 1 Clearing Regression Scenarios	ASX to finalise the Clearing Regression CP scenario exemption process	June 2025 I&T WG	Update provided in July I&T WG	To be closed
ITWG_12	ASX Trade Release 1 Clearing Regression test platform	ASX Trade to confirm which test platform is planned to support Clearing Regression	June 2025 I&T WG	Update provided in July I&T WG	To be closed

# 04a – Implementation & Transition Working Group Open Actions

#	Topic	Action	Raised	Update	Status
ITWG_13	CHESS Release 1 Clearing Regression Readiness Tracker	ASX to update Readiness Tracker target dates inline with CP feedback	July 2025 I&T WG	To be discussed in the September I&T WG	Open
ITWG_14	CHESS Release 1 rollback option – hold back EIS messages during Cutover	Participants to advise impact of receiving AMO trade execution confirmation messages (e.g. Signal B) if CHESS EIS 164/116 notifications are held back on Monday morning following Cutover weekend	July 2025 I&T WG	To be discussed in the September I&T WG	Open

# **04b – Business Design Working Group (BD WG)**

# 04b – Business Design Working Group Update

#	Session	Topic(s)	Invitees	Proposed Date	Action
13	<b>Release 2 Drop 1 Deep Dive</b>	Deep dive into Release 2 Drop 1 detailed business design	All	6 February 2025	Complete
14	Registries Focus Group	Registries focus group on specific registry topics	Registries only	13 March 2025	Complete
15	<b>Release 2 Drop 2 Deep Dive (1 of 2)</b>	Deep dive into Release 2 Drop 2 detailed business design (including Transaction Basis Deep Dive)	All	3 April 2025	Complete
16	<b>Release 2 Drop 2 Deep Dive (2 of 2)</b>	Deep dive into Release 2 Drop 2 detailed business design	All	15 May 2025	Complete
17	<b>Release 2 Drop 3 Deep Dive (1 of 2)</b>	Deep dive into Release 2 Drop 3 detailed business design (corporate actions, reporting)	All	10 July 2025	Complete
18	<b>Payment Provider Focus Group</b>	<b>Payment provider focus group on planned changes to payment authorisation processes</b>	<b>Payment Providers only</b>	<b>7 August 2025</b>	<b>Planned</b>
19	<b>Release 2 Drop 3 Deep Dive (2 of 2)</b>	Deep dive into Release 2 Drop 3 detailed business design (issuer sponsored, payments)	All	18 August 2025	New
20	Payment Channels Deep Dive	Industry focus group on the real-time payment channel	All	<a href="#">4 September 2025</a> <a href="#">9 September 2025</a>	Planned
21	<b>Release 2 Drop 4 Deep Dive</b>	Deep dive into Release 2 Drop 4 changes and business design	All	9 October 2025	Planned
22	New Corporate Action Services Focus Group	Industry focus group on new corporate action services	All	6 November 2025	Planned
23	Accounts Migration Deep Dive	Deep dive into Accounts Migration approach	All	4 December 2025	Planned
24	<b>Release 2 Drop 5 Deep Dive</b>	Deep dive into Release 2 Drop 5 changes and business design	All	January 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 Update

## 10 July Business Design Working Group meeting

### Corporate Actions

- ASX provided an overview of the Corporate Actions scope per drop by event type
- ASX provided overviews of the Cum Entitlement Balance, Basis of Movement and Claims for Cash Events, including recap of design considerations and solutions discussed in 2024.

### Account & Balance Reporting

- ASX provided an overview of proposed reports made available for account, holding, sub-position and cum entitlements for participants and share registries
- ASX provided a proposal to consolidate balance and movement reporting for all balance types. Some concerns were noted by share registries in relation to the impact of change.

### Settlement Instructions (updates)

- ASX provided an update on feedback in relation to hold/release which is being evaluated and incorporated into the solutions
- ASX provided updates and responses to member feedback on matching rules, housekeeping periods and tolerances
- Information was provided in relation to reserved balances that wasn't covered in the BDWG due to time and was instead discussed at the ISO WG on 24/07 in conjunction with the messages.

# 04b – Business Design Working Group Actions

#	Action	Raised	Update	Status
BDWG_02	Consider whether there could be an ability to allow transfer of standing instructions in the case of transfer to a new HIN	February BD WG	To be considered as part of Portfolio Transfers (Drop 4)	Drop 4
BDWG_04	Consideration of which new fields can be transferred to a new participant in the case of a Change of Controlling Participant	February BD WG	To be considered as part of Change of Controlling Participant (Drop 4)	Drop 4
BDWG_06	Consider the process of migrating accounts, including transformations and fields not available in current CHES	February BD WG	Deep dive BDWG scheduled for August	December BDWG
BDWG_07	Continue evaluation of Foreign Ownership Restrictions and use of Guaranteed Foreign Transfers	February BD WG	Under discussions with Telstra/MUFG	Open
BDWG_09	Consider the appropriate rules and privacy implications to allow the sharing of email and mobile number with Registries	February BD WG	To be considered as part of rules consultation	Rules Consultation
BDWG_11	Consideration to be given to the complexities of reserved balances and impacts on Registry processes	March BD WG	To be discussed in Drop 4 BDWG (October)	Drop 4
BDWG_13	Provide guidance of the in scope Corporate Actions per drop	May TC	Presented in Drop 3 BDWG (July)	Closed
BDWG_14	Revise matching tolerances factoring in feedback bilaterally from Participants	May BD WG	Revised proposal presented in Drop 3 BDWG (July)	Closed
BDWG_15	Determine an approach for participants to reconcile holdings, including any new holding notification	May TC	Presented in Drop 3 BDWG (July). Further discussion is required in August	Open



## 04b – Business Design Working Group Actions

#	Action	Raised	Update	Status
BDWG_16	Consider the impacts of providing fail information only after payment has completed	May BD WG	To be discussed further in August BD WG and bilaterally	August BD WG
BDWG_17	Consider share registry impacts in relation to revised holding movement reporting	May BD WG	Pending share registry feedback on specific impacts	August BD WG

# **04c – ISO Design Working Group (ISO WG)**

# 04c – ISO Design Working Group Update

## 24 July ISO Working Group meeting

### Update on 24 July ISO Design Working Group meeting

- Messages relating to the following workflows were presented:
  - Settlement Locking
  - Holding Administration Lock
  - CUM Entitlement Balance Reporting
  - Claims Processing – Cash Claims
  - Holding Balance Reporting (including sub-positions and cum entitlement balances)
- 9 feedback items were received from the 19 June ISO Design Working Group – all were clarifications, and no updates were made to messages
- Feedback window remains open in MyStandards until Friday 8 August 2025
- Next ISO Design Working Group is scheduled for 19 August 2025.

# 04c – ISO Design Working Group Open Actions

#	Action	ASX Response	Raised	Status
ISOWG_M01	ASX to provide further information to Working Group Members in relation to adjustment of Net Positions	Update is expected to be provided in Q3 2025	May 2025	Q3 2025
ISOWG_M05	ASX to investigate the logic in relation to the Universal Transaction Identifier (UTI) and whether it should be a mandatory matching criteria (if provided)	Update provided on 19 June 2025 ISO Design Working Group. Working Group Member provided additional feedback, to which ASX has responded to	May 2025	Open
ISOWG_M06	ASX to investigate whether the hold indicator is exposed to the counterparty on the allegation and status messages prior to the Intended Settlement Date (ISD)	Update provided on 19 June 2025. Further discussion is anticipated at the Business Design Working Group on 10 July 2024	May 2025	BDWG
ISOWG_M07	ASX to investigate the number of status updates generated for a settlement instruction which is on hold to the requesting Participant	Update provided at the Business Design Working Group on 10 July 2025, where ASX updated the proposal and incorporated the hold indicator to the counterparty upon match rather than on the morning of settlement date	May 2025	Closed
ISOWG_M08	ASX to investigate the use case of reapplying a hold indicator after it has been released	Update provided at the Business Design Working Group on 10 July 2025, where ASX stated that the rule framework for this functionality would prevent the reapplication of a hold on an instruction after it has been released	May 2025	Closed

# 04c – ISO Design Working Group Open Actions

#	Action	ASX Response	Raised	Status
ISOWG_J01	Consideration to be given where a crossing is also a short sale and how that is represented within the Trade Confirmation Notification	ASX has introduced an additional value (Sell Short (CRSH)) for the Buy Sell Indicator on the Trade Confirmation Notification (secl.001) and Trade Cancellation Notification (secl.002)	June 2025	Closed
ISOWG_J02	ISO Working Group Members requested further information in relation to bilateral matching and the housekeeping process for unmatched instructions	Further information was provided to the Working Group Member	June 2025	Closed
ISOWG_J03	Population of the Trade Date on the Settlement Obligation Notification (sese.032) when a market obligation is rescheduled as part of batch settlement	Trade Date is not expected to be populated on the Settlement Obligation Notification (sese.032)	June 2025	Closed
TC_01	ASX to review how ISO message changes are currently presented in the ISO Working Group and determine how it can further clarify these changes to Participants	Summary of changes will be provided for messages presented at the ISO Design Working Group – Refer to Appendix B for reference	June 2025 - TC	Closed

# 04c – ISO Design Working Group Open Actions

#	Action	ASX Response	Raised	Status
ISOWG_J04	Settlement Locks: ASX to investigate the performance implications of using the 2-step approach to reserve units for settlement	In assessment	July 2025	Open
ISOWG_J05	Settlement Locks: Consideration of business rules in relation to mandatory accumulation movement and restricting earmarking for buy movements out of the accumulation HIN	In assessment	July 2025	Open
ISOWG_J06	Settlement Locks: ASX to provide clarification to Participants on their obligations for reserving units for settlement (for accumulation to settlement movements) under the ASX Operating Rules	In assessment	July 2025	Open
ISOWG_J07	CA – CEB Reporting: ASX to give consideration to the population of accounts (in the retail space) for large corporate action events	In assessment	July 2025	Open
ISOWG_J08	Holding Balance Report (ad-hoc): ASX to evaluate feedback in relation to the use cases of requesting specific information (i.e. holding balance, cum entitlement balance) rather than all information contained in the same report	In assessment	July 2025	Open

# 04c - ISO 20022 Message Change Log

24 July ISO Working Group meeting

Message Id	Workflows / Processes	Status	Summary of changes
hold_203_semt_013	Settlement Lock	New	-
hold_204_semt_014	Settlement Lock	New	-
hold_205_semt_015	Settlement Lock Holding Administration Lock	New	-
sett_105_sese_023	Settlement Lock	Updated	Schema changed to support the ability to reserve units for settlement
sett_106_sese_024	Corporate Actions – Claims Processing	Updated	Additional code added to schema to support claims processing
sett_119_sese_025	Settlement Lock	Updated	Schema changed to support the ability to reserve units for settlement and claims processing
sett_143_sese_032	Corporate Actions – Claims Processing	Updated	Schema changed to support claims processing

# 04c - ISO 20022 Message Change Log

24 July ISO Working Group meeting

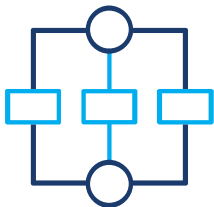
Message Id	Workflows / Processes	Status	Summary of changes
rptg_601_semt_021	Holding Balance Reporting (including sub-positions & CEB)	No change	No change to the schema which was presented in the December 2024 ISO Design Working Group
rptg_604_semt_002	Holding Balance Reporting (including sub-positions & CEB)	Updated	Schema has been changed to support the ability to provide sub-position balances and cum entitlement balance (where applicable and appropriate)
rptg_610_sese_022	Holding Balance Reporting (including sub-positions & CEB)	No change	No change to the schema which was presented in the May 2025 ISO Design Working Group
rptg_611_seev_035	Corporate Actions – CEB Reporting	New	-



# **05 – User Technical Documentation update**

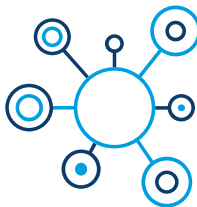
# 05 – User Technical Documentation - Considerations

## Key considerations to the CHESS Release 2 Drop 1 User Technical Documentation



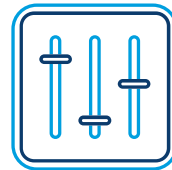
### Documentation Overview

- Purpose of the documentation is to enable Software Providers (and in-house development teams) to integrate with the system solution
- Documentation contains the functional specifications, messaging and other supporting documentation for each Drop
- Documentation expected to be available at least six months prior to each Drop
- A summary overview of messaging changes expected to be provided in advance of each drop via the Technical Committee with a more detailed overview provided within the User Technical Documentation



### Documentation Accessibility

- Confluence site replaces static PDFs for User Technical Documentation
- Environment enables search facilities and integrated links
- User Technical Documentation can be accessed via the ASX CHESS Project Homepage
- Specific documentation will require ASX Online credentials



### Implementation Material

- Release Notes expected to be provided
- Changes between documentation releases to be recorded via a dedicated section

# 05 – User Technical Documentation – Overview

Indicative overview of CHES Release 2 Drop 1 User Technical Documentation

## CHES Release 2 Drop 1 User Technical Documentation

### Functional Specifications

- **Accounts**
  - Creation
  - Modification
  - Locking/Unlocking
  - Cancellation
- **Reporting**
  - Accounts
  - Holding balance
  - Total security balance
- **Account Notification to Issuer (Registry)**
- **Unilateral Non-Batch Instructions**
- **Security Sub-Register Status Notification**

### ISO 20022 Messaging

- **Messaging Catalogue**
  - MyStandards Usage Guidelines
  - MyStandards User Guide
- **ISO 20022 Technical Manual**
  - Workflow specific Message Flows and Context Information
  - EIS Cross Reference Guide
  - ASX Proprietary Code List
  - ASX Error Code List

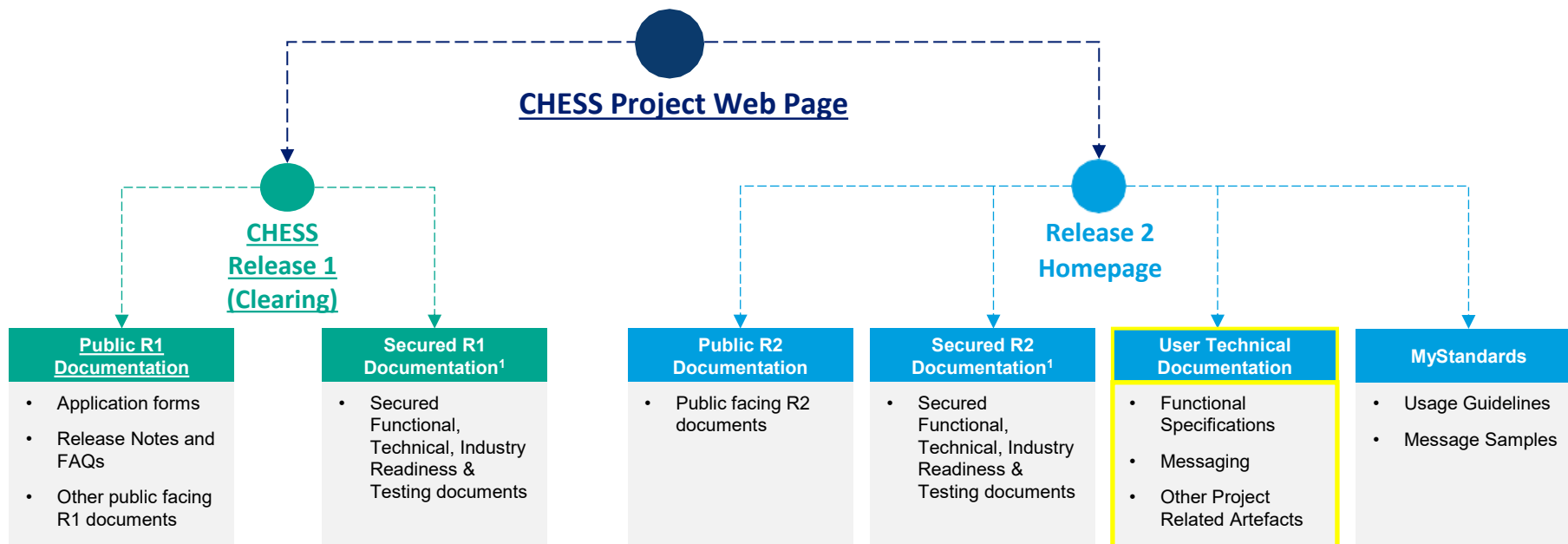
### Other Supporting Documentation

- **Comparison to previous iteration of CHES Replacement 2**

Technical Committee and Working Group artefacts (presentation material, design documents, etc.)

# 05 – User Technical Documentation - Navigation

Navigation on how to access the User Technical Documentation on the ASX website



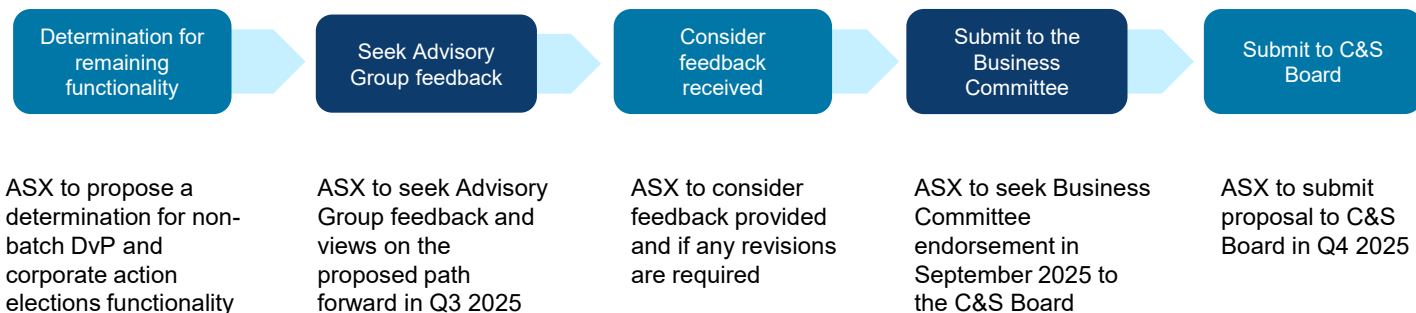
1. ASX Online access permission required. Contact your company ASX Online admin or [Chesreplacement@asx.com.au](mailto:Chesreplacement@asx.com.au) to request access

# **06 – Non-batch DVP and Corporate Actions**

## 06 – Proposed approach for remaining functionality

### Proposed process for optional or mandatory determination for remaining CHESS Release 2 functionality

- Broad consensus was received from the Business Committee at the 18 June Business Committee meeting to endorse the Technical Committee's recommendation on optional or mandatory functionality to the ASX Clearing and Settlement Boards
- Functionality for non-batch DvP and Corporate Action Elections for DRP/BSP and Rights/SPPs did not form the recommendation and are proposed to be taken forward via the following approach



# 06 – Proposed approach for non-batch DVP

Overview	Industry Feedback	Other considerations
<ul style="list-style-type: none"> <li>• <b>Settlement type:</b> Line by line settlement (DvP model 1)</li> <li>• <b>Timing:</b> Stock and cash settlement on-demand (provides additional settlement flexibility)</li> <li>• <b>Cash and Securities:</b> Requires stock and cash to be available at the time of matching (may require cash / liquidity management)</li> <li>• <b>Risk:</b> Reduced counterparty risk as each trade is settled individually (reduces the need for stock and cash to settle independently)</li> <li>• <b>Operational Model:</b> Trades can be settled when required (useful for ad-hoc or specific late trade scenarios) however unscheduled activity can add operational overhead</li> <li>• <b>Volume Handling:</b> Each settlement is treated as a separate process (ideal for low volumes or high value trade scenarios)</li> </ul>	<ul style="list-style-type: none"> <li>• ASX received broad industry support for the proposed settlement scope but noted that non-batch DvP should only be a secondary solution and implemented on an optional basis</li> <li>• Some industry feedback noted the following challenges associated with the implementation of Non-Batch DvP:               <ul style="list-style-type: none"> <li>- <b>Settlement Discipline (T+1 Timing):</b> Some concern has been expressed that post-batch settlements might erode the discipline required for a successful future T+1 settlement cycle.</li> <li>- <b>Complexity and Payment Channel:</b> Building and supporting this new functionality would introduce additional complexity for participants and payment providers.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Provides flexibility and efficiency benefits but increases the complexity of risk management, operational execution, and infrastructure design</li> <li>• Provides foundations for longer term market capabilities, including T+1, T+0 and interoperability scenarios</li> <li>• To maximise the benefit of this capability while preserving discipline in settlement operations, ASX proposes making Non-Batch DvP a mandatory feature for accreditation, but its usage would remain optional</li> </ul>

# 06 – Proposed approach for Corporate Actions

Overview	Industry Feedback	Other considerations
<ul style="list-style-type: none"> <li>Currently investors or their agents communicate corporate action elections directly to share registries through various channels. Multiple participants have asked ASX to provide a new channel via CHESS, facilitating the straight through processing of elections from the investor (or agent/custodian), through their Sponsoring Participant, to the share registry</li> <li>These enhancements aim to improve settlement flexibility and modernise corporate action workflows in Australia's cash equities market, aligning with global standards and industry needs</li> <li>Two potential options are under consideration:               <ul style="list-style-type: none"> <li><b>Option 1:</b> Maintain the existing processes, or</li> <li><b>Option 2:</b> Implement Straight Through Processing (STP) to Share Registries via CHESS for corporate action elections</li> </ul> </li> </ul>	<p>Different stakeholder groups have varying perspectives based on how they are impacted:</p> <ul style="list-style-type: none"> <li><b>Institutional Investors and Custodians:</b> This group is the <b>strongest proponent of STP and standardisation</b></li> <li><b>Share Registries:</b> The registries are <b>cautiously receptive but have concerns</b></li> <li><b>Brokers/Participants:</b> Feedback from the participant community is somewhat split by size and client base. <i>Larger participants</i> with significant institutional clients or global ties, support STP. Smaller and retail brokers are more cautious</li> <li><b>Issuers:</b> While issuers are not directly impacted by these options, they value faster and clearer corporate action results</li> </ul> <p>In summary, <b>most stakeholder groups besides the share registries lean in favour of Option 2 (STP)</b>, citing strategic and operational gains. Share registries acknowledge the market views and are not fundamentally opposed; their concerns revolve around implementation costs and complexity</p>	<ul style="list-style-type: none"> <li><b>Option 1</b> minimises near-term disruption, it preserves known inefficiencies and risks</li> <li><b>Option 2 (STP)</b> would streamline workflows through automation and standardised ISO 20022 messaging, in line with international practices, delivering potential long-term benefits to issuers, investors, and participants</li> <li>Adoption of STP reduces the operational risks and costs associated with the current model due to disparate and unstructured message flows, absence of centralised coordination creating communication gaps and manual processes</li> <li>Key considerations and risk mitigation strategies for adoption of Option 2 (STP) include early planning, phased deployment, and stakeholder support</li> </ul>



# 07 – Forward Engagement for 2025

# 07 – Indicative Forward Engagement Calendar (Rolling 3 months)

	August 2025	September 2025	October 2025
<b>Technical Committee</b>	<b>6 August</b> <ul style="list-style-type: none"> <li>• CHES Project and Working Group updates</li> <li>• CHES Release 2 Drop 1 User Technical documentation</li> <li>• Non-batch DvP and Corporate Action</li> </ul>	<b>3 September</b> <ul style="list-style-type: none"> <li>• CHES Project and Working Group updates</li> <li>• CHES Project support model</li> <li>• CHES Release 2 Industry Checkpoint preparation</li> </ul>	<b>8 October</b> <ul style="list-style-type: none"> <li>• CHES project updates</li> <li>• CHES Release 1 industry readiness</li> <li>• August Working Group updates</li> </ul>
<b>Implementation &amp; Transition Working Group</b>	<b>26 August</b> <ul style="list-style-type: none"> <li>• CHES Release 2 ITE connectivity</li> <li>• CHES Release 2 industry test approach</li> <li>• CHES Release 2 test tools and data</li> </ul>	<b>25 September</b> <ul style="list-style-type: none"> <li>• CHES Release 2 parallel testing</li> </ul>	<b>29 October</b> <ul style="list-style-type: none"> <li>• CHES Release 2 Industry Checkpoint</li> </ul>
<b>CHES Release 1 Build &amp; Test Forum</b>	<b>13 August</b> <ul style="list-style-type: none"> <li>• AMO Readiness update</li> <li>• Industry readiness tracking</li> <li>• AMO Accreditation preparation</li> </ul>	<b>11 September</b> <ul style="list-style-type: none"> <li>• AMO Accreditation update</li> <li>• CHES Release 1 cutover update</li> <li>• AMO parallel testing preparation</li> <li>• Operational readiness preparation</li> </ul>	<b>16 October</b> <ul style="list-style-type: none"> <li>• Clearing Regression update</li> </ul>
<b>Business Design Working Group</b>	<b>7 August and 18 August</b> <ul style="list-style-type: none"> <li>• Payment Provider Focus Group (7 Aug)</li> <li>• CHES Release 2 Drop 3 #2 (18 Aug)</li> </ul>	<b>9 September</b> <ul style="list-style-type: none"> <li>• Payment Channels Deep Dive</li> </ul>	<b>29 October</b> <ul style="list-style-type: none"> <li>• CHES Release 2 Drop 4</li> </ul>
<b>ISO Design Working Group</b>	<b>19 August</b> <ul style="list-style-type: none"> <li>• Drop 3 and Drop 4 ISO messages and Schema</li> </ul>	<b>18 September</b> <ul style="list-style-type: none"> <li>• Drop 4 ISO messages and Schema</li> </ul>	<b>14 October</b> <ul style="list-style-type: none"> <li>• Drop 4 ISO messages and Schema</li> </ul>



# Questions



# Observer Feedback

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Thank you

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# Appendix A – Readiness Activities

# Release 1 Engagement Activities: Completed

## Activities and Documentation to Support R1 Industry Readiness

Activity	Subject	Purpose	Planned Date	Status
<b>Publish Documentation</b>	Release 1 Industry Test Approach	Documentation describing 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 Sep 2024
<b>Publish Documentation</b>	Release 1 FIX Specifications	Documentation providing 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
<b>Publish Documentation</b>	Release 1 Connectivity Guide	Documentation detailing the technical connectivity requirements to connect to the CHES replacement system, including connectivity method(s), network details and security details	Q4 2024	Published 17 Dec 2024
<b>Engagement Activity</b>	Release 1 ITE Open Overview	I&T WG session to provide overview of the opening of ITE, and discuss ASX proposed approach to tracking and reporting test phase activity	Q1 2025	Completed 27 Feb 2025
<b>Publish Documentation</b>	Release 1 AMO Build and Test Release Notes	Release Notes for the AMO Build and Test phase, including delivered functionality, FAQs and known issues in the environment	Q1 2025	Published 28 Feb 2025
<b>Publish Documentation</b>	Release 1 AMO Accreditation Guide	Documentation providing detail on the CHES replacement AMO Accreditation phase, expectations regarding conduct and expected results including the Accreditation process, connectivity, and message scenarios	Q1 2025	Published 31 March 2025
<b>Engagement Activity</b>	Release 1 Operational Readiness Overview	I&T WG session to provide overview & discuss the prerequisites & process for completing the Operational Readiness phase	Q2 2025	Completed 29 April 2025
<b>Engagement Activity</b>	Release 1 Clearing Regression Overview	I&T WG session to provide overview & discuss the prerequisites & process for completing the Clearing Regression phase	Q2 2025	Completed 29 April 2025 & 27 May 2025
<b>Engagement Activity</b>	Release 1 Cutover Overview	I&T WG session to provide overview & discuss the prerequisites & process for completing Release 1 cutover activities	Q2 2025	Completed 27 May 2025
<b>Publish Documentation</b>	Release 1 Guide to Operational Readiness Phase	Documentation detailing the Operational Readiness scenarios including mandatory success criteria	Q2 2025	Published 28 May 2025

Note: Indicative only, subject to change based on industry inputs and further planning.

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# Release 1 Engagement Activities: Proposed for 2025

## Activities and Documentation to Support R1 Industry Readiness

Activity	Subject	Purpose	Planned Date	Status
<b>Publish Documentation</b>	Release 1 Clearing Regression Test Guide	Documentation detailing the minimum ASX-specified Clearing Regression test scenarios, key activities and expectations regarding conduct and expected results including entry and exit criteria	Q2 2025	Published 25 June 2025
<b>Publish Documentation</b>	Release 1 Cutover Approach	Documentation detailing the cutover and migration approach, key activities, responsibilities including all verifications and validations required by ASX and the market, and milestones across the cutover and dress rehearsal windows	Q2 2025	Published 26 June 2025
<b>Publish Documentation</b>	Release 1 AMO Readiness Release Notes	Release Notes for the AMO Readiness phase, including delivered functionality, FAQs and known issues in the environment	Q2 2025	Published 02 July 2025
<b>Engagement Activity</b>	AMO IDR & AMO Parallel Phase Overview	I&T WG session to provide overview & discuss the prerequisites & process for completing the IDR & AMO Parallel Test phase	Q3 2025	Proposed for August 2025
<b>Publish Documentation</b>	Release 1 Guide to AMO Parallel Test	Documentation providing detail on the AMO Parallel Test phase, key activities and expectations and expected results including entry and exit criteria	Q3 2025	Proposed for September 2025
<b>Publish Documentation</b>	R1 Cutover Runbook	Documentation providing 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	Proposed for September 2025
<b>Publish Documentation</b>	Release 1 Clearing Regression Release Notes	Release Notes for the Clearing Regression phase, including delivered functionality, FAQs and known issues in the environment	Q4 2025	Proposed for October 2025
<b>Publish Documentation</b>	Release 1 AMO Implementation Dress Rehearsal Release Notes	Release Notes for the AMO IDR phase, including AMO Parallel Test, delivered functionality, FAQs and known issues in the environment	Q4 2025	Proposed for November 2025

Note: Indicative only, subject to change based on industry inputs and further planning.

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# Release 1 Engagement Activities: Proposed for 2025

## Activities and Documentation to Support R1 Industry Readiness

Activity Planned	Subject	Purpose	Planned Date
Engagement Activity	Release 2 Industry Test Tooling High Level Approach	I&T Working Group (I&T WG) workshop providing an overview of ASX planned approach to test environments, data, and tooling to enable CHES User testing in Release 2, and discuss/identify unmet industry needs or challenges for additional consideration	Completed 27 Mar 2025
Engagement Activity	ISO 20022 and Business Design Working Groups	Workshops to obtain industry input and feedback into the design of Release 2 ISO messages and specified CHES	Q4 2024 – Q2 2026
Engagement Activity	Release 2 Industry Test Tooling Focus Groups	I&T WG workshops to walk through Release 2 message initiation and response testing once ISO specifications and message workflows drafted. Schedule will incrementally follow collation of industry feedback to Drop 1 – 5 documentation	Q2 2025 – Q3 2026
Publish Documentation	ISO 20022 Specifications & Functional and Technical Specs	Documentation providing a detailed specification of all ISO messages including message structures, rules message flow diagrams., and tooling to support testing ASX will target release this documentation incrementally in line with the 5 feature drops	Q3 2025 – Q3 2026
Publish Documentation	Release 2 Release Notes	Release Notes for each functional drop, including delivered functionality, FAQs and known issues in the environment.	Q1 2026 – Q1 2027
Engagement Activity	Phase High Level Approach 1 - Release 2 Parallel Test	I&T WG session providing high level overview of Release 2 Parallel Test Approach, to discuss/identify unmet industry needs for additional consideration	Q3 2025
Engagement Activity	Guide Overview 1 - Release 2 Industry Test Approach	I&T WG session providing overview of draft Release 2 Industry Test Approach, to inform industry and obtain feedback prior to publishing	Q3 2025
Publish Documentation	Release 2 Industry Test Approach	Documentation describing the approach, responsibilities, timing, entry and exit criteria and expected outcomes for each Industry Test phase	Q3 2025
Publish Documentation	Release 2 Connectivity Guide	Documentation detailing the technical connectivity requirements to connect to the CHES replacement system including connectivity method(s), network details and security details	Q4 2025
Engagement Activity	Phase High Level Approach 2 - Release 2 Cutover and Rollback	I&T WG session providing high level overview of Release 2 Cutover & Rollback Approach, to discuss/identify unmet industry needs for additional consideration	Q3 2025
Engagement Activity	Release 2 Timeline Checkpoint 1	Gauge industry progress and obtain industry feedback to ascertain its ability to continue meeting the Release 2 project timeline following the release of the Industry Test Approach and initial Functional & Technical Specifications	Q4 2025

Note: Indicative only, subject to change based on industry inputs and further planning.

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# Release 2 Readiness Activities: Proposed for 2026

## Activities and Documentation to Support R2 Industry Readiness

Activity Planned	Subject	Purpose	Planned Date
Engagement Activity	ISO20022 and Business Design Working Groups	Workshops to obtain industry input and feedback into the design of Release 2 ISO messages and specified CHES	Q4 2024 – Q2 2026
Engagement Activity	Release 2 Industry Test Tooling Focus Groups	I&T WG workshops to walk through Release 2 message initiation and response testing once ISO specifications and message workflows drafted. Schedule will incrementally follow collation of industry feedback to Drops 1 – 5 documentation	Q2 2025 – Q3 2026
Publish Documentation	ISO20022 Specifications & Functional & Technical Specs	Documentation providing a detailed specification of all ISO messages including message structures, rules message flow diagrams., and tooling to support testing ASX will target release this documentation incrementally in line with the 5 feature drops	Q3 2025 – Q3 2026
Publish Documentation	Release 2 Release Notes	Release Notes for each functional drop, including delivered functionality, FAQs and known issues in the environment	Q1 2026 – Q1 2027
Engagement Activity	Activity and Progress Tracking Overview	<b>I&amp;T WG session</b> to provide overview and discuss ASX proposed approach to tracking and reporting test phase activity	Q1 2026
Engagement Activity	Phase Overview 1 - ITE Open	<b>I&amp;T WG session</b> to provide overview & discuss the prerequisites + process for completing the Software Provider B&T Phase	Q1 2026
Engagement Activity	<b>Guide Overview 2</b> - Release 2 Connectivity Guide	<b>I&amp;T WG session providing overview of draft Release 2 Connectivity guide and process</b>	Q1 2026
Engagement Activity	<b>Guide Overview 3</b> - Release 2 Failover & Recovery Guide	<b>I&amp;T WG session providing overview of draft Failover &amp; Recovery guide, to inform industry and obtain feedback prior to publishing</b>	Q3 2026
Publish Documentation	Release 2 Failover and Recovery Guide	Documentation providing information on failover testing, covering what components ASX will simulated-fail and proposed frequencies	Q3 2026
Engagement Activity	Release 2 Timeline Checkpoint 2	Gauge industry progress and obtain industry feedback to ascertain its ability to continue meeting the Release 2 project timeline following the release of all Functional & Technical Specifications. Identify and incorporate agreed industry requirements into CHES User test phases schedule	Q4 2026
Engagement Activity	<b>Guide Overview 4</b> - Release 2 Accreditation Guide	<b>I&amp;T WG session</b> providing overview of draft Release 2 Accreditation Guide, <b>to inform industry and obtain feedback prior to publishing</b>	Q4 2026
Publish Documentation	Release 2 AMO Accreditation Guide	Documentation providing overview of the Release 2 Accreditation phase, including accreditation process, connectivity scenarios & message scenarios	Q4 2026

Note: Indicative only, subject to change based on industry inputs and further planning.

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# Release 2 Readiness Activities: Proposed for 2027

## Activities and Documentation to Support R2 Industry Readiness

Activity	Subject	Purpose	Planned Date
Engagement Activity	Phase Overview 2 – Software Provider Readiness	<b>I&amp;T WG session</b> to provide overview and discuss the prerequisites and process for completing the Software Provider Readiness Phase	Q1 2027
Engagement Activity	<b>Guide Overview 5</b> - Release 2 Operational Readiness Guide	<b>I&amp;T WG session</b> providing overview of draft Release 2 Operational Readiness Guide, <b>to inform industry and obtain feedback prior to publishing</b>	Q2-Q3 2027
Publish Documentation	Release 2 Guide to Operational Readiness Phase	Documentation outlining the Operational Readiness scenarios including mandatory success criteria	Q3 2027
Engagement Activity	Phase Overview 3 - Release 2 Inflight Migration	<b>I&amp;T WG session</b> to provide overview and discuss the approach to the Inflight Migration testing phase	Q3 2027
Engagement Activity	Phase Overview 4 - Release 2 Software Provider Accreditation	<b>I&amp;T WG session</b> to provide overview and discuss the approach to the Software Accreditation phase	Q3 2027
Engagement Activity	Phase Overview 5 - Release 2 CHES User Readiness	<b>I&amp;T WG session</b> to provide overview and discuss the approach to the CHES User Readiness phase	Q3 2027
Engagement Activity	<b>Guide Overview 6</b> - Release 2 Parallel Test	<b>I&amp;T WG session</b> to provide overview of draft Release 2 Parallel Test Guide, <b>to inform industry and obtain feedback prior to publishing</b>	Q3 2027
Publish Documentation	Release 2 CHES User Readiness Release Notes	Release Notes for the CHES User Readiness phase, including delivered functionality, FAQs and known issues in the environment	Q4 2027
Publish Documentation	Release 2 Guide to Parallel Test	Documentation providing details of key activities and expectations regarding test and scope boundaries, expected results including entry and exit criteria	Q4 2027
Engagement Activity	<b>Guide Overview 7</b> - Release 2 Cutover & Migration Approach	<b>I&amp;T WG session</b> to provide overview of draft Cutover and Migration Approach, <b>to inform industry and obtain feedback prior to publishing</b>	Q4 2027
Publish Documentation	Release 2 Cutover and Migration Approach	Documentation detailing the cutover and migration approach, key activities and responsibilities	Q4 2027
Engagement Activity	Cutover Date Focus Group	I&T WG session to identify the appropriate weekend/month that has broad industry support, to schedule Primary and Secondary cutover dates in 2029	Q4 2027

Note: Indicative only, subject to change based on industry inputs and further planning.

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# Release 2 Readiness Activities: Proposed for 2028

## Activities and Documentation to Support R2 Industry Readiness

Activity	Subject	Purpose	Planned Date
Engagement Activity	Guide Overview 8 - Release 2 Guide to Industry Wide Testing	<b>I&amp;T WG session providing</b> overview of draft Guide to Industry Wide Testing <b>to inform industry and obtain feedback prior to publishing</b>	Q1-Q2 2028
Publish Documentation	Release 2 Guide to Industry Wide Testing	Documentation providing an overview of the Release 2 Industry Wide Test phase, detailing key activities, expected behaviours, scope boundaries, and expected outcomes including entry and exit criteria	Q2 2028
Engagement Activity	Guide Overview 9 - Release 2 Cutover Runbook	<b>I&amp;T WG session</b> providing overview of draft Cutover Runbook <b>to inform industry and obtain feedback prior to publishing</b>	Q1-Q2 2028
Engagement Activity	Phase Overview 6 - Release 2 Operational Readiness	<b>I&amp;T WG session</b> to provide an overview and discuss the approach to the Operational Readiness phase	Q2 2028
Engagement Activity	Phase Overview 7 - Release 2 Industry Wide Testing	<b>I&amp;T WG session</b> to provide an overview and discuss the approach to the Industry Wide Testing phase	Q3 2028
Publish Documentation	Release 2 CHESS Industry Wide Testing Release Notes	Release Notes for the Industry Wide Testing phase, including delivered functionality, FAQs and known issues in the environment	Q3 2028
Publish Documentation	Release 2 Cutover Runbook	Documentation providing CHESS Users with detail on the tasks, milestones and steps associated with cutover, including planned timing. The runbook will be used in dress rehearsals and refined as required ahead of the final go-live event. Note that this document will also include the steps required to backout	Q2 2028
Engagement Activity	Phase Overview 8 - Release 2 Implementation Dress Rehearsals & Parallel Test	<b>I&amp;T WG session</b> to provide an overview and discuss the approach to Implementation Dress Rehearsal and Parallel Test phase	Q3-Q4 2028
Publish Documentation	Release 2 Implementation Dress Rehearsal Release Notes	Release Notes for the IDR phase, including Parallel Testing, delivered functionality, FAQs and known issues in the environment	Q4 2028
Engagement Activity	Go/No-Go and Rollback Decision Focus Group	I&T WG session to identify appropriate decision framework that has broad industry support that will be employed during cutover activities	Q4 2028

Note: Indicative only, subject to change based on industry inputs and further planning.

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# **Appendix B – CHESS Release 2 Scope and Roadmap**

# Indicative CHES Release 2 Project Roadmap

	Drop 1	Drop 2	Drop 3	Drop 4	Drop 5
Feature Scope	<ul style="list-style-type: none"> <li>&gt; Participant and registry/issuer Setup</li> <li>&gt; Accounts and holdings</li> <li>&gt; Unilateral non-batch instructions</li> <li>&gt; Account and holding balance reporting</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Trade registration &amp; netting</li> <li>&gt; Settlement instructions</li> <li>&gt; Batch settlement (excluding payments)</li> <li>&gt; Pass-through investor data</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Payments with limits</li> <li>&gt; Issuer sponsored processes</li> <li>&gt; Cum entitlement balance and holding movement reporting</li> <li>&gt; Claims and adjustments</li> <li>&gt; Corporate actions tranche A (cash)</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Change of controlling participant &amp; portfolio transfer</li> <li>&gt; Holding adjustments</li> <li>&gt; Batch exceptions (including default management and backout)</li> <li>&gt; RITS integration(s)</li> <li>&gt; Corporate actions tranche B (securities)</li> </ul>	<ul style="list-style-type: none"> <li>&gt; ETO/CMM collateral</li> <li>&gt; Daily margin advice</li> <li>&gt; Offer administration facility</li> <li>&gt; Corporate action elections without payment</li> <li>&gt; Corporate action elections with payment</li> <li>&gt; Corporate actions tranche C (remaining)</li> </ul>
User Journeys	<ol style="list-style-type: none"> <li>1. <b>Participants</b> can test the full account lifecycle (create &amp; update, lock and cancel)</li> <li>2. <b>Participants</b> can perform simple transfers between accounts they administer</li> <li>3. <b>Registries</b> and <b>Participants</b> can receive account and holding balance reports</li> </ol>	<ol style="list-style-type: none"> <li>1. <b>Participants</b> can receive market trades in ISO20022, novate, net and schedule for settlement</li> <li>2. <b>Participants</b> can match and schedule settlement instructions</li> <li>3. <b>Participants</b> can settle instructions in a daily batch (excluding payment provider and payment services flows), including unit failure</li> <li>4. <b>Participants</b> and <b>Registries</b> can test pass through investor data</li> </ol>	<ol style="list-style-type: none"> <li>1. <b>Payment providers</b> can manage payment facilities, authorise funds and utilise cash limit tracking</li> <li>2. <b>Participants</b> and <b>Registries</b> can test issuer sponsored flows</li> <li>3. <b>Participants</b> and <b>Registries</b> can receive corporate action and holding movement reporting</li> <li>4. <b>Participants</b> obligations are adjusted to account for fails and adjustments</li> <li>5. <b>Participants</b> can reserve balances and specify trust amounts</li> </ol>	<ol style="list-style-type: none"> <li>1. <b>Participants</b> can perform change of controlling participant and portfolio transfers</li> <li>2. <b>Registries</b> can process corporate actions including performing holding adjustments</li> <li>3. <b>Participants</b> and <b>ASX</b> can test batch exception processes (such as default management, backout, extension and cancellation)</li> <li>4. <b>ASX</b> and <b>RBA</b> can commence testing of RITS integration(s)</li> </ol>	<ol style="list-style-type: none"> <li>1. <b>Participants</b> can lodge non-cash collateral and ETO cover and adjust margin</li> <li>2. <b>Participants</b> and <b>Registries</b> can test takeovers and buybacks</li> <li>3. <b>Participants</b> and <b>Registries</b> can test option elections without payment (DRP/BSP)</li> <li>4. <b>Participants</b> and <b>Registries</b> can test option elections with payment (Rights, SPPs)</li> </ol>

Indicative Roadmap – Subject to Change

# Overview of Industry Change Requests

Summary of industry change requests as at July 2025

#	Item	Type	Detail	Status	Impact
CR_001	Account Notifications to Registries	Additional customisation	BaNCS does not currently support the ability to provide account information to share registries in real-time for balances increasing from zero. New customisation is required to facilitate this process	Approved to implement	No schedule impact
CR_002	FIX Gateway Login	Enhancement	Enhance the Fix Gateway Login process to fix a login issue impacting an AMO	In Assessment	In Assessment



# **Appendix C – Closed Working Group actions**

# Closed Working Group Actions

Closed Working Group actions and decision outcomes for Q3 2025. Full list of closed actions located [here](#).

#	Topic	Action	Meeting Raised	Meeting Closed	Status	Outcome
TC_04_01	R2 – ISO Design Changes	ASX to consider how it could provide further transparency on changes to ISO design	<a href="#">April TC</a>	<a href="#">July TC</a>	Closed	A summary overview of ISO Design changes are to be provided in advance of each User Technical documentation drop
BDWG_12	Fees	Consideration of a revised approach for crossings and associated fee impacts	<a href="#">March BDWG</a>	<a href="#">July TC</a>	Closed	Crossings approach revised and presented in agenda item 4 of May BDWG. Overview of fee impact process provided in agenda 6 of the July Technical Committee meeting.
BDWG_13	Roadmap	Provide guidance of the in scope Corporate Actions per drop	<a href="#">May TC</a>	<a href="#">July BDWG</a>	Closed	Incorporated into the BDWG pack for July.
BDWG_14	Drop 2 Scope	Revise matching tolerances factoring in feedback bilaterally from Participants	<a href="#">May BDWG</a>	<a href="#">July BDWG</a>	Closed	ASX is collating feedback received bilaterally and will revise

# Closed Working Group Actions

Closed Working Group actions and decision outcomes for Q3 2025. Full list of closed actions located [here](#).

#	Topic	Action	Meeting Raised	Meeting Closed	Status	Outcome
ISOWG_M07	Settlement	ASX to investigate the number of status updates generated for a settlement instruction which is on hold to the requesting Participant	<a href="#">May ISOWG</a>	<a href="#">July ISOWG</a>	Closed	ASX updated the proposal and incorporated the hold indicator to the counterparty upon match rather than on the morning of settlement date
ISOWG_M08	Hold Indicators	ASX to investigate the use case of reapplying a hold indicator after it has been released	<a href="#">May ISOWG</a>	<a href="#">July ISOWG</a>	Closed	ASX stated that the rule framework for this functionality would prevent the reapplication of a hold on an instruction after it has been released.
ISOWG_J01	Trade Confirmation	Consideration to be given where a crossing is also a short sale and how that is represented within the Trade Confirmation Notification	<a href="#">June ISOWG</a>	<a href="#">July ISOWG</a>	Closed	ASX has introduced an additional value (Sell Short (CRSH)) for the Buy Sell Indicator on the Trade Confirmation Notification (secl.001) and Trade Cancellation Notification (secl.002)
ISOWG_J02	Bilateral Matching	ISO Working Group Members requested further information in relation to bilateral matching and the housekeeping process for unmatched instructions	<a href="#">June ISOWG</a>	<a href="#">July ISOWG</a>	Closed	Further information was provided to the Working Group Member

# Closed Working Group Actions

Closed Working Group actions and decision outcomes for Q3 2025. Full list of closed actions located [here](#).

#	Topic	Action	Meeting Raised	Meeting Closed	Status	Outcome
ISOWG_J03	Settlement	Population of the Trade Date on the Settlement Obligation Notification (sese.032) when a market obligation is rescheduled as part of batch settlement	<a href="#">June ISOWG</a>	<a href="#">July ISOWG</a>	Closed	Trade Date is not expected to be populated on the Settlement Obligation Notification (sese.032)
TC_01	ISO message changes	ASX to review how ISO message changes are currently presented in the ISO Working Group and determine how it can further clarify these changes to Participants	<a href="#">July Technical Committee</a>	<a href="#">July ISOWG</a>	Closed	Summary of changes will be provided for messages presented at the ISO Design Working Group in the Appendix.



## Get in touch

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