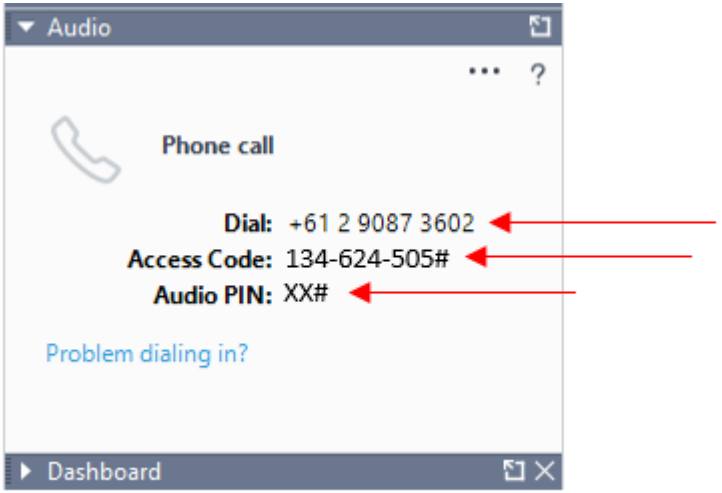
ISO 20022 Technical Committee Meeting

26 March 2019

ASX

Joining by webinar

Please note that ASX is now using the GoToWebinar platform for this meeting. Details provided by email. Once you have registered and clicked on the link to join the webinar you will need to join the audio by phone, not PC. Each attendee will have a unique PIN assigned, as shown below.
Please follow any instructions to check your system, PC.



Attendee Participation

Join audio:

- Choose Telephone and dial using the information provided
- You will need the unique 2 digit audio pin to ask questions.

If you are not speaking during the meeting, please mute your phone

Important information – Competition Law Policy

Committee members are reminded to have regard to their obligations under competition law. In particular, please note recent changes to the Competition and Consumer Act to prohibit 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

1. Agenda overview
2. Minutes from last meeting, open actions
3. CHESS Replacement project update by ASX
4. ISO 20022 project update by ASX
5. Update from Business Committee (verbal)
6. Matters for Consideration:
   - 6a Follow up meeting & Focus Group outcomes – Transfers & Conversions
   - 6b Account creation, modification, report
   - 6c Review of 'to-be' messages
   - 6d Focus Group outcomes
7. Closing and next meeting

2. Minutes and actions

Minutes for 8 February 2019 meeting available on CHESS Replacement web page. Open action items:

#	Meeting Date	Open Action Items	Owner	Due Date	Status
20	2 May 2017	Provide details of a proposed plan including potential topics for the remaining training webinars for feedback, including identification of business vs. technical topics.	ASX	On hold	On hold
62	4 Sep 2018	ASX to review 1. the intended timing for housekeeping of unmatched messages, any standardisation opportunities; 2. whether settlement requests could be future dated; (**this item was closed – ASX response that future dating would not be supported**) 3. ASX would also consider the visibility of holding locks to issuers on an intra-day basis.	ASX	Mar 2019	
65	9 Oct 2018	ASX to consider if information such as participant party identification and preferences would be available within the node (in addition to published) and confirm to members as part of migration activity.	ASX	Mar 2019	
70	8 Feb 2019	Members to provide feedback on where they considered the principles for ISO 20022 adoption not being followed, and ASX to consider how it measures and tests its principles of ISO 20022 adoption from a cost/benefit perspective, and clearly articulate why the changes are proposed.	Members and ASX	Mar 2019	

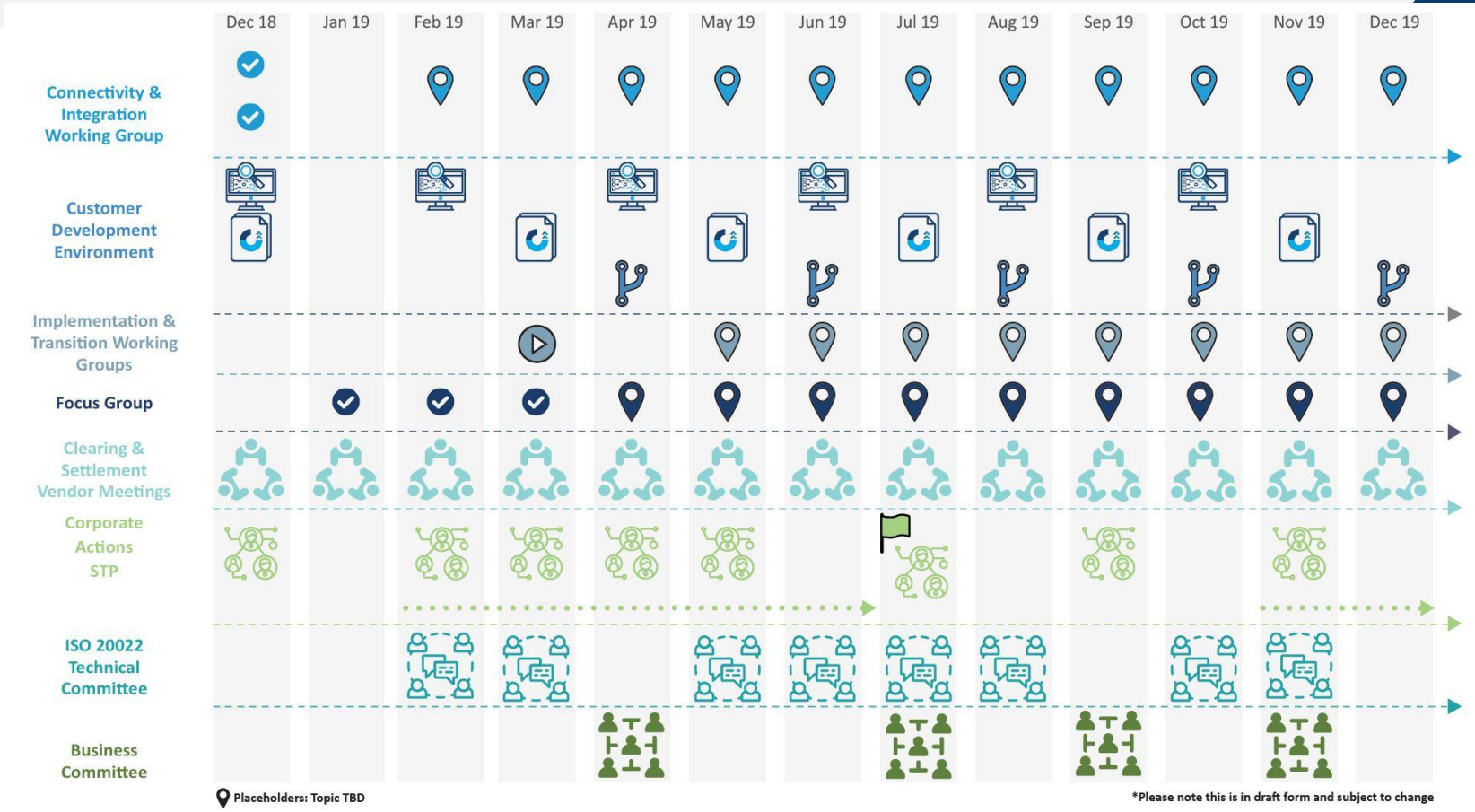
2. Minutes and actions

Cont'd:

#	Meeting Date	Open Action Items	Owner	Due Date	Status
71	8 Feb 2019	ASX to review SLAs and the timing of responses to queries submitted to both the CHESS Replacement and CSP Support mailboxes, including acknowledging questions where ASX may not currently have an answer.	ASX	Mar 2019	
72	8 Feb 2019	ASX to consider an AMO's request to join ASX's CHESS Replacement community in MyStandards.	ASX	Mar 2019	Closed
73	8 Feb 2019	ASX to setup a meeting with Registries to further discuss Transfers and Conversions, prior to the Focus Group meeting currently scheduled for 27 February 2019.	ASX	Mar 2019	Closed

3. CHESS Replacement Project update

Engagement plan 2019



4. ISO 20022 project update by ASX

To-be' mapping:

- Topics in progress:
  - Accounts, Transfers & Conversions
  - Corporate actions
  - mFund
  - Settlement
  - Holding Management

- Global ISO 20022 engagement
  - ISO 20022 Securities Standards Evaluation Group (SEG)
  - T2S Evaluation Team (sub group of SEG)
  - BAH change request
  - Business Justification for new messages

5. Update from Business Committee

6. Matters for consideration

6a Follow up meeting and Focus Group outcomes

Transfers & Conversions

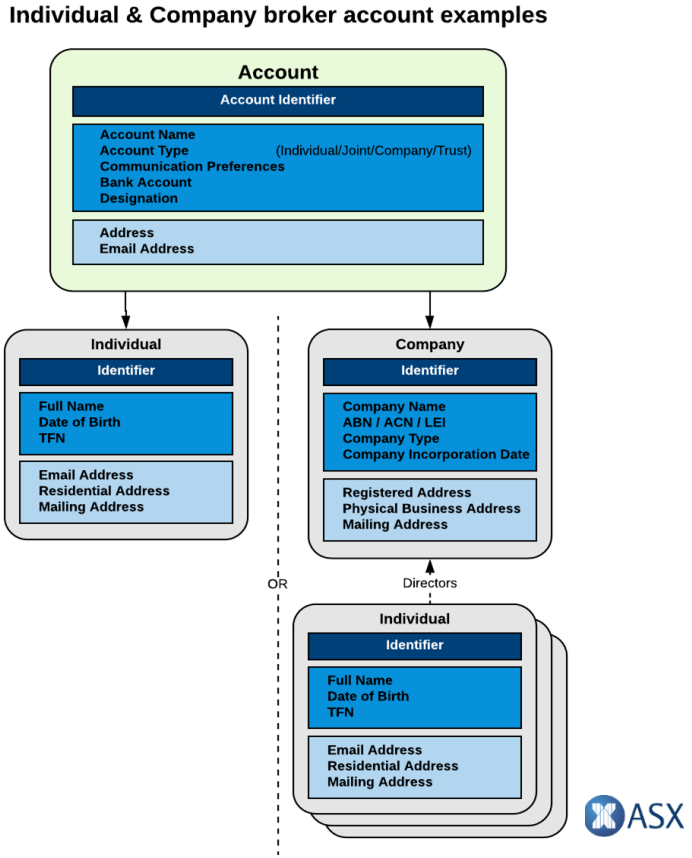
6b Account Creation Proposal

- The separation of holder information from account information will be maintained
- Consolidation of message to create holder(s) and account
- Consolidation of messages to provide holder(s) and account information to Controlling Participants and Issuers
- Only relevant information will be passed to issuers relating to the transaction or business process

6b Proposed end-to-end flow of account creation

When onboarding Investors, Participants will continue to capture all holder and account details within a structured format ensuring they are compliant with regulatory and legislative requirements.

Participants will no longer be required to manipulate or collect additional information to facilitate the creation of an account on the CSP (Clearing & Settlement Platform). Instead the original details collected can be used to create the account.



6b Proposed end-to-end flow of account creation

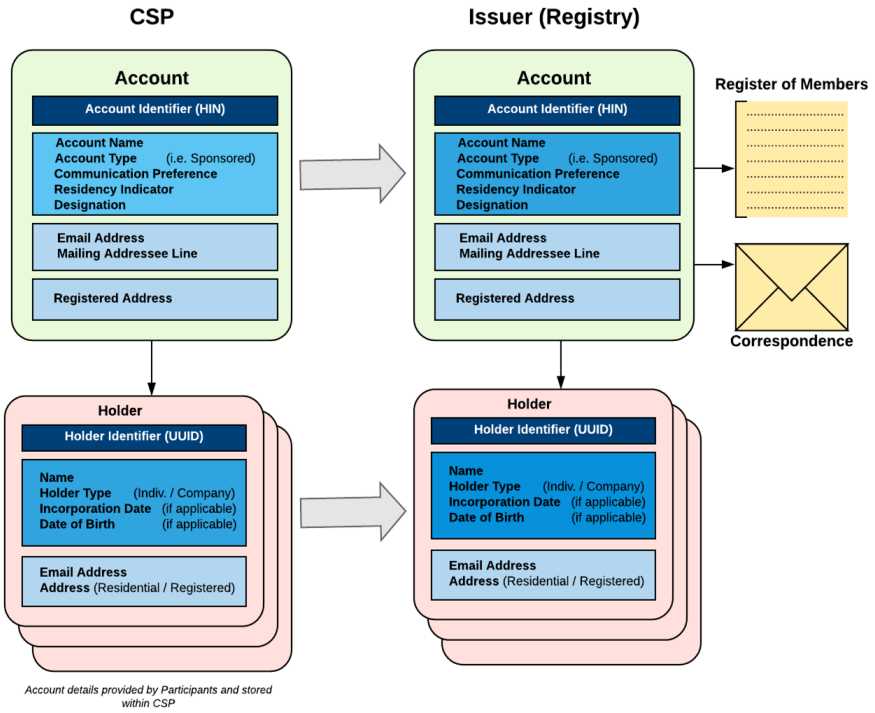
CSP will create holder(s) and the account using the details provided by the Participant. Information will be maintained at both the holder object and account object.

The CSP will provide all account and holder details to the Issuer when:

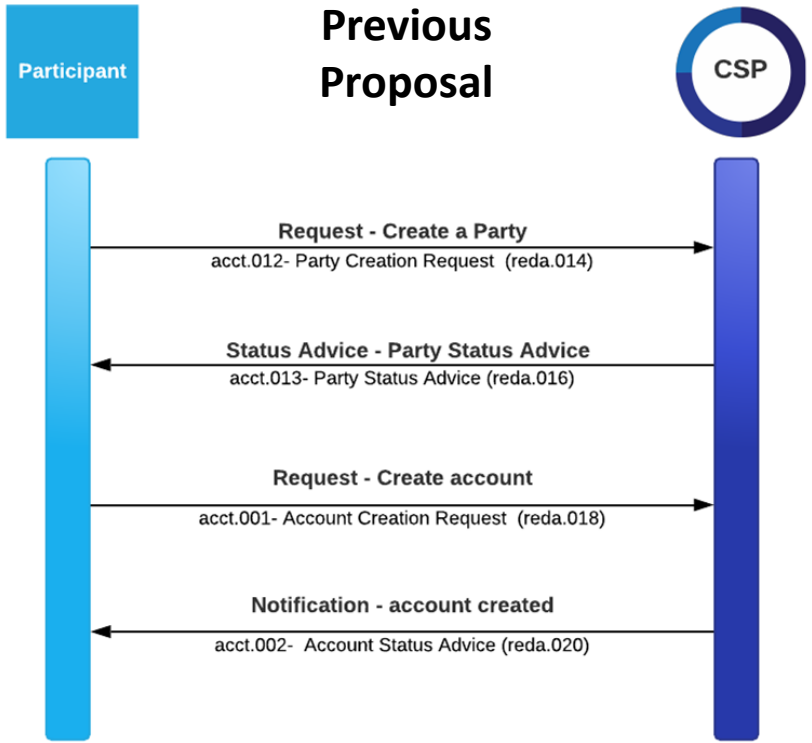
- A new holding balance is created
- Account details updated
- Holding balance is reduced to zero

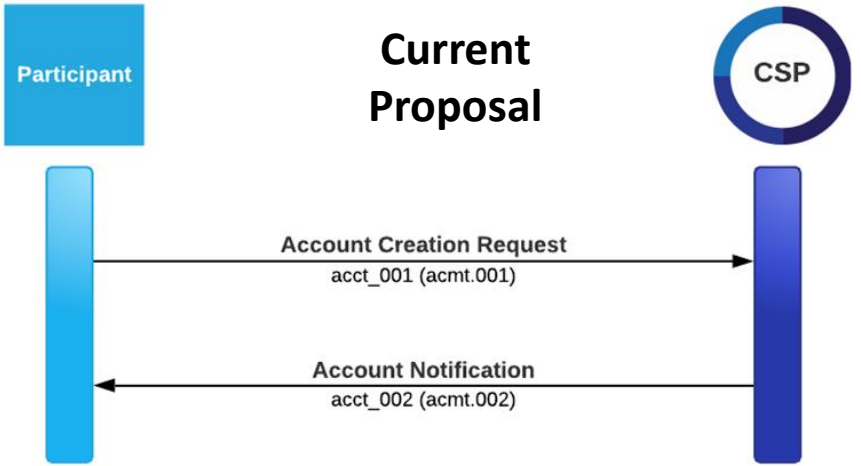
The Issuer will continue to use these details to:

- Maintain the register of members
- Communicate to Investors

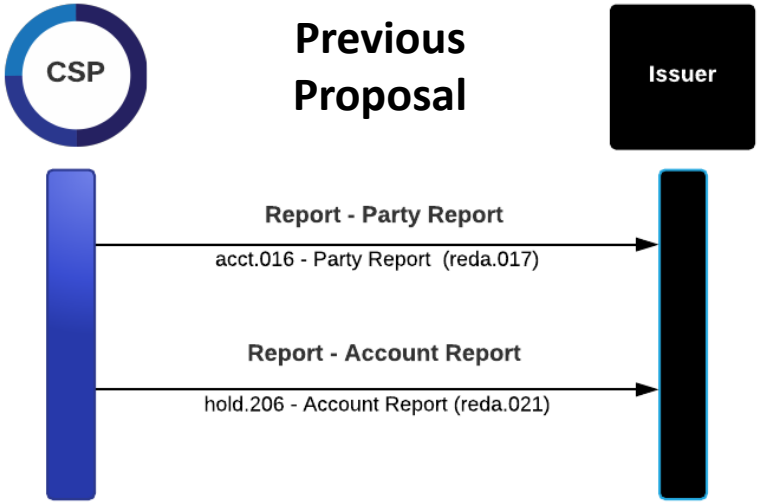


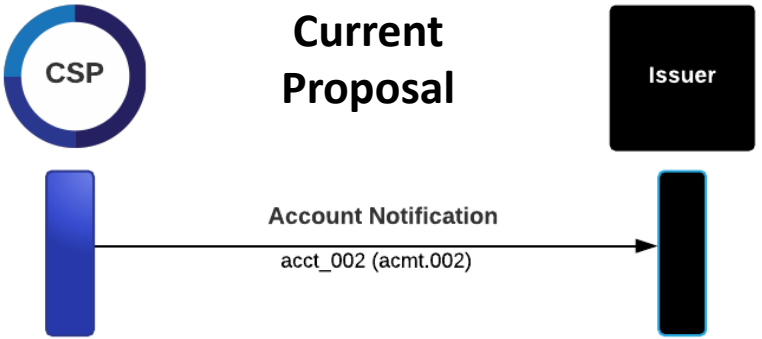
6b End-to-end messaging flow - Holder & Account Creation





6b End-to-end messaging flow - Reports & Notifications





6b Functions using registration details

The following functions will incorporate changes to registration details:

- Modification of accounts and holders
- Locking and unlocking of accounts and holders
- Notifications to Issuers (new holding balance, zero holding balance)
- Participant to Issuer transfer and conversions
- Issuer to Participant transfer and conversions
- SRN enquiries
- Takeover acceptance notifications
- Application request (mFund)
- Margin cover creation authorisation request
- Reports

6b Account creation, modification, report

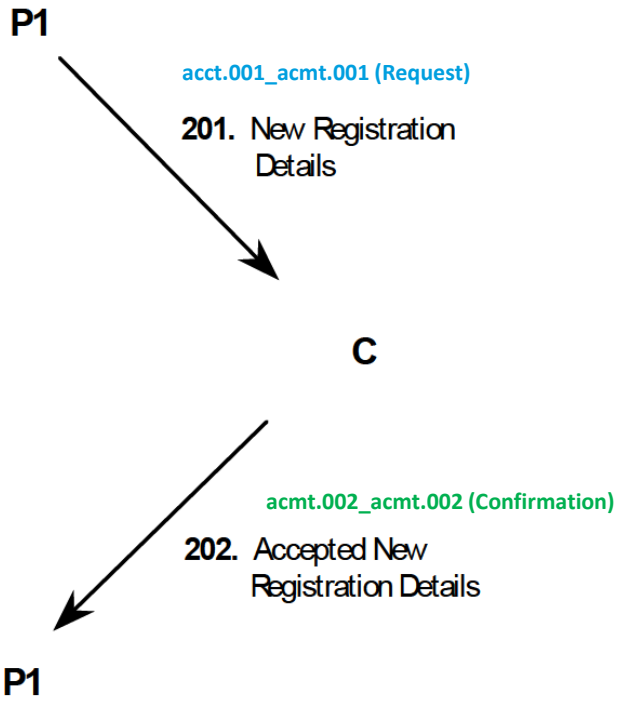
Message Consolidation

Message Type	'As-is' Message Id	ISO Base Message	'To-be' Message Id
Account Creation	**EIS 201** - New Registration Details	acmt.001 - Account Opening Instruction	acct_001 - Account Opening Instruction
Account Update	**EIS 203 -** Update Request	acmt.003 - Account Modification Instruction	acct_003 - Account Modification Instruction
Account Confirmation Account Report	**EIS 202** - Accepted New Registration Details **EIS 220 -** Authorised Registration Details **EIS 512**- Holding Registration Details	acmt.002 - Account Details Confirmation	acct_002 - Account Details Confirmation

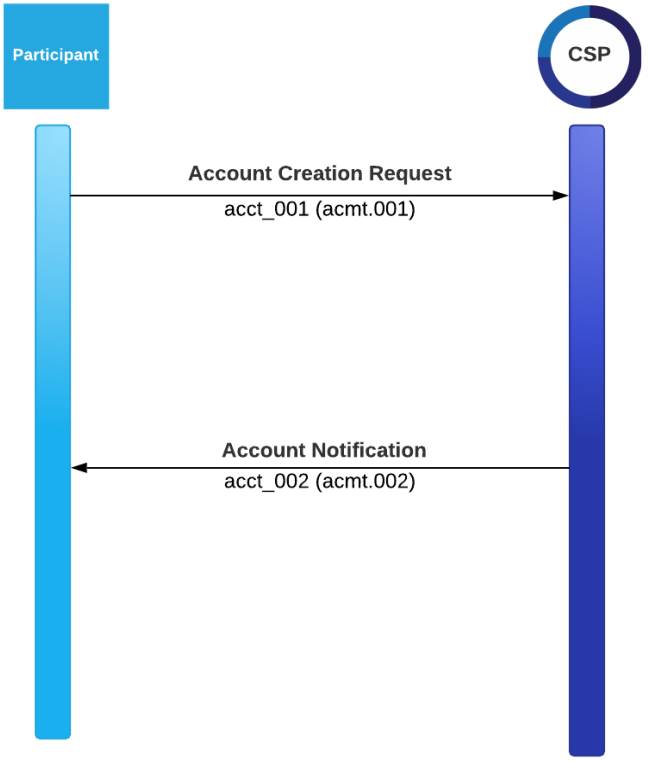
6b Account Creation

Account Creation message flow

Current flow



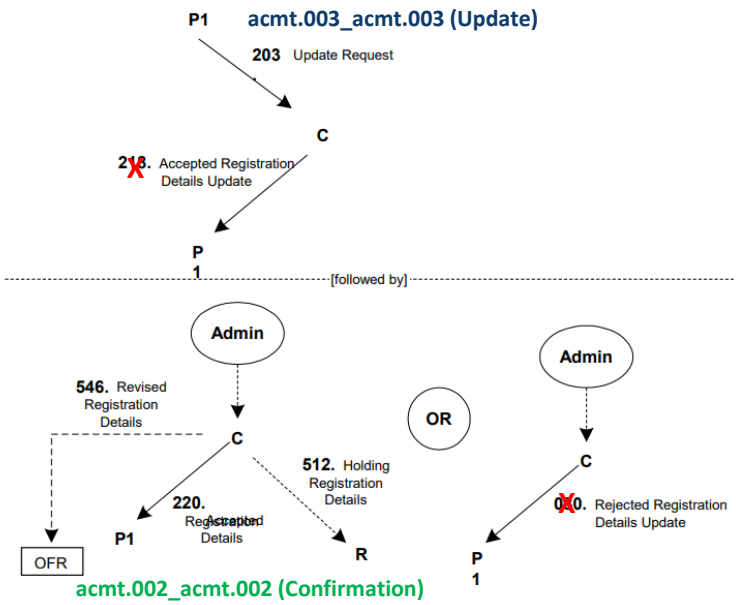
'to-be' uml flow



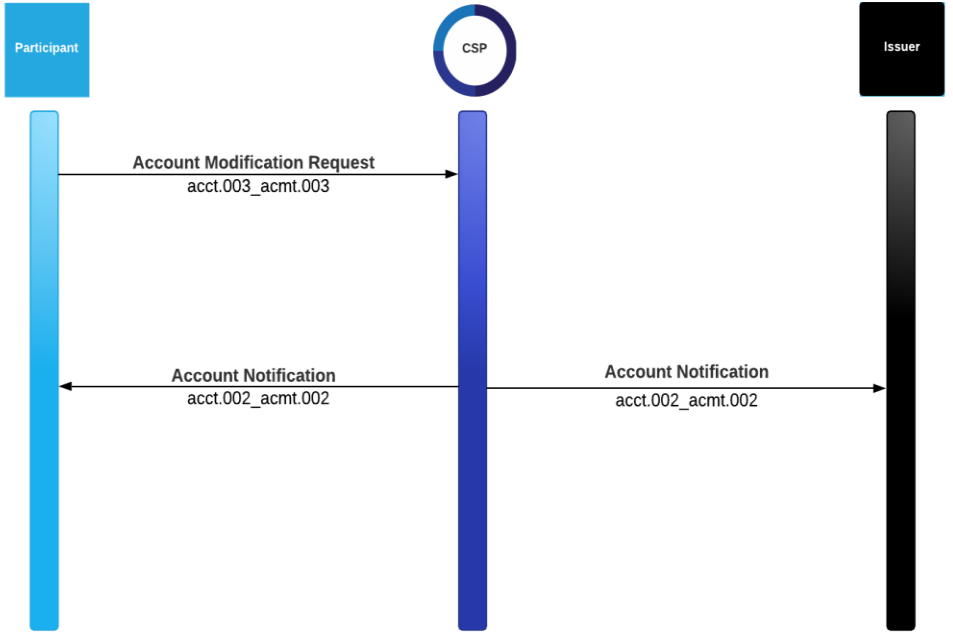
6b Account Modification

Account Modification message flow

Current flow



'to-be' uml flow



X The validation will be automatized. EIS218 and EIS080 will be descoped.

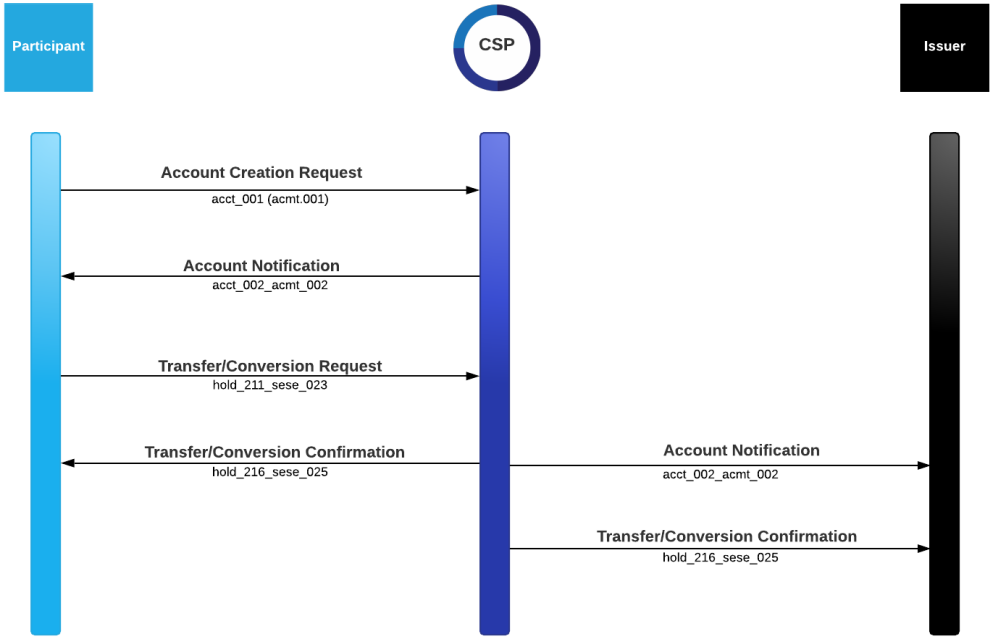
6b Account creation, modification, report

Standardized registration Details

The new Registration Details will be incorporated across all functions in the Clearing & Settlement Platform:

- Modification of accounts and holders
- Locking and unlocking of accounts and holders
- Transfer and conversions
- Notifications to Issuers (new holding balance, zero holding balance)
- SRN enquiries
- Takeover acceptance notifications
- Application request (mFund)
- Collateral request
- Margin cover creation authorisation request
- Reports

'To-be' Participant to Issuer Transfer



6b Account creation, modification, report
‘to-be’ Registration Details

Account Attributes

CHESS Attribute	CSP Attribute	Definition
Entrepot Type Holder Type	**Account Type**	Type of the account
Registered Holder Name	**Account name**	Concatenation of all holder names. Name that is used on the register of members
Registered Address	**Registered Address**	Address used on the register of members. Communication is sent to this address by ASX and Issuers.
Designation	**Designation**	Additional information about the account.
N/A	**Mailing Addressee Line**	To facilitate the delivery of communications in the post. Generated using the account name.
Communication Preference	**Communication Preference**	Preference to receive communication relating to the account or holdings within the account. Used by both ASX and Issuers.
Residency Indicator	**Residency Indicator**	Records whether any Holder is considered a “Foreign Person” for financial products with a foreign ownership restriction.
Email Address	**Email Address**	To facilitate the delivery of electronic communications.
	Mobile Number	To facilitate the delivery of electronic communications.

Holder Attributes (1..4)

CSP Attribute	Definition
Type	Type of holder (Individual or Company) used to determine applicable attributes. Expanded allow additional types.
Name	Identifies the legal owner of the account.
Address	Optional, residential or business address used for taxation purposes.
Email Address	Optional, to support future communication business requirements.
Mobile Number	Optional, to support future communication business requirements.
Date of Birth or Company Incorporation Date	Optional, additional information collected for the holder to facilitate business functions
Legal Entity Identifier (LEI)	Optional, additional information collected for the holder to facilitate business functions

6b Account creation, modification, report

acmt_001- Account Opening Instruction, acmt_002 - Account Details Confirmation and acmt_003- Account Modification Instruction

Name	XML Tag	Mult	Type / Code	Restr
Account Opening Instruction V07 (acmt.001.001.07)	<AcctOpngInstr>			
Ownership Type	<OwnrshTp>	[1..1]	Choice	
Code	<Cd>	[1..1]	text	
Joint Account			JOIT	
Single Owner Account			SIGL	
Account Parties	<AcctPties>	[1..1]		
Principal Account Party	<PrncplAcctPty>	[1..1]	Choice	
Primary Owner	<PmryOwnr>	[1..1]		
Party	<Pty>	[1..1]	Choice	
Organisation	<Org>	[1..1]		
Individual Person	<IndvPrsn>	[1..1]		
Joint Owner	<JntOwnr>	[1..5]		[1..4]
Party	<Pty>	[1..1]	Choice	
Organisation	<Org>	[1..1]		
Individual Person	<IndvPrsn>	[1..1]		

Holder Information:

NEW **Holder Information <Account Parties> :**

Choice Component < Principal Account Party >

- ✓ **Primary Owner** – (SIGL)
  - Organisation
  - Individual Person
- ✓ **Joint Owner (1..4)** – (JOIT)
  - Organisation
  - Individual Person

ASX

6b Account creation, modification, report

acmt_001- Account Opening Instruction, acmt_002 - Account Details Confirmation and acmt_003- Account Modification Instruction

Name	XML Tag	Mult	Type / Code	Restr
Account Opening Instruction V07 (acmt.001.001.07)	<AcctOpngInstr>			
Ownership Type	<OwnrshTp>	[1..1]	Choice	
Code	<Cd>	[1..1]	text	
Joint Account			JOIT	
Single Owner Account			SIGL	
Account Parties	<AcctPties>	[1..1]		
Principal Account Party	<PrncplAcctPty>	[1..1]	Choice	
Primary Owner	<PmryOwnr>	[1..1]		
Party	<Pty>	[1..1]	Choice	
Organisation	<Org>	[1..1]		
Individual Person	<IndvPrsn>	[1..1]		
Joint Owner	<JntOwnr>	[1..5]		[1..4]
Party	<Pty>	[1..1]	Choice	
Organisation	<Org>	[1..1]		
Individual Person	<IndvPrsn>	[1..1]		

Holder Information:

NEW **Holder Information <Account Parties>**

There are 2 types of holders:

Individual

- **Full name**
- **Address**
- **Email address**
- **Mobile number**

Company

- **Company name**
- **Address**
- **Legal Entity Identifier (LEI)**
- **Email address**
- **Mobile number**

6b Account creation, modification, report

acmt_001- Account Opening Instruction, acmt_002 - Account Details Confirmation and acmt_003- Account Modification Instruction

Account Opening Instruction V07 (acmt.001.001.07)	<AcctOpngInstr>			
Account Parties	<AcctPties>	[1..1]		
Principal Account Party	<PrncplAcctPty>	[1..1]	Choice	
Primary Owner	<PmryOwnr>	[1..1]		
Party	<Pty>	[1..1]	Choice	
Organisation	<Org>	[1..1]		
Name	<Nm>	[0..1]	text{1,350}	[1..1] T/C
Legal Entity Identifier	<LglNttyIdr>	[0..1]	text [A-Z0-9]{18,18}[0-9]{2,2}	
Registration Date	<RegnDt>	[0..1]	date	
Postal Address	<PstlAdr>	[0..10]		[0..1]
Address Type	<AdrTp>	[0..1]	Choice	
Code	<Cd>	[1..1]	text	
Business			BIZZ	
Address Line	<AdrLine>	[0..5]	text{1,70}	[1..5] T/C
Post Code	<PstCd>	[0..1]	text{1,16}	
Town Name	<TwnNm>	[0..1]	text{1,35}	[1..1]
State	<Stat>	[0..1]	text{1,70}	
Country	<Ctry>	[1..1]	text [A-Z]{2,2}	

Holder Information > Organisation (choice):

Holder Name (1..1)

LEI (Legal Entity Identifier) (0..1)

Registration Date (0..1): Company Incorporation Date

Address Type (0..1): Business (BIZZ)

- Address Line (1..5)
- Post Code (0..1)
- Town Name (1..1)
- State (0..1)
- Country (1..1)

6b Account creation, modification, report

acmt_001- Account Opening Instruction, acmt_002 - Account Details Confirmation and acmt_003- Account Modification Instruction

Name	XML Tag	Mult	Type / Code
Account Opening Instruction V07 (acmt.001.001.07)	<AcctOpngInstr>		
Account Parties	<AcctPties>	[1..1]	
Principal Account Party	<PrncplAcctPty>	[1..1]	Choice
Type Of Organisation	<TpOfOrg>	[0..1]	Choice
Proprietary	<Prtry>	[1..1]	
Identification	<Id>	[1..1]	text [a-zA-Z0-9]{4}
Company			COMP
Trust			TRST
Partnership			PRTN
Superannuation Fund			SPFD
Government Organisation			GOVN
Other Non-Individual			OTHR
Unknown			UNKN

Company (COMP) and Individual: Applicable for sponsored, direct, settlement and accumulation entrepot accounts

All holder types (including individual and deceased individual): to facilitate the transfer of registration details between the Participant and the Issuer/Registry.

Holder Information > Organisation (choice):

Holder Type <Type Of Organisation>:

- COMP (Company)
- TRST (Trust)
- PRTN (Partnership)
- SPFD (Superannuation Fund)
- DIND (Deceased Individual)
- GOVN (Government Organisation)
- OTHR (Other Non-Individual)
- UNKN (Unknown))

6b Account creation, modification, report

acmt_001- Account Opening Instruction, acmt_002 - Account Details Confirmation and acmt_003- Account Modification Instruction

Name	XML Tag	Mult	Type / Code
Account Opening Instruction V07 (acmt.001.001.07)	<AcctOpngInstr>		
Account Parties	<AcctPties>	[1..1]	
Principal Account Party	<PrncplAcctPty>	[1..1]	Choice
Primary Owner	<PmryOwnr>	[1..1]	
Party	<Pty>	[1..1]	Choice
Individual Person	<IndvPrsn>	[1..1]	
Name Prefix	<NmPrfx>	[0..1]	Choice
Proprietary	<Prtry>	[1..1]	
Identification	<Id>	[1..1]	text [a-zA-Z0-9]{4}
Deceased			DECD
Issuer	<Issr>	[1..1]	text{1,4} [a-zA-Z0-9]{1,4}
XASX			XASX
Name	<Nm>	[1..1]	text{1,350}
Birth Date	<BirthDt>	[0..1]	date
Postal Address	<PstlAdr>	[1..10]	
Address Type	<AdrTp>	[0..1]	Choice
Code	<Cd>	[1..1]	text
Residential			HOME
Address Line	<AdrLine>	[0..5]	text{1,70}
Post Code	<PstCd>	[0..1]	text{1,16}
Town Name	<TwnNm>	[0..1]	text{1,35}
State	<Stat>	[0..1]	text{1,70}
Country	<Ctry>	[1..1]	text [A-Z]{2,2}

Holder Information > Individual (choice):

Individual Holder type: Deceased Individual

<Name Prefix> <Proprietary Code> 'DECD' should be used when the holder type is 'Deceased Individual'.

Holder Name

Birth Date

Registered Address

- Address Type (0..1): Residential (HOME)
- Address Line (1..5)
- Post Code (0..1)
- Town Name (1..1)
- State (0..1)
- Country (1..1)

6b Account creation, modification, report

acmt_001- Account Opening Instruction, acmt_002 - Account Details Confirmation and acmt_003- Account Modification Instruction

Name	XML Tag	Mult	Type / Code
Account Opening Instruction V07 (acmt.001.001.07)	<AcctOpngInstr>		
Account Parties	<AcctPties>	[1..1]	
Tax Reporting	<TaxRptg>	[0..*]	
Taxation Country	<TaxtnCtry>	[1..1]	text [A-Z]{2,2}
Tax Payer	<TaxPyer>	[0..1]	Choice
Proprietary Identification	<PrtryId>	[1..1]	
Identification	<Id>	[1..1]	text{1,35}
Primary Communication Address	<PmryComAdr>	[0..*]	
Email	<Email>	[0..1]	text{1,256}

Holder Information:

Taxation Information

- **Taxation Country**: ISO Country Code
- **Tax Identification Number:** Australian Business Number / Tax File Number

Email Address (0..1)

Mobile Number (0..1)

6b Account creation, modification, report

acmt_001- Account Opening Instruction, acmt_002 - Account Details Confirmation and acmt_003- Account Modification Instruction

Name	XML Tag	Mult	Type / Code	Restr
Account Opening Instruction V07 (acmt.001.001.07)	<AcctOpngInstr>			
Investment Account	<InvstmtAcct>	[1..1]		
Designation	<Dsgnt>	[0..1]	text{1,35}	
Type	<Tp>	[0..1]	Choice	[1..1]
Proprietary	<Prtry>	[1..1]		
Identification	<Id>	[1..1]	text [a-zA-Z0-9]{4}	T/C
Settlement Entrepot			SETT	
Direct			DRCT	
Sponsored			SPSD	
Accumulation Entrepot			ACCU	
Registration			RGID	
Issuer	<Issr>	[1..1]	text{1,4} [a-zA-Z0-9]{1,4}	T/C
XASX			XASX	
Ownership Type	<OwnrshTp>	[1..1]	Choice	
Code	<Cd>	[1..1]	text	
Joint Account			JOIT	
Single Owner Account			SIGL	

Account Information <Investment Account>:

Designation (0..1)

Account Type (1..1)

- SETT (Settlement Entrepot)
- DRCT (Direct)
- SPSD (Sponsored)
- ACCU (Accumulation Entrepot)
- RGID (Registration)

NEW **Ownership Type:** Joint Account (JOIT) or Single Owner Account (SIGL)

6b Account creation, modification, report

acmt_001- Account Opening Instruction, acmt_002 - Account Details Confirmation and acmt_003- Account Modification Instruction

Name	XML Tag	Mult	Type / Code	Restr
Account Opening Instruction V07 (acmt.001.001.07)	<AcctOpngInstr>			
Account Parties	<AcctPties>	[1..1]		
Other Party	<OthrPty>	[0..*]		[1..1]
Extended Party Role	<XtndedPtyRole>	[1..1]	text{1,350}	T/C
Other Party Details	<OthrPtyDtls>	[1..1]		
Party	<Pty>	[1..1]	Choice	
Organisation	<Org>	[1..1]		
Name	<Nm>	[0..1]	text{1,350}	[1..1] T/C
Postal Address	<PstlAdr>	[0..10]		[1..1]
Address Line	<AdrLine>	[0..5]	text{1,70}	[1..3] T/C
Post Code	<PstCd>	[0..1]	text{1,16}	
Town Name	<TwnNm>	[0..1]	text{1,35}	[1..1]
State	<Stat>	[0..1]	text{1,70}	
Country	<Ctry>	[1..1]	text [A-Z]{2,2}	
Primary Communication Address	<PmryComAdr>	[0..*]		[0..1]
Address Type	<AdrTp>	[0..1]	Choice	
Proprietary	<Prtry>	[1..1]		
Identification	<Id>	[1..1]	text [a-zA-Z0-9]{4}	T/C
Electronic			ONLI	
Post			POST	
Issuer	<Issr>	[1..1]	text{1,4} [a-zA-Z0-9]{1,4}	T/C
XASX			XASX	
Email	<Email>	[0..1]	text{1,256}	
Additional Information	<AddtlInf>	[0..*]		[1..1]
Additional Information	<AddtlInf>	[0..1]	text{1,350}	[1..1] T/C
Domestic			DMST	
Foreign			FRGN	
Mixed			MIXD	
Unknown			UNKN	

<Other Parties>:

Account Name <Name>

Registered Address <Postal Address>

Communication Preference: Electronic (ONLI) or Post (POST)

Email

Mobile Number

Residency Indicator <Additional Information>:

- **DMST (Domestic)**
- **FRGN (Foreign)**
- **MIXD (Mixed)**
- **UNKN (Unknown)**

6b Account creation, modification, report

acmt_002 - Account Details Confirmation

Name	XML Tag	Mult	Type / Code	Restr
Account Details Confirmation V07 (acmt.002.001.07)	<AcctDtlsConf>			
Investment Account	<InvstmtAcct>	[0..1]		[1..1]
Identification	<Id>	[1..1]	text{1,35}	T/C
Account Parties	<AcctPties>	[0..1]		[1..1]
Principal Account Party	<PrncplAcctPty>	[1..1]	Choice	
Primary Owner	<PmryOwnr>	[1..1]		
Client Identification	<ClntId>	[0..1]	text{1,35}	[1..1] T/C

Account and Holder Identification

HIN or Registration Identifier: <Investment Account> <Identification>

Holder Identification (1..4): <Account Parties> <Client Identification>

6c Review of ‘to-be’ messaging

MyStandards ‘to-be’ documentation

Community: ASX ISO 20022 Technical Committee
Collection: ASX_AU_CHS_**draft_acct**

Further details (attached to Message Definitions in MyStandards)

- Message Model
- Sample .xml
  - Valid .xml samples to illustrate message structure
  - Without transport-specific wrapper of BizMsg
  - Not intended to cover full business usage
  - Optional elements may not be present. Production collection & version.
- ASX Proprietary Code list (attached to collection)

As-is Message Id	Collection	Id	To-be Message Id
EIS 201	draft_acct	001	acct_001
EIS 202 EIS 220 EIS 512	draft_acct	002	acct_002
EIS 203	draft_acct	003	acct_003

ASX will publish the messages on 4 April 2019, member feedback via comments in MyStandards requested by 16 April 2019. ASX will provide a summary of responses at the 7 May 2019 meeting.

6d Focus Group outcomes

- **Payments**
- Focus Group meeting 12 March 2019
- ASX presented its preferred real-time payment proposal for line-by-line settlement
  - New service to be used for mFund application & redemptions, bilateral demand settlement and electronic payment of entitlement offers
  - Proposal to re-purpose and stream-line RTGS offering
- Batch settlement messages EIS 332 & EIS 333 to be retained in CHESS replacement
- Feedback due 28 March 2019

- **Registration Details**
- Focus Group meeting 19 March 2019
- ASX presented end-to-end process flow for account creation
- Data model separates Holder information from Account
- Account and Holder objects in single ISO 20022 message to create account and provide holder(s) and account information to participant and issuer
- Feedback due 2 April 2019

Closing

7. Closing and next meeting

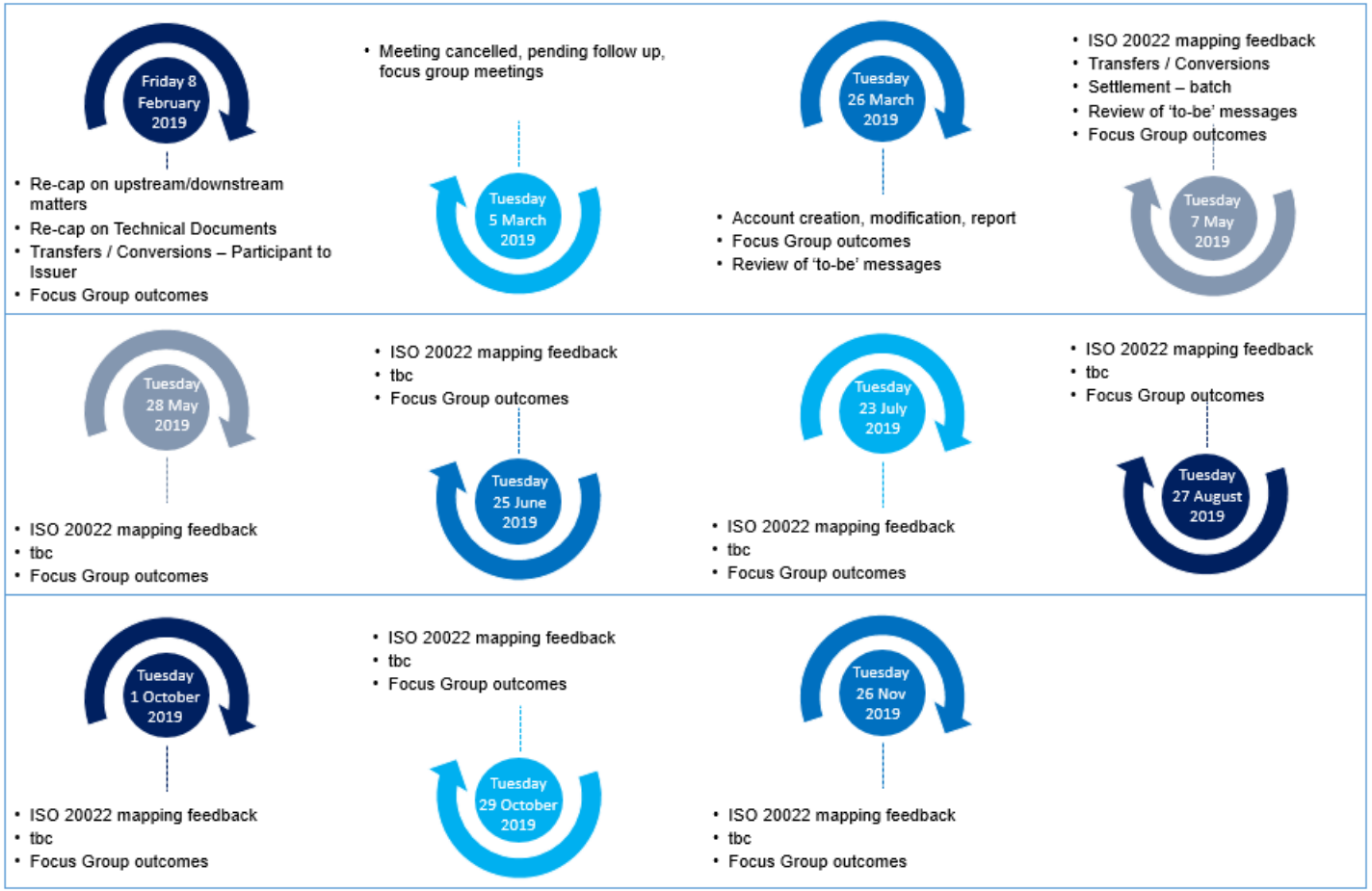
- Noted actions from this meeting
- Draft minutes from this meeting will be distributed for review
- Next meeting to be held Tuesday 7 May 2019 – Sydney, webinar; proposed topics:
  - Review of member feedback on published ‘to-be’ messages
  - Transfers / conversions – Participant to Issuer
  - Transfers / conversions – Issuer to Participant
  - Settlement – batch settlement
- Forward meeting plan – see next page

- More information on CHESS Replacement & Technical Committee documents:

  http://www.asx.com.au/services/chess-replacement.htm

  Or email ASX project team: CHESSReplacement@asx.com.au

7. Closing and forward meeting plan



Thank you.