



## **BUSINESS COMMITTEE REPORT TO THE FORUM**

From the 26 November 2015 Business Committee meeting

At its 26 November 2015 meeting, the Business Committee was updated on:

- preparations for implementation of a T+2 settlement cycle;
- the roadmap for post-trade service infrastructure; and
- discussions in relation to Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standard (CRS) requirements impacting tradeable investment products.

The Business Committee was also provided with a regulatory update on the Australian government's decision on the review of the market structure for clearing cash equities.

### **Key Recommendations**

There were no recommendations arising from the meeting.

### **Key Issues Discussed**

- Stakeholder engagement on readiness for T+2 settlement targeted for launch on 7 March 2016. The project remained on track for the launch. Readiness checkpoints would be initiated by ASX in December and January with a technical attestation in February ahead of the next Business Committee meeting.
- ASX was proceeding with the implementation of its technology strategy. Pending the Government's response to the Council of Financial Regulators report, ASX was exploring options for CHES replacement and targeting engaging with customers in calendar Q2 2016.
- Treasury and the ATO had confirmed that it would not be possible to provide a FATCA reporting solution using existing bank account information. However the deadline for compliance by issuers had moved out to 2017.

## **Agreed Actions**

1. ASX to report back to the Business Committee on outcomes of its review of procedures following a technical issue resulting in trade rejections in November.
2. ASX to engage with users of the Trade Acceptance Service on reporting.
3. ASX and Members to continue to attempt to engage with non-broker participants regarding T+2 readiness.
4. Members to advise ASX of any items proposed for inclusion in the 2016 forward work plan.
5. A T+2 update to be provided at the February 2016 meeting and a decision taken on whether a further meeting was required ahead of go-live.
6. ASX to update the proposed 2016 meeting timetable as necessary to ensure no significant conflicts with other industry events.