

# Business Committee Report to the Boards of ASX Clear and ASX Settlement

## Business Committee Meeting

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At its 30 November 2017 meeting, the Business Committee was updated on the:

- operating performance of CHES for the December Quarter 2017 to date;
- progress in developing and prioritising the business requirements for CHES replacement through inputs from the industry working groups;
- ASX assessment of distributed ledger technology (DLT) including third-party reviews of the security aspects of the technology; and
- Technical Committee's progress in mapping CHES messages to the ISO20022 standards.

### KEY ISSUES DISCUSSED

The Committee was provided with background on the 40 functional and 5 non-functional business requirements that emerged from the six industry CHES Replacement Working Groups conducted over a six month period and the responses from an online survey conducted to gauge relative stakeholder demand for the different requirements. The survey highlighted the importance customers place on providing more efficient corporate action processes.

The Committee was also briefed on the process being undertaken by ASX to assess the capability of the DLT-based system developed by Digital Asset (DA) and ASX's upcoming decision whether to use this system to replace CHES. This included ASX commissioning two third-party security reviews of the DLT-based system.

There was discussion about the ongoing stakeholder engagement that would occur following the upcoming decisions on technology and the 'Day 1' functional scope of the replacement system, and that these arrangements would be used to assist in determining an implementation plan.

### Agreed Actions

None

Minutes from the meeting are attached.