

Listed@ASX Compliance Update no. 08/21

30 September 2021

1. Listed entities required to disclose JobKeeper payments to ASX

The *Treasury Laws Amendment (2021 Measures No. 2) Act 2021* commenced on 13 September 2021 and requires an ASX listed entity to notify ASX of certain, prescribed information for release to the market, if it, or a subsidiary, received a JobKeeper payment (within the meaning of the *Coronavirus Economic Response Package (Payments and Benefits) Rules 2020*) in the financial year.

To assist listed entities with complying with their new disclosure obligation, ASX will include a link to a template 'JobKeeper s323DB notice' on the ASX Online for Companies webpage under the ['Forms'](#) tab. ASX asks listed entities to use the template notice when providing the required information. ASIC will be releasing guidance on the new JobKeeper disclosure obligation in October 2021 on its website. ASX will alert listed entities to that guidance and the availability of the 'JobKeeper s323DB notice' in a future Listed@ASX Compliance Update.

Listed entities that have received a JobKeeper payment and lodged their annual reports for the financial year with ASIC before 14 September 2021 will have 60 days from the 14 September 2021 to give their notice to ASX (i.e. on or before Friday, 12 November 2021). For all other listed entities that received a JobKeeper payment, the notice must be given to ASX within 60 days from when its annual report is lodged with ASIC.

2. CHES Replacement: Public Consultation on Tranche 3 and Combined Rules Package

To facilitate the implementation of the new system that will replace CHES, certain amendments to the ASX Settlement Operating Rules, ASX Clear Operating Rules, ASX Operating Rules and ASX Enforcement and Appeals Rulebook are necessary.

On 31 August 2021, ASX released a [consultation paper](#) on the third of three tranches of operating rule amendments required for CHES Replacement, together with the combined package of rule amendments across those three tranches.

While the rule amendments naturally focus on changes to CHES functionality relating to clearing and settlement of trades which are relevant to clearing and settlement participants and their vendors, they also relate to changes to CHES functionality relating to asset registration and other post trade services which are relevant to issuers and their share registries.

Information on the rule amendments (broken down across the three tranches), focussing on changes with a potential impact on issuers and their share registries, is set out below. The draft tranche 1 and 2 rule amendments (included in the consolidated rules package) incorporate changes made as a result of feedback received through ASX's previous consultation on those amendments.

While we expect most impacts for issuers, including to system and operational processes, will be managed on their behalf by their share registries, the direct support of issuers is required to facilitate certain aspects of the new functionality. In particular for:

- amendments to existing plan rules to support the new DRP and BSP electronic election service; and
- any changes issuers seek to make (at their discretion) to their constitutions to allow for up to four joint holders to reflect the new CHES capability.

Further information in respect of such aspects is contained in the ["Issuer Update"](#) released in April 2021.

Tranche 3 rule amendments

The amendments covered in tranche 3 relate to netting, settlement, reporting and miscellaneous amendments for 'Day 1' implementation of the new system.

These include transitional rules to support the remediation, conversion and migration of holder records to the new system. Further information on those transitional rules to support the migration of holder records to the new system is contained in section 1.8 of the consultation paper.

They also include changes relating to the following functionality: reporting and static and pass-through investor data as well as changes relating to data governance. Further information on those changes is contained in sections 1.4, 1.5 and 1.11 of the consultation paper.

Tranche 1 rule amendments (consolidated rules package)

As part of the consolidated rule amendments, the [consultation paper](#) also includes rule amendments that were part of the first tranche of operating rule amendments relating to accounts, participants, securities and pre-settlement aspects.

These include changes relating to the following functionality: account and holder creation (including changes to holder details), locking and unlocking of accounts and holdings, security state and settlement instructions, SRN enquiry, transfers and conversions and settlement locks for CHESS holdings. Further information on those changes is contained in sections 2.2, 2.3, 2.5, 2.9, 2.10 and 2.12 of the consultation paper.

Tranche 2 rule amendments (consolidated rules package)

As part of the consolidated rule amendments, the [consultation paper](#) also includes rule amendments that were part of the second tranche of operating rule amendments relating to corporate actions, mFund and RTGS payment aspects.

These include the new corporate actions service for electronic notifications of elections (and cancellation of elections) for DRP and BSPs via CHESS, which is to operate in addition to existing notification processes (e.g. paper based or issuer registry portal) directly to the issuer for CHESS holdings. Further information on the DRP/BSP election functionality is contained in section 3.2 of the consultation paper.

They also include changes relating to the following functionality: takeover and buybacks (where issuers opt to use CHESS for processing of acceptances in respect of non-takeover offer events) and holding adjustments for corporate actions. Further information on such changes is contained in sections 3.5 and 3.7 of the consultation paper.

Rule amendments which had previously formed part of tranche 2 and dealt with entitlement acceptances and payments occurring electronically via CHESS have been removed from the consolidated rules package as they will no longer form part of the functionality for Day 1 of the new system and will be included in a future release.

Request for consultation feedback

The consultation paper invites feedback from users and other stakeholders on the operation of the draft tranche 3 rule amendments, including any unintended consequences of the proposed amendments, as well as the combined package of rule amendments.

ASX is now seeking feedback from impacted stakeholders on the proposed changes. Written submissions in response to the consultation paper are requested by [Tuesday 14 December 2021](#).

3. CHESS statement issuer logo review

On 2 September 2021, ASX contacted all listed entities about upcoming changes to the design of CHESS holding statements as we prepare for the launch of electronic CHESS holding statements and notifications in late 2021. The design change includes a larger, colour logo to promote the entity's branding and improve the appeal of the statement for investors.

ASX provided a sample of the new statement template and instructions for approving/updating the new logo via email and is asking all recipients to respond by [Friday, 1 October 2021](#).

ASX will provide more information about fees for electronic CHESS holding statements and notifications prior to December 2021.

If you have not received the email or have any questions about changes to CHESS holding statements please contact CHESSHelp@asx.com.au

4. ASX Market Announcements closes one hour later during daylight saving

Daylight saving commences in New South Wales, the Australian Capital Territory, Victoria, Tasmania and South Australia at 2:00 a.m. AEST on Sunday 3 October 2021, and will end at 3:00 a.m. on Sunday 3 April 2022. Daylight saving is not observed in Queensland, Western Australia or the Northern Territory.

As WA will be 3 hours behind Sydney time during daylight saving, ASX Market Announcements will stay open until 8.30 p.m. AEDT (5.30 p.m. WST) starting on Monday 4 October 2021. ASX Market Announcements will revert to its usual 7.30 pm AEST closing time when daylight saving has ended. A further Listed@ASX Compliance Update reminding listed entities of the change will be released closer to that time.
