Electronic delivery of CHESS holding statements and notifications

Technical and Process Factsheet

~~July~~ **November 2024**

Contents

Version control

Date	Description
December 2021	CHESS Electronic Statements production release
May 2022	Inclusion of Return Mail Report specifications. Amendments to view, search for and filter documents section
July 2024	Introduction of HIN pricing subscription model
November 2024	Update of the descriptions and correct reference for email purpose 'A', 'B', and 'C' throughout for consistency with the CHESS External Interface Specifications – Section 8 (version 10.7). Sections updated: - Section 3.1 Electronic Communications Preference - 3.5.1 - 3.5.2 - 3.5.4 - 3.7

Electronic delivery of CHESS holding statements and notifications: Technical and Process Factsheet

22 -- July November 2024

1   Introduction

Overview

Customers are now able to receive their CHESS holding statements and notifications electronically – with you as their sponsoring participant.

Electronic CHESS holding statements and notifications are part of our commitment to help you, your business and your customers to enjoy a better ASX experience. Electronic statements provide shareholders with a fast, reliable and secure confirmation of changes to their CHESS holding details.

Electronic communications make it easier for your customers to keep track of their records and for you to manage returned mail more efficiently. Moreover, electronic communications help lower overall costs and reduce everyone's environmental impact by minimising paper waste.

Participation in electronic communications is a choice for you and your customers. ASX will work with you to support this service, to enable you to offer your customers the benefit of electronic communications.

We launched our electronic communications service on 13 December 2021.

This guide provides information for participants that wish to offer this service to their customers. It explains:

- how to opt customers in and out of receiving electronic communications;
- the fee waiver for opting in;
- the HIN pricing subscription model, optional to sponsoring participants;
- the processes for undeliverable emails and returned mail; and
- provides an overview of the CHESS statements portal.

What's new?

ASX introduced an optional HIN pricing model on 22 July 2024, aimed to support sponsoring participants who have transitioned their investors to electronic statements, where those participants who have supported a high take-up of electronic communication by their customers could potentially reduce HIN maintenance fees. The HIN pricing model is offered on a subscription basis, for the creation, modification or cancellation of sponsored Holder Identification Numbers (HINs) in CHESS via EIS 201 and EIS 203 messages.

Please refer to the **HIN pricing subscription model** section of this document for further details on the optional subscription-based pricing model available to sponsoring participants. You can also find examples of the comparison of current versus this optional subscription fees across a number of scenarios in the Information Paper published in December 2023.

2 Preparing your business

To get ready to offer your customers electronic CHESS holding statements and notifications, we suggest you consider the following:

2.1 IT system requirements

All sponsoring participants must be able to:

- Send email contact details to CHESS through CHESS message MT201, and
- Update email addresses via CHESS message MT203.

If you cannot currently support this functionality, we suggest you consider building it into your system.

2.2 Privacy requirements

Please ensure that consideration is given to relevant privacy laws and any other specific requirements of your customers in relation to opting into and receiving ASX electronic communications.

2.3 Processes and resource requirements

If your customers decide to opt-in to ASX electronic communications, you will need to manage and maintain their communication option by setting up processes to:

- Offer your customers the service;
- Make changes to their email address;
- Manage undeliverable email; and
- Allow customers to opt-out of the service.

2.4 Setting up your customers

Once you have prepared your business, it will be easy to:

- Ask your customers if they wish to receive their statements and notifications electronically; and
- Send CHESS an MT201 ('New Registration Detail') or MT203 ('Registration Details Update Request') message.

ASX will continue to send paper statements to your customers until you change their communication preferences in CHESS. Once your customers are opted in, we will stop sending paper statements and instead provide access to a digital CHESS statements portal where they can view their electronic CHESS holding statements and notifications.

2.5 We're here to support you

ASX is keen to work with you and your business to make the transition to access electronic CHESS statements and notifications as seamless as possible. This includes offering sponsoring participants the ability to opt into a simplified subscription model with a fixed monthly fee. More details about the sponsoring participants HIN pricing subscription model can be found in **Section 3** Electronic communications process lifecycle below.

3 Electronic communications process lifecycle

This section provides detail on how to opt your customers in, and out, of electronic communications using CHESS messages (MT201 or MT203) –the "electronic communications process lifecycle" – in order for you to prepare your business to offer this convenient service to your customers. Since the introduction of electronic communications, ASX has been waiving some of the charges associated with updating existing investor emails and email purposes. You can find out more about the conditions of the waiver below, under **3.4 MT203 fee waiver~~MT203 fee waiver~~**.

To further promote the uptake of electronic communications, ASX is offering sponsoring participants with the choice to opt into a HIN pricing subscription model with a fixed monthly fee, based on the number of active or locked sponsored HINs with at least one holding balance greater than zero at the last business day of a given month. You can learn more about subscription based pricing model under **3.2 HIN pricing subscription model~~HIN pricing subscription model~~**.

3.1 Electronic communications preference

Investors can choose to:

- Access CHESS statements and notifications in the CHESS Statements portal; and
- Be notified via email of the availability of new CHESS statements and notifications in the CHESS Statements portal.

Investors may also share their preference for their email address to be used by Issuers for electronic communications. ~~They may also consent for their email address and email purpose to be passed on to issuers.~~

To opt into ASX electronic communications (electronic delivery of CHESS holding statements and notifications from ASX), or ASX and issuer electronic communications, you must select an email purpose A (preference for electronic communications from ASX Settlement and Issuers) or B (preference for electronic communications from ASX Settlement only), on behalf of your customer. If a customer only wants to receive issuer related communications electronically (and continue to receive CHESS holding statements and notifications by mail), option C (preference for electronic communications from Issuers only) should be selected.

You do not have to offer your customers all three alternatives. For example, you may wish to simplify a customer's choice and offer only one option – such as option for Email Purpose 'A' only, Preference for electronic communications from ASX Settlement and Issuers. ~~where your customer opts in to ASX electronic communications and issuers are provided with the customers' email address and email purpose to allow for issuer communications to also be received electronically~~.

> 📢 Important
>
> The electronic communication opt-in messages are very specific and must be followed precisely, or the opt-in will not work. See section **3.3 Opting in to electronic communications using CHESS messages~~Opting in to electronic communications using CHESS messages~~**, below, for the exact message requirements.

3.2 HIN pricing subscription model

When a participant submits a request to CHESS for the:

a. creation of a HIN through an EIS 201 message;

b. modifications to registration details of a HIN via an EIS 203 message; or

c. cancellation of a HIN via an EIS 203 message;

a fee of $1.50 per request (effective 1 Jan 2024) is charged to the participant, as outlined below:

Table 3: Existing fee structure for HIN creation, update or cancellation

Product code	Service	Description	Message	Fee (exc. GST)
04900075	Holder Maintenance – Sponsored Holdings	Per request to create, update or cancel a Sponsored Holder	201,203	$1.50 effective 1 Jan 2024

This charge is outlined in the ASX Clearing & Settlement Schedule of Fees.

Following the participant's request, the investor will be notified about the creation, modification or cancellation of the HIN through their chosen communication method, which can be either mail or email. ASX notes that fees payable by participants for a valid EIS 203 message for the purposes of electronic communication opt-in or opt-out have been waived. More details on the fee waiver can be found in section **3.4 MT203 fee waiver**~~MT203 fee waiver~~.

3.2.1 Details of the new optional fees

Participants now have the choice to opt into the HIN pricing subscription model, which involves a fixed monthly fee for each active or locked sponsored HIN with at least one holding balance greater than zero at the last business day of a given month.

However, if the communication preference for the HIN is set to mail, participants will be charged an additional $1.50 fee, for each EIS 201 or EIS 203 message to create, update registration details for, or cancel, this HIN, along with the subscription fee if the HIN has one or more holdings with a balance greater than zero.

It is important to note that if a participant has not opted into the subscription model, the existing fee structure will still apply (refer to Table 3).

The list of fees reflected in Table 4, below, are **relevant to a sponsoring participant who has opted-in** to the HIN pricing subscription model. Two (2) new product codes have been introduced to the ASX Clearing and Settlement Schedule of Fees to process the invoice calculation for the HIN subscription model.

Product Code	Service
04900268	Sponsored HIN Subscription Fee
04900269	Sponsored HIN Subscription Fee – Mail CHESS Holding Notifications

Table 4: Fees for sponsoring participants opted-in to the HIN subscription model

Event	Fee charged	Invoice product code	Calculation frequency
Subscription fee	$0.02 monthly per active HIN. Note: An active HIN is a HIN with at least one holding balance greater than zero at the last business day of the month	**04900268**	Fee generated **Last business day of the month.** Invoiced monthly

Event	CHESS Message	CHESS Message Evaluation	Fee charged	Invoice product code	Calculation frequency
HIN creation	201	Email Purpose = A OR B	Nil - No additional fee. Note: A rejected 201 message would result in a charge $1.50 associated with product code 04900075.	No invoice record (Fee is included in the Subscription fee)	Product code applied **daily** during end of day processing Invoiced monthly
HIN creation	201	Email Purpose = C OR Blank	$1.50 per EIS 201 **Note**: A rejected 201 message would result in a charge $1.50 associated with product code 04900075.	**04900269**	Product code applied **daily** during end of day processing Invoiced monthly
HIN update or cancellation	203	Email Cancellation = Y	$1.50 per modification or cancellation request, regardless if the message is a: • Valid EIS 203; or • Invalid EIS 203 i.e. rejected by Equity Post Trade Ops resulting in (EIS 080) or system validation rejection resulting in (EIS 518).	**04900269**	Product code applied **daily** during end of day processing Invoiced monthly

HIN update or HIN cancellation	203	Email Purpose = C OR BLANK	$1.50 per modification or cancellation request, regardless if the message is a: Valid (EIS 203); or Invalid (EIS 203) i.e. rejected by Equity Post Trade Ops resulting in (EIS 080) or system validation rejection resulting in (EIS 518).	**04900269**	Product code applied **daily** during end of day processing Invoiced monthly
HIN update or HIN cancellation	203	Email Purpose = A OR B AND Email Cancellation is not 'Y'	Nil - No additional fee. Fee is Included in the subscription fee regardless if the message is a: - Valid (EIS 203) or; - Invalid (EIS 203) i.e. rejected by Equity Post Trade Ops resulting in (EIS 080) or system validation rejection resulting in (EIS 518).	No invoice record (Fee is included in the Subscription fee)	Product code applied **daily** during end of day processing Invoiced monthly

Additional costs incurred

Event	CHESS Message	CHESS Message Evaluation	Fee	Invoice product code	Calculation frequency
Invalid update	203	Invalid HIN (HIN not recognised by CHESS)	$0.35 per modification or cancellation request (EIS 203) against the current message based billing process.	04900080	Product code applied **Daily** during end of day processing Invoiced monthly

Note: A single sponsored HIN cancellation request will only be actioned by Equity Operations, where a resigning participant has no access to their system. No fee will be charged.

3.2.2 HIN pricing subscription model opt-in and opt-out process

Opt-in

Should a sponsoring participant decide to proceed with opting into the HIN pricing subscription model, the following steps outline the necessary actions to opt-in.

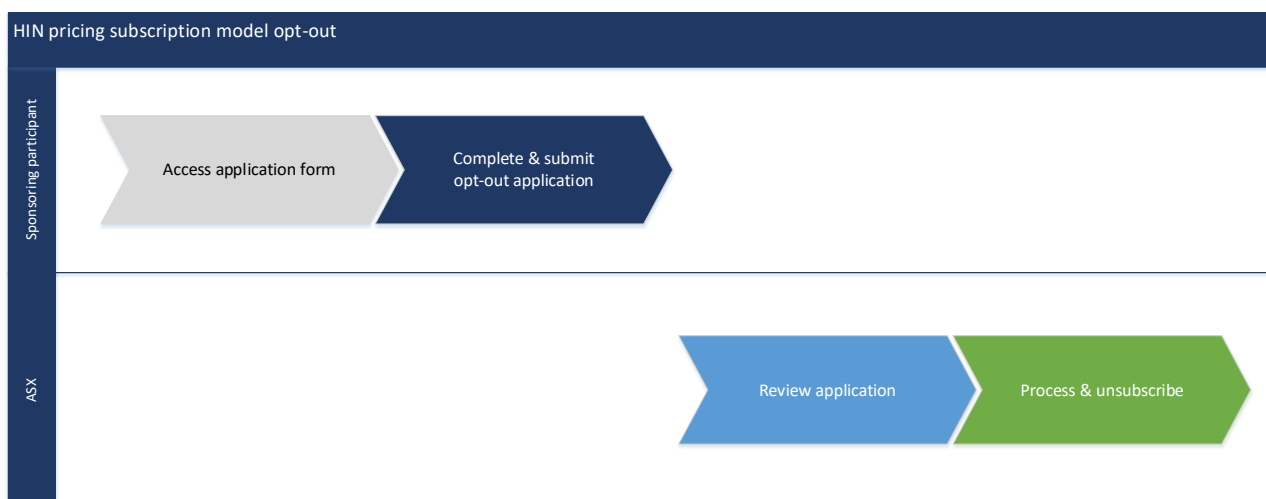| Step	Action	Responsibility
Access application form	The application form (Appendix J – Opt in-out HIN pricing subscription fee) to opt into the HIN subscription model can be accessed via the ASX Settlement Procedure Guidelines – List of appendices.	Sponsoring participant
Complete & submit opt-in application	Complete the Appendix J – Opt in-out HIN pricing subscription fee form. - Fill out Sponsoring Participant details - Select the option to Opt-in - Fill out the effective date (month/year) for HIN subscription model opt-in - Provide signature of authorised officer and date of signature. **Note**: Forms are to be submitted within the month prior to the requested effective date. Once completed, submit via email to chesshelp@asx.com.au.	Sponsoring participant
Review application	ASX will: 1. Email the participant to confirm receipt of the application; and 2. Review the application for accuracy and revert to the sponsoring participant applicant if any further detail is required	ASX
Process & activate subscription	ASX will:	ASX

Step	Action	Responsibility
	Once approved, register the Participant's subscription to the HIN pricing subscription model, which will become active from the first calendar day of the nominated effective date (month and year) provided in the <u>Appendix J – Opt in-out HIN pricing subscription fee</u> form. Email the Sponsoring Participant with confirmation of its subscription to the HIN pricing subscription model, along with the date it comes into effect.	

Opt-out

Should a sponsoring participant decide to opt-out from a currently active HIN pricing subscription model, the following steps outline the necessary actions to unsubscribe.

Step	Action	Responsibility
Access application form	The application form (<u>Appendix J – Opt in-out HIN pricing subscription fee</u>) to opt out of the HIN subscription model can be accessed via the <u>ASX Settlement Procedure Guidelines – List of appendices</u>.	Sponsoring participant
Complete & submit opt-out application	Complete the <u>Appendix J – Opt in-out HIN pricing subscription fee</u> form. - Fill out Sponsoring Participant details - Select the option to Opt-out - Fill out the effective date (month/year) for HIN subscription model opt-out - Provide signature of authorised officer and date of signature. **Note**: Forms are to be submitted within the month prior to the requested effective date. Once completed, submit via email to chesshelp@asx.com.au.	Sponsoring participant

Step	Action	Responsibility
Review application	ASX will: 1. Email the participant to confirm receipt of the form and; 2. Review the form for accuracy and revert to the sponsoring participant applicant if any further detail is required.	ASX
Process & unsubscribe	ASX will: Once accepted, unsubscribe the Sponsoring Participant from the HIN pricing subscription model. Thereafter, from the first calendar day of the nominated effective date (month and year), the sponsoring participant will revert to the pre-subscription HIN pricing model that was in place for HIN creation, registration detail updates, or cancellations. Email the Sponsoring Participant, confirming the request to opt-out has been processed, along with the date it will revert to the pre-subscription pricing model.	ASX

3.3 Opting in to electronic communications using CHESS messages

You must send your customer's electronic communication preferences to ASX by using one of the following CHESS messages:

- **MT201** – **New Registration Details** message for a new sponsored holder customer; or
- **MT203** – **Registration Details Update Request** to opt-in an existing sponsored holder customer.

If you wish to opt-in a customer to electronic communications who had an email stored in CHESS prior to 13 December 2021 (being the commencement date for electronic communications), you must send your customer's email address in a new MT203 message *even if it is the same as the existing email address*. You must also provide the email purpose election of 'A' or' B'. The details of the exact message formats required to successfully opt in can be found under **Opt-in – changing registration details**~~Opt-in – changing registration details~~.

> 📭 Important
>
> Email addresses received by CHESS before 13 December 2021 will not be automatically opted in to ASX electronic communications.

3.4 MT203 fee waiver

ASX is keen to encourage as many participants as possible to offer electronic communications to their customers and as a result, will waive the fee of $1.50 for each MT203 message that complies with the conditions outlined in **Table 2**.

> 📭 Important
>
> If the MT203 message structure differs from **Table 2** (such as including additional fields like change of address or other details), you may be charged a fee and your customer may not be opted into electronic communications.

If an MT203 message fails, and you are sent an MT518 error message, you will be charged a fee for the message.

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Table 2: Electronic communications lifecycle - Message format

#	Type	Action	CHESS Message	Email included	Email purpose	Restriction	Fee	ASX Electronic communications issued.
1	New HIN	Set up new HIN	201	Yes	A, B	N/A	$1.50	Yes
2	New HIN	Set up new HIN	201	Yes	C	N/A	$1.50	No
3	Existing HIN	Add email and email purpose (where no previous email and email purpose exists)	203	Yes	A, B	Updating any field other than **email** and **email purpose** will fail opt-in to electronic CHESS holding statements	Fee waived	Yes
4	Existing HIN	Add email and email purpose (where no previous email and email purpose exists)	203	Yes	C	N/A	$1.50	No
5	Existing HIN	Change email	203	Yes	A, B	Updating any field other than **email** and **email purpose** will fail opt-in to electronic CHESS holding statements	Fee waived	Yes
6	Existing HIN	Change email	203	Yes	C	N/A	$1.50	No
7	Existing HIN	Change email purpose (assuming investor has already correctly opted into electronic CHESS holding statements)	203	Yes	A, B	Updating any field other than **email** and **email purpose**	Fee waived	Yes
8	Existing HIN	Change email purpose (assuming investor has already correctly opted into electronic CHESS holding statements)	203	Yes	C	Updating any field other than **email** and **email purpose**	Fee waived	No
9	Existing HIN	Email cancellation (assuming investor has already correctly opted in to electronic CHESS holding statements)	203	Same as existing	Same as existing	Updating any field other than **email** and **email purpose** Email cancellation field is 'Y'	Fee waived	No
10	Existing HIN	Email cancellation (assuming investor has not opted in to electronic CHESS holding statements)	203	Same as existing	Same as existing	Email cancellation field is 'Y'	$1.50	No

3.5 Electronic communications process lifecycle: Opt-in/opt-out process

📢 **Important**

Electronic communications opt-in messages, as outlined in the following tables, must follow the structures <u>exactly</u> to be processed by CHESS as a valid opt-in request.

3.5.1 Opt-in – new registration

To opt-in a new registration for electronic communications, most of the field requirements are mandatory:

Table 5: MT201 – New registration: Electronic communications opt-in

Field	Requirement
Holder Type	**Mandatory**
Transaction Id	**Mandatory**
Registration Details	**Mandatory**
Entrepot Type	Optional
Residency Indicator	**Mandatory**
Email Address	**Mandatory**
Email Purpose	**'A' (Preference for electronic communications from ASX Settlement and Issuers**~~ASX electronic communications and Issuer~~**), or** **'B' (Preference for electronic communications from ASX Settlement only**~~ASX electronic communications only~~**)**

3.5.2 Opt-in – changing registration details

3.5.2.1 MT203: Registration details update request fields – updating current registration

For CHESS to classify a request to update registration details as opting in for electronic communications the following field requirements, including blanks, are mandatory. If blank fields are populated, then any applicable fee waiver will not apply.

Table 6: Existing registration: electronic CHESS holding statements

Field	Requirement
Date of Event	Blank
HIN	**Mandatory**
Contact Reference	Blank
Transaction ID	**Mandatory**
Registration Details	**Blank or equal to existing registration details**

Registration Details Update Reason 1	Blank
Registration Details Update Reason 2	Blank
Holder Status Change	Blank
Residency Indicator	Blank
Holder Lock Release Reason	Blank
Email Address	**Mandatory**
Email Purpose	**'A' (Preference for electronic communications from ASX Settlement and Issuers), or** **'B' (Preference for electronic communications from ASX Settlement only)** 'A' (ASX electronic communications and Issuer), or 'B' (ASX electronic communications only)
Email Cancellation	Blank

Figure 1: Sample MT203 message

203-04 Registration Details Update Request

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016 HIN   **: 0012345678**

048 Transaction Id   **: 0123400000001234**

200 Email Address   **: example@email.com**

208 Email Purpose   **: A**

3.5.3   Opt-out – removing email details

You may opt-out your customers from all electronic communications (both ASX and issuer) by sending an **MT203 Registration Details Update Request** message and setting the *Email Cancellation* field value to "Y". Once we have processed the opt-out, customers will receive printed CHESS holding statements and notifications. Refer to Table 9 of section *3.7 Customer notifications of changes in detailsCustomer notifications of changes in details*, to learn more about the communications sent out when customer opt-out. However, they will continue to retain access to the portal where they can access electronic copies CHESS holding statements and notifications.

Table 7: Opting out of ASX and issuer electronic communications

Field	Requirement
Date of Event	Blank
HIN	**Mandatory**
Contact Reference	Blank

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Transaction ID	Mandatory
Registration Details	**Blank or equal to existing registration details (fees waived) | Updating registration details (fees applicable)**
Registration Details Update Reason 1	Blank
Registration Details Update Reason 2	Blank
Holder Status Change	Blank
Residency Indicator	Blank
Holder Lock Release Reason	Blank
Email Address	**Mandatory (equal to existing registration details)**
Email Purpose	**Mandatory (equal to existing registration details)**
Email Cancellation	**'Y'**

3.5.4   Opt-out – retaining issuer electronic communications only

You may opt-out your customers from ASX electronic communications (and retain issuer electronic communications) by sending an **MT203 Registration Details Update Request** message and setting the *Email Purpose* value to "C". Once ASX has processed the opt-out, customers will receive printed CHESS holding statements and notifications. Refer to Table 9 of section *3.7 Customer notifications of changes in details*~~Customer notifications of changes in details~~, to learn more about the communications sent out when customer opt-out. However, they will continue to retain access to the portal where they can access electronic copies of CHESS holding statements and notifications.

Table 8: Opting out of all ASX electronic communications and retaining issuer email communications.

Field	Requirement
Date of Event	Blank
HIN	**Mandatory**
Contact Reference	Blank
Transaction ID	**Mandatory**
Registration Details	**Blank or equal to existing registration details (fees waived) | Updating registration details (fees applicable)**
Registration Details Update Reason 1	Blank
Registration Details Update Reason 2	Blank
Holder Status Change	Blank
Residency Indicator	Blank
Holder Lock Release Reason	Blank
Email Address	**Mandatory**
Email Purpose	**'C' (**preference for electronic communications from Issuers only)**
Email Cancellation	Blank

3.6   Change in controlling participant

In the event of a change in controlling participant, impacted HINs will retain the most current communication preferences (i.e. electronic or paper). The incoming participant will be responsible for reviewing and making relevant updates using CHESS messages.

3.7   Customer notifications of changes in details

Once a customer's detail(s) are changed via an MT203 Registration Details Update Request message, ASX will confirm by sending a notification.

The notification will be sent through one of the following channels in Table 7, depending on the type of detail changed, and the sponsored holder customer's current email purpose:

Table 9: Notification: Change of details

	Change of email purpose (mail <-> electronic)	Change of address	Change of email address	Other details changes[1]
Existing preference to receive mail	Notice sent by post (old preference) and email address (new preference)	Notice sent to old and new postal addresses	Notice sent to postal address only	Notice sent to postal address only
Existing preference to receive electronic	Notice sent by post (new preference) and (old preference) email address	Notice sent to email address only	Notice sent to old and new email addresses	Notice sent to email address only

> 🗩 **Important**
>
> An online *CHESS Statements* account is created, pending registration by an investor, when an email address in conjunction with an electronic (ASX) communication preference (email purpose "A" or "B") associated with a HIN, is received by CHESS from a participant.
>
> In the event this electronic communication preference election was provided erroneously by the participant, the participant must opt out of electronic communications for the HIN and make a request to ASX Equity Post Trade Operations for the removal of the pending account.

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[1] Other detail changes include a change of name or a change of email purpose that does not result in a change of electronic communication preference i.e. changing email purpose from "A" to "B" which retains the opt-in for ASX electronic communications.

4 Managing undelivered emails or returned mail

As part of the ASX electronic communications service, you will have access to the following reports:

- Undeliverable email report; and
- Returned mail report.

The undeliverable email report will let you know if an email to one of your customers fails to be sent.

The returned mail report will let you know if mail posted to one of your customers has been returned.

You can retrieve both reports manually through the ASX Online Participants portal, or systematically via the ASX Secure File Transfer Protocol (sFTP) service. Reports are permissioned, which means you will only be able to see the HINs that are linked to you.

While these reports will not contain private data, they will give you enough information to be able to identify your sponsored holder customer. More details about the contents of the report can be found under **Undeliverable email reports: report structure**~~Undeliverable email reports: report structure~~ or **Returned mail reports: report structure**~~Returned mail reports: report structure~~.

To update your customers' details, you will need to enter their correct contact details in CHESS through an MT203 message. The process for this is outlined in **Section 2**.

4.1 Definition of an undeliverable ('bounced') email

When the system attempts to send an email and it bounces, it will return as either:

- A **hard bounce**, which means the email address doesn't exist; or
- A **soft bounce**, which means the email account is currently offline or a recipient's mailbox is full.

Emails that hard bounce will immediately be classified as a bounced email and included in the undeliverable email report.

If it is a soft bounce, the system will attempt to re-send the email for up to forty-eight (48) hours. If the system determines that this email cannot be sent, it will be reclassified as a bounced email and included in the report.

4.2 Definition of a returned mail

When a statement or notification mail is returned to ASX via the postal system, it will be classified as returned mail and included in the returned mail report. The exception to this rule is returned mail containing a Change of Address details in CHESS notification. ASX will destroy returned these notifications upon receipt.

4.3 Report timing and file retention

Undeliverable email reports and returned mail reports will be available for three months on ASX Online Participants and seven days through sFTP.

ASX will archive these reports for seven (7) years for audit purposes. If you need to access a report that is no longer downloadable from ASX Online Participants, please contact CHESSHelp@asx.com.au for an extract.

ASX will generate undeliverable email reports or returned mail reports every week on Wednesdays (02:00am) and Fridays (02:00am). No undeliverable email report will be generated when there are no undeliverable emails processed since the previous participant undeliverable email report. Likewise, if there is no returned mail processed since the previous participant returned mail report, no returned mail report will be generated.

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4.4   Accessing undeliverable email or returned mail reports using ASX Online Participants
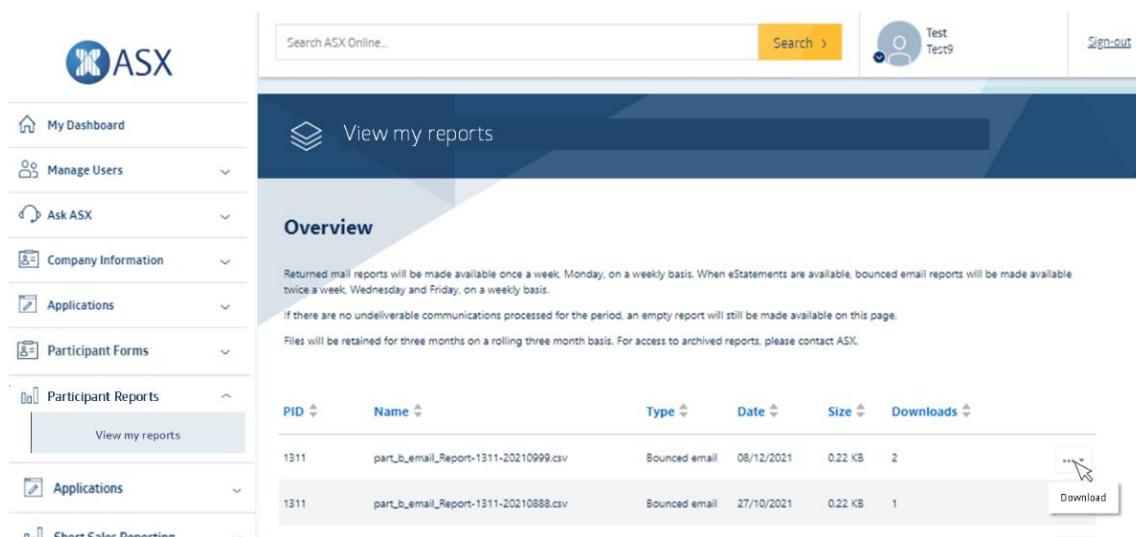
You can access undeliverable email reports and returned mail reports through ASX Online Participants.

ASX has created a new role, "CHESS Undeliverable Statement Reports", to grant authorised users access to undeliverable email reports or returned mail reports. This role can be assigned by participant users with the Participant Enterprise Administrator (EA) role.

For more information around roles and permissions, go to the ASX Online guide for Enterprise Administrators. If you cannot find your organisation's person who has access to ASX Online Participants, please contact CHESSHelp@asx.com.au.

Once logged in, you can navigate to ASX Online Participants and download undeliverable email reports or returned mail reports for a specific sponsoring participant that were generated within the past three (3) months.

Figure 2: Navigating to undeliverable email or returned mail reports

This view is paginated, and contains these six columns:

1. PID (Participant ID, which is included if a given participant has multiple PIDs)
2. Name
3. Type
4. Date (the date the file was generated)
5. Size (KB)
6. Downloads (number of times the file has been downloaded).

Figure 3: Report view

PID ⇕	Name ⇕	Type ⇕	Date ⇕	Size ⇕	Downloads ⬥	
654321	part_b_email_Report-654321-20210502.csv	Bounced email	02/05/2021	0.58 KB	77	••• ▾
123456	part_b_email_Report-123456-20201015.csv	Bounced email	15/10/2020	1.92 KB	3	••• ▾
123456	part_b_email_Report-123456-20201015.csv	Bounced email	15/10/2020	1.64 KB	3	••• ▾
123456	part_b_email_Report-123456-20201015.csv	Bounced email	15/10/2020	1.26 KB	3	••• ▾

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4.5   Accessing undeliverable email reports or returned mail reports using ASX sFTP

You can also retrieve undeliverable email reports or returned mail reports from ASX's sFTP service, giving you the ability to automate this process. To set up this connection, contact CHESSHelp@asx.com.au.

Note: You cannot use existing connections to ASX sFTP to retrieve undeliverable email reports or returned mail reports – you will need to set up a new connection to do this.

4.5.1

Table 10: ASX sFTP - access information

Environment	Domain Name	IP	Port
Production	FTP.ASX.COM.AU	203.15.145.110	22

ASX has the following access requirements:

- 2048 bit generated SSH-2 RSA keys;
- Public key provided to ASX; and
- Source IP address or range for whitelisting.

The sFTP service uses SSH public and private key combinations for secure access.

- The requestor (ASX customer) generates the SSH key combination.
- The SSH private key is retained by the requestor and the public SSH key is provided to ASX.

There is a limit of five multiple, concurrent logins in each session per user. Subsequent attempts to login to the sFTP server will be rejected. The folder structure looks like this:

Figure 4: sFTP Folder structure
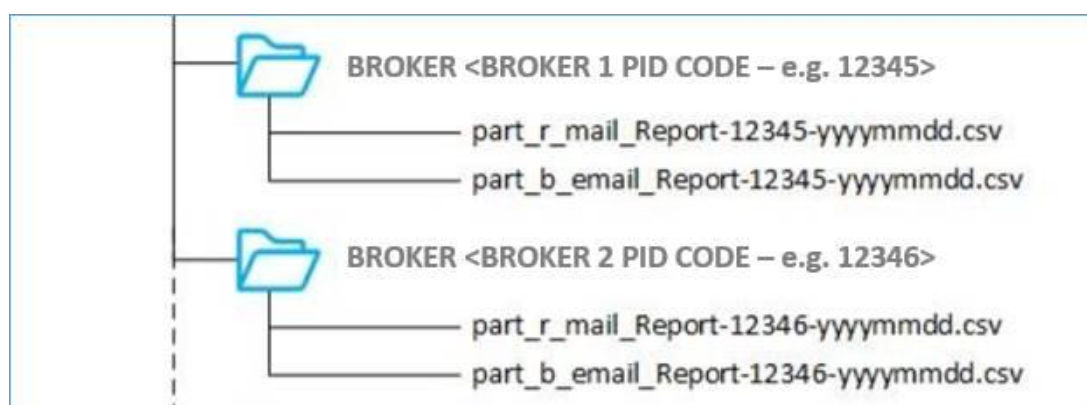
When you are set up with ASX sFTP, you will only be given access to your specific participant folders.

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4.6 Undeliverable email reports: report structure

The undeliverable email report is a CSV file. The naming convention for undeliverable email reports is
part_b_email_Report-12345-YYYYMMDD.csv where:

- **12345** is the Participant ID (PID), and
- YYYYMMDD is the date the report was generated.

CSV files have the following structure:

Table 11: Undeliverable email report structure

Field	Description
PID	Participant ID
Customer HIN	Account HIN
Send date	The statement / notification date. Format DD/MM/YYYY
Document type	['Notification', 'Holding Statement']
Document code	See table below
Document name	See table below
Action	['E'] (E = Email)
Reason	['Bounced Email']
GUID	Globally unique identifier – for internal use

4.6.1 Sample undeliverable email report

Here is a sample of the undeliverable email report.

4.7 Returned mail reports: report structure

The returned mail report is a CSV file. The naming convention for undeliverable email reports is
part_r_mail_Report-12345-YYYYMMDD.csv where:

- **12345** is the Participant ID (PID), and
- YYYYMMDD is the date the report was generated.

CSV files have the following structure:

Table 12: Returned mail report structure

Field	Description
PID	Participant ID
Customer HIN	Account HIN
Send date	The statement / notification date. Format DD/MM/YYYY
Document type	['Notification', 'Holding Statement']
Document code	See table below

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Document name	See table below
Action	['M'] (M = Mail)
Reason	['Return Mail']
GUID	Globally unique identifier – for internal use

4.7.1   Sample returned mail report

Here is a sample of the returned mail report.

4.8   Document code and document name

Document code and **document name** will correspond to the following:

Table 13: Undeliverable email report – document code index

Document code	Document name
A	New CHESS holder
B1	Change of name and/or address details in CHESS
B2	Change of address details in CHESS
B3	Change of email details in CHESS
C	Change of CHESS sponsor
D	Holding statement
E	Suspension of holding statements
F	Reinstatement of holding statements
G	Change of CHESS account from sponsored to direct
H	Change of CHESS account from direct to sponsored
I	Reservation of securities for collateral
J	Release of securities from collateral
K	Reconstruction of securities
L	Adjustment of securities
M	Release of securities from collateral (sponsor)
N	Offer acceptance
O	Reversal of an offer acceptance
P	Reconstruction of securities
Q	Adjustment of securities
R	Release of securities from offer acceptance
S	Application of CHESS holding lock
T	Removal of CHESS holding lock

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Document code	Document name
U	Change of CHESS holder status
V	Change of residency details in CHESS
W	Cancellation of CHESS account
X	Your CHESS HIN has been linked to a customer account to provide security for options market contracts
Y	The link between your CHESS HIN and a customer account established to enable you to provide security for options market contracts has been removed
E1	New account online registration
E2	Change of communication method (new account)
E3	New statement or notification
E4	Change of communication method (existing account)
E5	Change of communication method (old email and existing account)

The codes E1 to E5 will only appear on the bounced email report, as these match to the email communication templates. These will be grouped (by GUID) in the report with the documents that originally triggered the E1-E5 email.

4.9   Undeliverable email or returned mail FAQs

1. **What should a sponsoring participant do if they receive a bounced email or returned mail? Will ASX stop sending to the incorrect email address or mailing address?**

    You should update the contact information (as required under KYC requirements). ASX cannot update the contact information for any sponsored holder customer and will continue to send communications to the address provided – even if it is a bounced email or returned mail.

2. **How can a sponsored holder customer obtain copies of their returned mail?**

    Returned statements or notifications that were posted to customers prior to 1 April 2022 will be forwarded to the respective participant. Returned statements or notifications (except B2 notifications) that were posted to customers from 1 April 2022, will be:
    a. Registered in the returned mail report investors and
    b. Available in electronic form through the CHESS statements portal when the investor opts into having access to electronic statements.

3. How do I find out the designated Enterprise Administrators for my company?

    *   Log into **ASX Online Participants**.
    *   Click **Company information**
    *   Choose **Enterprise admins**.

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Figure 5: Enterprise admins navigation menu option For more information, see
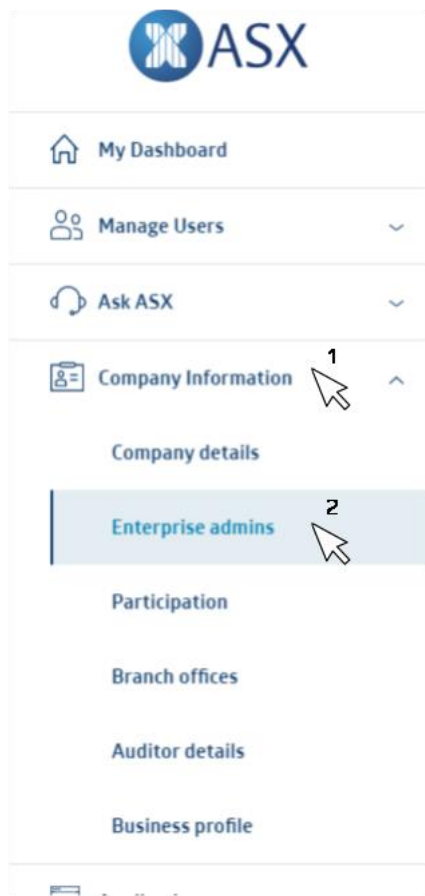
4. **Can I still request a reprint of historical CHESS holding statements and notifications?**

   You can use the existing process to request a demand CHESS holding statement (CHESS message MT503). This will be delivered to the sponsored holder customer through their preferred communication channel. You can also request one for historical CHESS holding statements.

   If your customer has registered their HIN for electronic communications, they can access any CHESS holding statements and notifications stored in their CHESS statements portal.

5. **Can I view the undeliverable email reports or returned mail of any other sponsoring participant?**

   No. Sponsoring participants will only be able to view the files with their specified PID(s).

6. **Can a sponsored holder customer view the bounced email reports or returned mail reports?**

   No. Only sponsoring participants will have access to ASX Online Participants.

7.   Will bounced emails sent by issuers or their registries be reported to ASX?

No. Only emails from ASX will be reported as returned.

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5   The CHESS statements portal

Once the opt-in message has been processed by CHESS, the CHESS statements portal is where your customers can go to:

- Register their account to receive electronic CHESS holding statements and notifications;
- View CHESS holding statements and notifications, and download them in PDF format if they wish to;
- Access up to seven years of historical CHESS holding statements and notifications (note, archived statements will start building from go-live. Historical statements from before this time will not be available via the portal); and
- Change their username and password.

5.1   Creating accounts in the CHESS statements portal

5.1.1   One account per Holder Identification Number (HIN):

Each customer who has elected for ASX electronic communications via their sponsoring participant will receive an email requesting they set up an ASX account. They will need to nominate a unique username and password, which will be associated with their HIN.

If a sponsored holder customer has more than one HIN they will need to set up a new account with separate username and passwords for each HIN. The same email address can be associated with multiple HINs.

5.1.2   Confirmation of successful opt-in:

For an existing HIN, once opted-in, the customer will be sent a printed notification confirming their change in communication preference to the mailing address on file, and an email communication notifying them that they have opted-in to electronic communications. This email is for security purposes, and does not include any details on the registration process. The registration process, as detailed below, will commence when the first electronic CHESS holding statement or notification is available for view.

For a new HIN, a successful opt-in will initiate the registration process as detailed below.

5.2   How to register an account

A registration email will be sent to the customer outlining that their CHESS statements portal online account has been created. The email will include a unique registration URL.

There is no expiry on this registration URL however if, for any reason, a registration link needs to be resent, they can ask the ASX Customer Service to re-send it by emailing info@asx.com.au.

5.2.1   Step 1 – Establish an initial log-in

When the customer clicks on the registration link contained in their registration email, they will be directed to this screen:

Figure 6: CHESS statements portal – create username and password page

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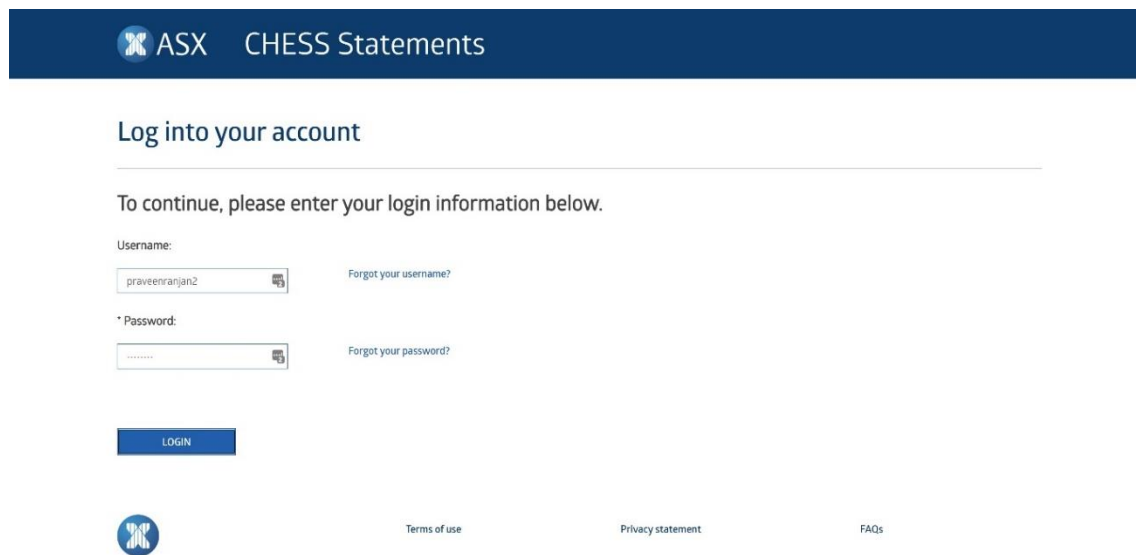
5.2.2   Step 2 – Validate email

Once the customer enters their details, they will be prompted to validate their email address. They will then be emailed a validation code and hyperlink that takes them to this login screen:

Figure 7: CHESS statements portal – registration login page

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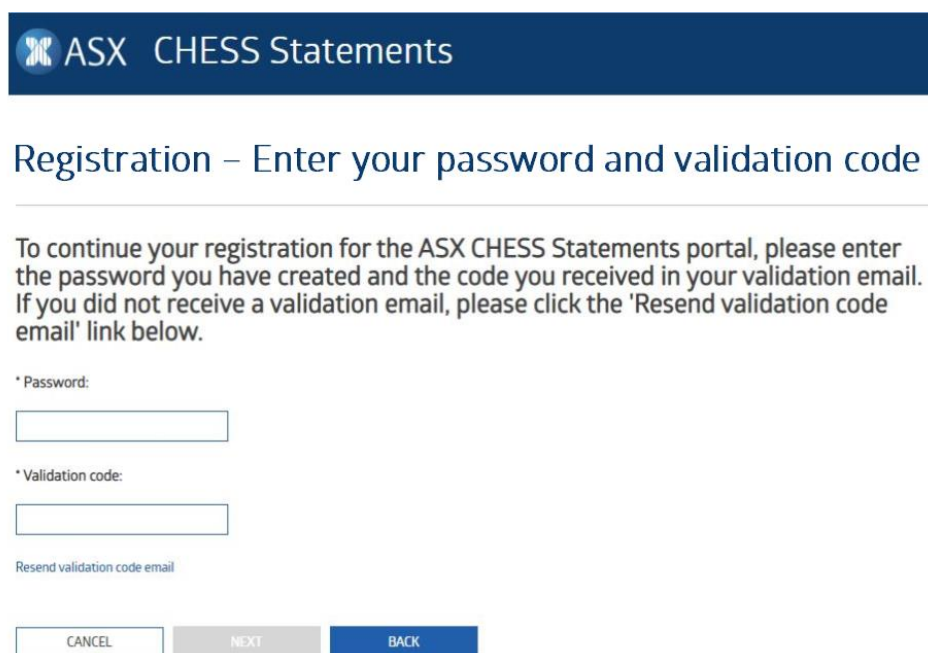
5.2.3   Step 3 – Complete validation

After the customer enters their new credentials, the following screen will appear. The customer enters their password and the validation code that was emailed to them, and then clicks the **log in** button.

Figure 8: CHESS statements portal – registration validation page

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5.2.4   Step 4 – Complete registration

Once the customer has successfully logged in, they will receive a registration confirmation email.

Figure 9: CHESS statements portal – registration confirmation email

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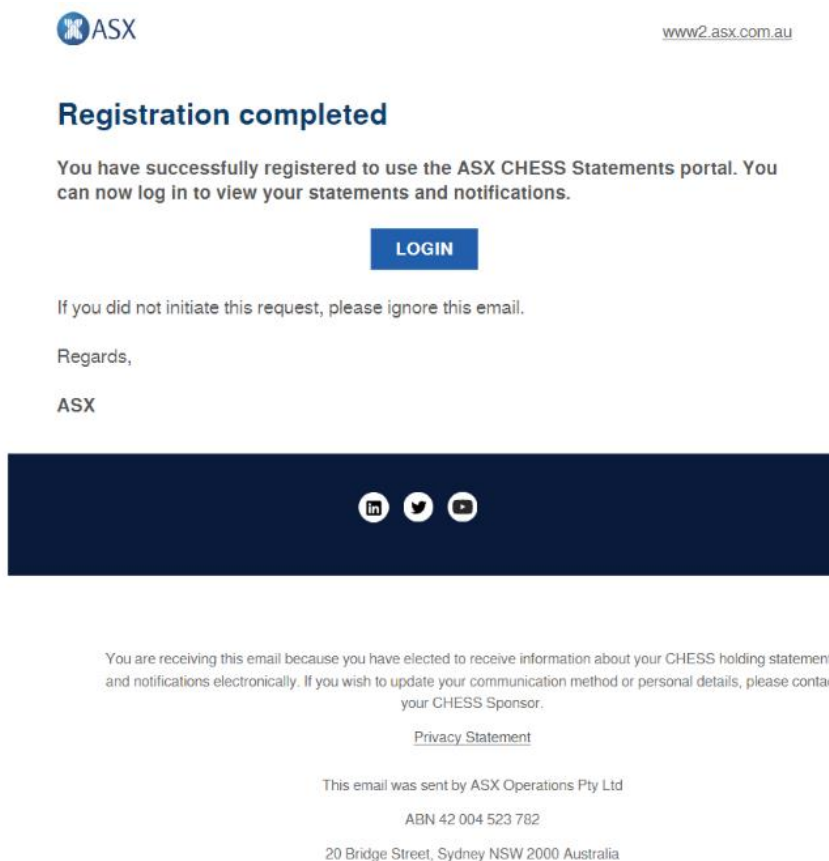
5.3 Username and password requirements

5.3.1 Username

For security reasons, the customer's **username** must:

- Be unique (the same username cannot be used across multiple HIN accounts)
- Not be the sponsored holder customer's HIN, or email address
- Be a minimum of 8 and a maximum of 20 characters in length
- Be lowercase letters (a-z) or digits (0-9) or the following special characters only:
    - -
    - .
    - _
    - $
    - !
- Cannot begin with a special character
- Cannot be all numeric.

5.3.2 Password

To meet the ASX password policy requirements, the customer's **password** must:

- Be between 8 and 64 characters in length
- Include at least one uppercase character
- Include one lowercase character
- Include one numeric digit
- Include one special character (e.g. !, @, #)
- Have no spaces
- Not contain 3 or more consecutive characters that are the same (e.g. '111' or 'BBB')
- Not contain 3 or more consecutive characters that are sequential (e.g. '123' or 'XYZ')
- Not come from a list of commonly used passwords (e.g. a pet's name, password, qwerty, etc.).

5.4 Types of email communications

Customers who opt into ASX electronic communications may receive five types of emails:

- **E1 –** New account online registration

- **E2 –** Change of communication method (for a new account)

- **E3 –** New statement or notification

- **E4 –** Change of communication method (for an existing account)

- **E5 –** Change of communication method (an old email and existing account)

They may also receive emails to:

- Change their username or password; and
- Receive an authentication code.

5.4.1 Regular email communications

Once a customer has successfully set up their account, they will receive an email:

- at the end of any month where a transaction has occurred to advise that their **CHESS holding statements** are available; and
- at the beginning of the week when a **demand statement request** has been processed.

For **CHESS notifications**, customers will receive one email for each CHESS notification **within two (2) days** of the CHESS notification being uploaded to the portal. For example, if a sponsoring participant submits a change of address and a change of sponsored holder message on the same day, the customer will receive two notification emails when these events have been processed.

5.5   CHESS statements portal functionality

5.5.1   User account management (self-service)

Customers can use the **manage profile** section to:

- Change their username or password;
- View (but not edit) the sponsored holder customer registered email address where they receive their email notifications; and
- View the last login IP address geo-location, based on their IP device type (Mac, Windows, internet browser).

Figure 10: CHESS statements portal – manage profile page
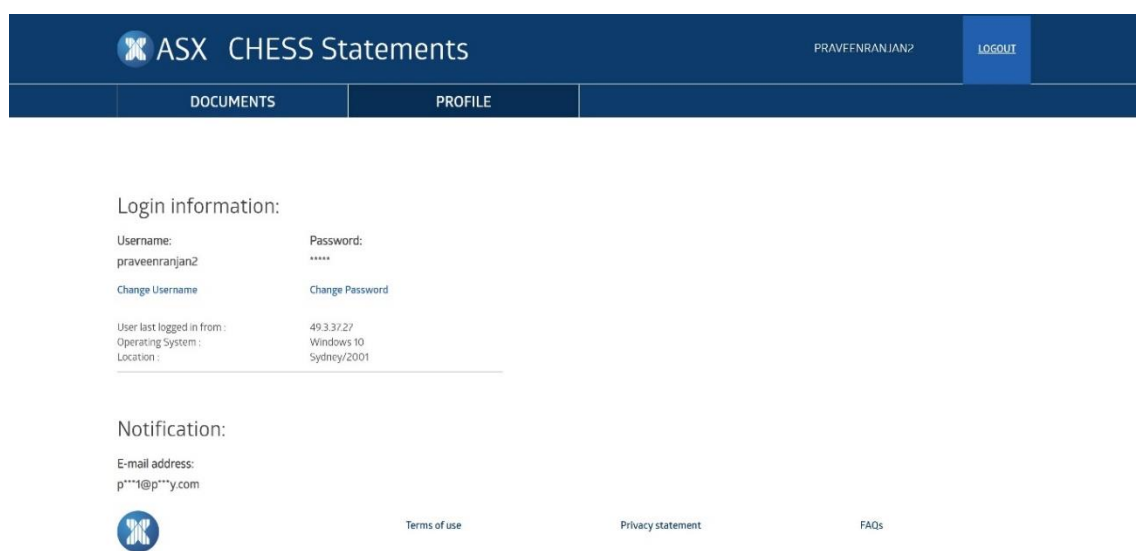
5.5.2   View, search for and filter documents

Over time, customers will be able to view and download up to seven (7) years of their CHESS holding statements and notifications. The database of statements will commence being archived from go live of the portal. Historical statements, which are not available in the portal, can still be obtained using the current processes. The default view will

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show them their past three (3) months of CHESS holding statements and notifications. They will be able to search, view, and download the past seven (7) years of documents using a date range-search.

Customers will also be able search and filter the documents using these fields:

- **Document date range** – *From* date and *To* date, will enable a date range search;
- **Issuer code** – free text, partial match;
- **Company name** – free text, partial match; and
- **Document category –** dropdown, exact match.

Based on the search criteria, documents will be listed in a tabular format, and will include the following fields:
- **Document number** – Reflects the alphanumeric identifier of the document. The document number format for Notification and Holding Statement categories are listed below:
  - **Notifications**
    - **'Notif' + notification ID** (for CHESS notification**) + document date (**yyyymmdd) **+ 6-digit time stamp**;
  - **Holding Statements**
    - Issuer code (for CHESS holding statement) + document date (yyyymmdd) + 6-digit time stamp;
- **Document date** – the document date as received in the data file;
- **Issuer code** – Issuer Code associated with the Holding Statement. Documents with a Document Category of Notification will not have an Issuer code value and this field will be left blank;
- **Company name** – Name of the Issuer company associated with the Holding Statement. Documents with a Document Category of Notification will not have a company name value and this field will be left blank;
- **Document category –** The possible values are:
  - Holding Statement
  - Notification

To view the document, customers simply click the **document name**. Alternatively, they can choose one or multiple documents, and then click **download** to download a zip file of the chosen documents.

Figure 11: CHESS statements portal – view documents page

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5.5.3   Password failure lockout

When a customer fails to login on the third attempt, they will be navigated to the lockout screen and be locked out for ten (10) minutes. Each time a customer attempts to login during the lockout period, the lock out timer will be extended for another ten (10) minutes. A customer can remove the lockout by resetting their password through the "forgot password" flow.

5.5.4   Forgotten username and password

If a customer forgets their username, they can use their registered email address and HIN to retrieve it.

If the customer has forgotten their HIN or cannot access it, the screen will prompt them with a message to contact their sponsoring participant.
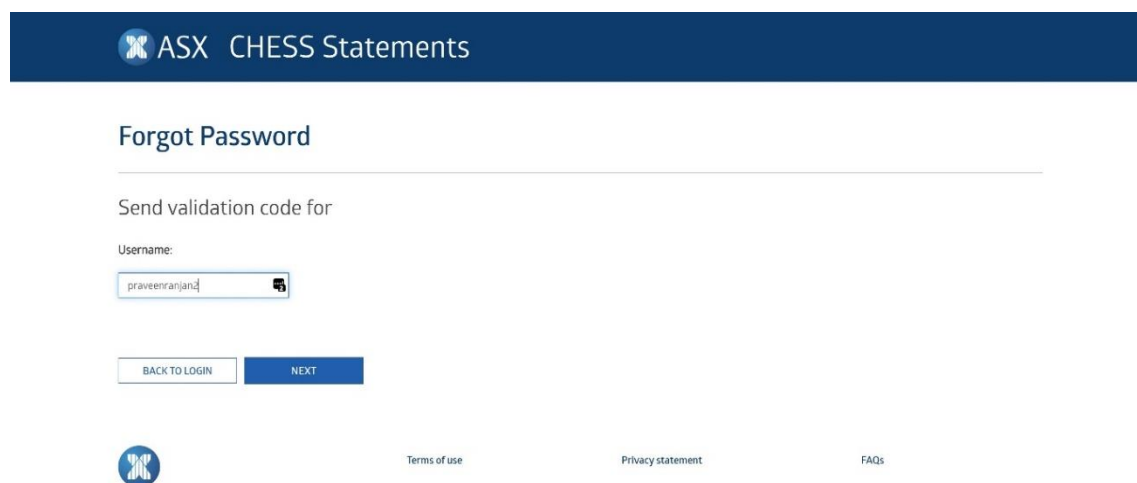
If they forget their password, they can use their username and registered email address to set a new one.

5.5.4.1   **Creating a new password**

5.5.4.1.1   **Step 1 – Enter username**

Customer navigates to the Forgot Password screen, then enters their username, and clicks **NEXT**.
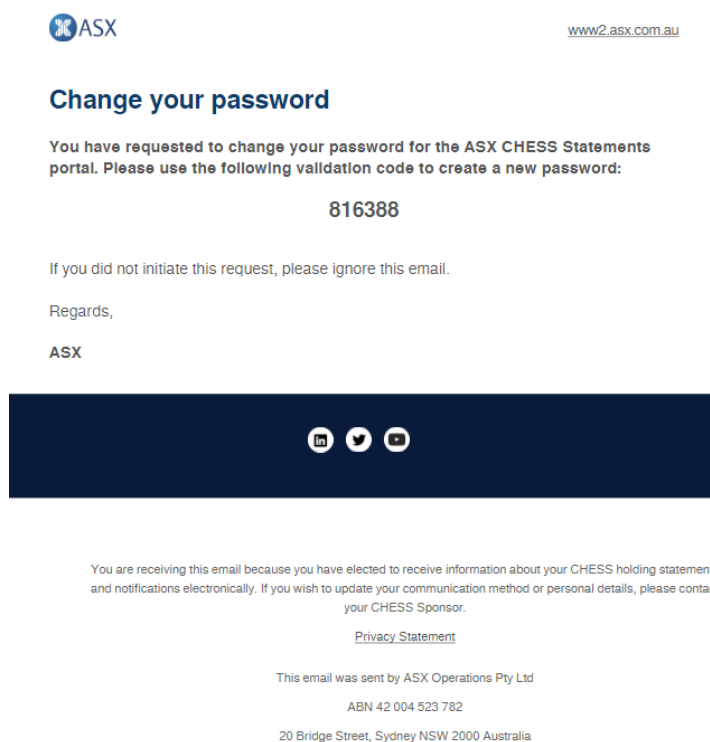
Figure 12: CHESS statements portal – forgot password page

5.5.4.1.2   Step 2 – Receive validation code

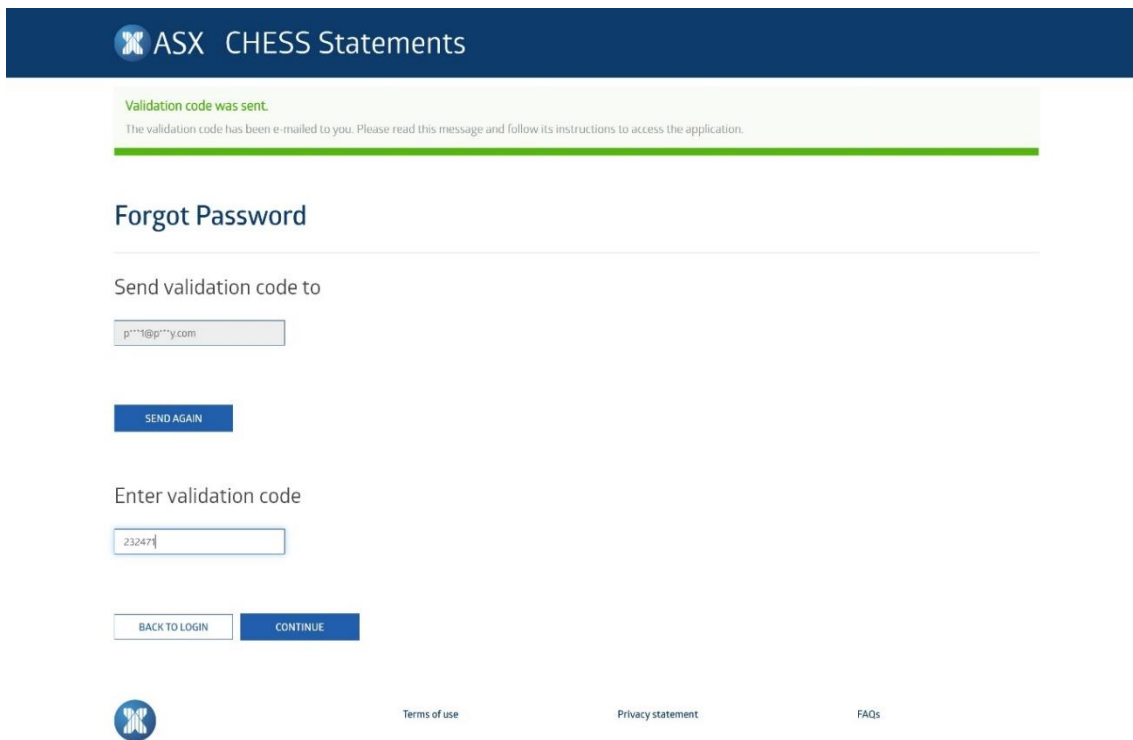When the customer enters the correct username for the email address, they will be sent a validation code.

Figure 13: CHESS statements portal – change password email

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5.5.4.1.3   Step 3 – Enter validation code

At the browser, the customer enters the validation code that they were sent. They can then change their password.

Figure 14: CHESS statements portal – enter validation code page

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