

CHES 10

Overview

February 2018



Contents

Overview	3
Assumptions & objectives	4
Scope of enhancements in CHES 10	5
CRS data collection process	6
SRN applications and conversions of holdings into and out of CHES	25
CHES HIN to HIN transfers	27
Appendices	29

Overview – CHES 10

- This document provides information on the project to provide enhancements to the mFund Settlement Service through CHES. The project is referred to as **CHES 10**.
- CHES 10 provides a means to electronically capture and advise through CHES the CRS data collection process that became a regulatory requirement on 1 July 2017. As such, it replaces the majority of the current manual processes occurring outside of CHES messaging.
- mFund currently provides, through CHES, a mechanism for accepting a participant's confirmation that FATCA (US-only regulation) checks have been conducted on an investor. CHES 10 builds upon the FATCA approach and provides a more comprehensive set of data to cater to both FATCA & CRS.
- The solution presented in this paper is based on discussions at mFund operational roundtables in November 2016, one-on-one meetings between ASX and participants/Issuers, and emailed drafts of the CHES 10 Business and Technical Overview.
- For more technical detail, please refer to the CHES 10 Business and Technical Specifications.

Assumptions & Objectives

- The mFund sponsoring participant (i.e. broker) is responsible and required to capture and maintain the foreign tax status for all their mFund investors and provide this data as required to satisfy mFund functions.
- The solution is not designed to provide an end to end solution for complex account types (e.g. passive trusts, passive companies, partnerships, charities, etc.).
 - Collection of some FATCA/CRS data for these account types will continue to occur outside of CHES messaging and/or these applications will need to be rejected by Issuers/PISPs or filtered by the brokers in the first instance.
 - ASX estimates that the proposed solution will cater to >97% of applications (including subsequent applications).
- ASX rule changes will reflect the expansion of the participants' (brokers & PISPs) obligations.

Scope of Enhancements in CHES 10

Foreign Tax Status Determination

- Foreign tax status details will pass, via a separate new mFund message suite, to the PISP (and the registry for information only). This data will accompany any Initial Application **and transfer request** made under a HIN and will allow participants to amend an investor's foreign tax status as required.
- Collected data is intended to satisfy both FATCA and CRS requirements. Existing CHES mFund messages that carry the 'FATCA Questions' field will have this field removed.

Investor Details

- Investor details are to be removed from the existing application and included in a separate new message suite.
- This new message suite is required to be sent alongside Initial application and transfer requests, and will also allow participants to amend an investor's details.

Annual Income Statements

- Some minor discrepancies around Annual Income Statements (introduced in CHES 9) will be corrected as part of the CHES 10 release.

Scope of Enhancements in CHES 10

SRN Removal

- Existing CHES mFund functions that include specific issuer sponsored SRN functionality will see this functionality discontinued. mFund will provide participant sponsored HIN functionality only.
- This does not apply to Conversion functionality where the ability to convert between registers will be maintained.

Fund Transfer

- Subject to regulatory approval.
- A transfer function will be introduced to allow a Participant to move mFund units between HINs under its control. This function will allow full or partial (Number of Units) to be transferred.
- To ensure that the PISP/Registry receives the same level of detail, in terms of AML/KYC, foreign tax status and investor details, for the HIN receiving the units; each transfer request must be accompanied by associated foreign tax status and investor details.

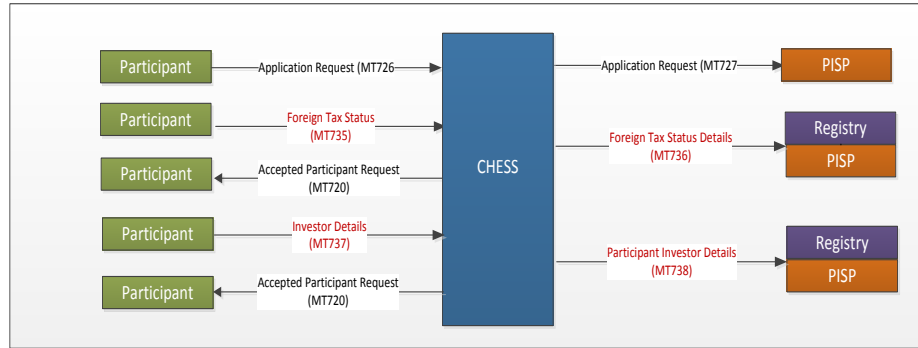
Scope of Enhancements in CHES 10

Unit Adjustment

- The existing CHES mFund messages that convey adjustments to unit (holding) quantity will be modified to include a Unit Price value as optional. This is primarily to allow the PISP, in the case of adjustments for DRP, to notify the participant of the Unit Price.

New messages for Initial Applications

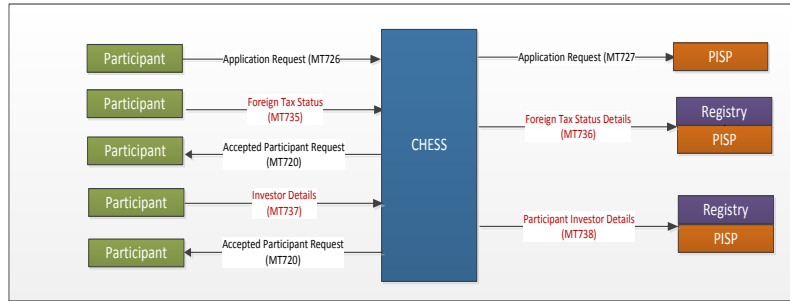
Separation of current MT726 fields into three mandatory messages



- Where the investor has a 0 unit balance in a fund at the time that an application is made, it will be considered 'Initial'.
- For all Initial Applications, Initial Application = Y in the MT726 (Application Request) and the broker will also be required to send the MT735 (Foreign Tax Status) and the MT737 (Investor Details).
- Brokers will be asked to release the MT726 prior to the MT735 and MT737 to enable PISPs to recognise the messages as part of an 'Initial' application order.
- CHES will hold messages until all three have been received before passing onto the PISP.
- All three messages will need to be submitted before 11:00am for same day settlement.
- CHES will purge after 5 business days any Application messages left incomplete (e.g. only 2 out of 3 messages received). An application request cancellation message (MT740) will be forwarded to the requesting broker.
- The HIN and Fund Code will be contained in each of the three messages. In addition, MT735 and MT737 will contain a field that enables the Broker to insert an Application Transaction identifier (that of the MT726) to enable the PISP to link these messages with the Initial Application (MT726).

New messages for Initial Applications

Separation of current MT726 fields into three mandatory messages



- CHES will perform basic validation on each message received (each mandatory field requires completion) and will send one of two messages to the broker:
 - An MT518 for each rejected message (refer Appendix 3 for MT518 Rejected Reasons which will be expanded), or
 - An MT720 for each accepted message by CHES. For each accepted message:
 - The MT727 is sent to the PISP UIC only; and
 - The MT736 and MT738 messages are sent to both the PISP UIC and Registry UIC.
- The PISP will accept or reject the application via the MT729 message, which will either trigger the scheduling of settlement or allow the broker to resubmit a corrected application.
- **Note - CHES will hold messages until all three have been received before passing onto the PISP (duplicated from previous slide).**
- ASX Rules/Procedures regarding timing of the PISP response are to be considered by ASX.
- Rejected Order Reasons contained in the PISP response MT729/730 will be expanded and duplicates removed.
- The PISP is asked to respond using the appropriate rejection reason to provide transparency to the broker.

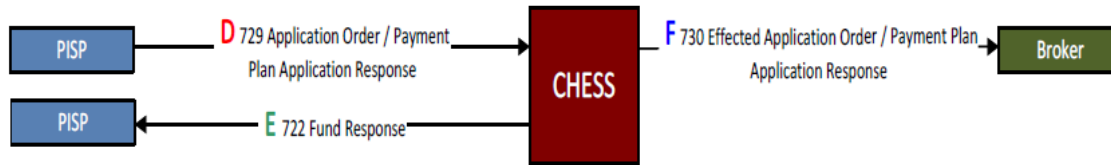
New messages for Subsequent Applications

MT735 (Foreign Tax Status) & MT737 (Investor Details) optional

Subsequent Application functionality has not been changed.

- Where Initial Application = N in the MT726, the MT735 and MT737 are not mandatory but may still be submitted by the broker, particularly where any of the investor's details or preferences have changed.
- CHESSE will perform basic validation and will send the broker an MT518 or an MT720 for each message received.
- The AML / CTF field will be retained in MT726 and will therefore be provided for all applications.
- CHESSE will perform basic validation on each message received (each mandatory field requires completion) and will send one of two messages to the broker:
 - An MT518 for each rejected message (refer Appendix 3 for MT518 Rejected Reasons which will be expanded), or
 - An MT720 for each accepted message by CHESSE. For each accepted message:
 - The MT727 is sent to the PISP UIC only; and
 - The MT736 and MT738 messages are sent to both the PISP UIC and Registry UIC.
- The PISP will accept or reject the application via the MT729 message, which will either trigger the scheduling of settlement or allow the broker to resubmit a corrected application.

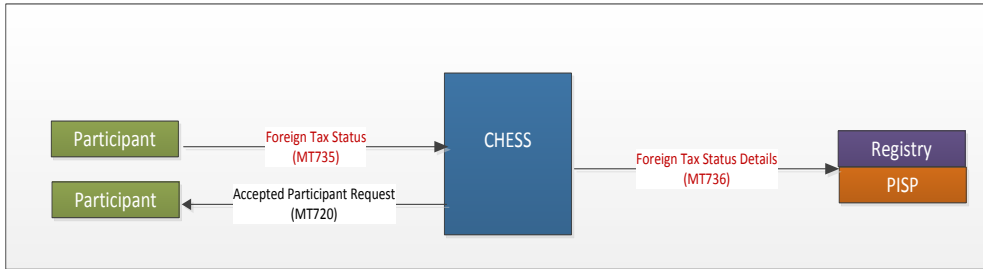
Additional rejection reasons in MT729/MT730



- There are 33 Rejected Order Reason responses for the PISP to choose from when rejecting an application order (also used for rejected redemptions & switch requests) – refer to Appendix 2.
- There are also 7 Rejected Registry Reasons relating to Income Statement and DRP preference election requests. These reasons will likely continue to be used for Income Statement requests – refer to Appendix 2.
- Analysis of rejection reason usage can be found in Appendix 4. The most frequently used rejection reasons are:
 - 50012 – Issuer does not accept this request – contact Fund Manager; and
 - 50019 – Please Contact your Fund Manager.
- ASX recognises the need for greater clarity as to the reason for any rejection by a PISP of a message and will develop a new error message suite. This is expected to enable more efficient manual follow-ups following an order rejection.

Updating Foreign Tax Status outside of an Initial Application

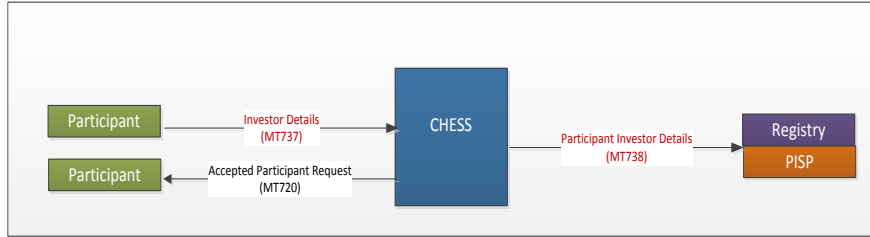
MT735 (Foreign Tax Status) sent as a maintenance message



- MT735 may be sent as a standalone message to enable brokers to update an investor’s foreign tax details.
- ASX rules/procedures may be updated to require brokers to notify the PISP/Registry where they are made aware of a change in an investor’s tax status.
- CHES will perform basic validation on each message received (each mandatory field requires completion) and will send the broker an MT518 (rejection) or an MT720 (acceptance) as relevant.
- Where accepted by CHES, the MT736 will be sent to both the Registry UIC and the PISP UIC.
- **A PISP response is not required for standalone maintenance messages;**
 - Broker to assume acceptance by the PISP where an MT720 Accepted Participant Request has been received from CHES;
 - Where the PISP deems the content unsuitable, manual follow up to the broker/adviser/client is suggested ;
 - ASX does not envisage that this would occur frequently.
- PISP/Registries to note that ASX will not mandate the “backfill” of investor CRS tax status by the brokers.
- ASX recommends that brokers send the MT735 with any Subsequent Application to avoid a rejection and manual follow up (as the broker has previously provided the investor’s FATCA status only).

Updating Investor Details outside of an Initial Application

MT737 (Investor Details) sent as a maintenance message



- MT737 may be sent as a standalone maintenance message to enable brokers to update other investor details/preferences with the Registry/PISP such as adviser details, email address, DRP preferences.
- DRP preference and distribution bank details were previously updated via an MT863 or MT757.
- CHES will validate that the BSB exists and that mandatory fields have been completed and will send the broker an MT518 (rejection) or an MT720 (acceptance) as relevant.
- Where accepted by CHES, the MT738 will be sent to both the Registry UIC and the PISP UIC.
- **A PISP response is not required for standalone maintenance messages:**
 - Broker to assume acceptance by the PISP where an MT720 Accepted Participant Request has been received from CHES
 - Where the PISP deems the content unsuitable, manual follow up to the broker/adviser/client is suggested.
- Brokers to ensure that a client request has been received prior to submitting a request such as a change of adviser details or distribution bank details.
- Brokers to ensure that all mandatory fields have been completed when sending a maintenance message to avoid a CHES rejection. E.g. where a client email address is being updated the other mandatory fields such as adviser details will need to be completed again.
- PISP/Registry to update/replace all completed fields provided within the MT738.

Updating Investor Details outside of an Initial Application

MT737 (Investor Details) - Additional Mandatory fields

- CHES messaging related to mFund applications allows the adviser details to be passed from the broker to PISP/Registry.
- In response to feedback received, ASX will make the following amendments to facilitate the provision of adviser details as part of the Application Order. Not all brokers have built to the fields that contain these data, resulting in a sub-optimal advisor and end-investor experience.
- The current optional fields will become mandatory in CHES 10 for the Investor Details message:
 - Investor Mobile Contact – this is a new field
 - Investor Email Address – Investor Email Purpose will be required where an email address is provided – Refer Appendix 3 for current responses
 - Dealer Group Name
 - Dealer Group AFSL Number
 - Dealer Group Advisor Name
 - Dealer Group Advisor Code
 - Dealer Group Advisor Email
 - Dealer Group Advisor Mobile – this is a new field (most have been renamed – refer B+T spec)
- A response of N/A or similar may be provided where required however the provision of this information is encouraged to reduce the burden of follow up on the brokers and enable PISP/Registry to service investors more efficiently.

CRS Data Collection Process: MT735 (Foreign Tax Status)

Account Types

- Brokers as the sponsor of the HIN and initiator of the transaction will collect certain information during the client order capture process for Issuers – ‘Day 1 Process’.
- For all Initial Applications, the MT735 (Foreign Tax Status) and MT737 (Investor Details) will be mandatory to send with the MT726 (Application Request). CHES will not pass on to the PISP an Initial Application unless all three messages (726, 735 and 737) have been received by CHES.
- A field will enable MT735 and MT737 to be identified as being linked to an Initial Application.
- Broker selects one of the following values for the Account Type field in MT735:
 - ‘I’ = Individual
 - ‘J’ = Joint Individuals
 - ‘S’ = Superannuation Fund
 - ‘C’ = Company
 - ‘T’ = Trust

NOTE: The ‘Investor Type’ component (12th character) of the TFN within the ‘Tax File Number/ABN’ field of the MT726 message will be retained. Account Type ‘J’ is a subset of ‘I’ in ATO AIR codes outlined in ASX Settlement Procedure Guidelines Section 5.6.

CRS Data Collection Process: MT735 (Foreign Tax Status)

Account Type 'S' (Superannuation Fund)

- ASX understands that regulated super funds, including Self-Managed Superannuation Funds, are not reportable under the United States Foreign Account Tax Compliance Act (FATCA) and the OECD's Common Reporting Standards (CRS).
- Where Account Type 'S' (Superannuation Fund) is selected by the broker:
 - The ABN will be required
 - No further information required

CRS Data Collection Process: MT735 (Foreign Tax Status)

Account Type & Foreign Residency Indicator

- For all Account Types other than 'S':
 - 'I' = Individual
 - 'J' = Joint Individuals
 - 'C' = Company
 - 'T' = Trust
- The broker must:
 - Determine the tax residency of the account and the Foreign Residency Indicator must be populated. A value of 'Y' highlights that the HIN has foreign persons.
 - For Account Types 'I', 'J', provide a residential (non PO Box) address.
 - For Account Types 'C' and 'T', provide a registered or trust (non PO Box) address and nominate an 'Entity Type'.

Note: updates to the residential address supplied in MT735 will not flow through to the HIN (which may contain a mailing address only).

CRS Data Collection Process: MT735 (Foreign Tax Status)

Account Type '1' (Individuals)

- Residential address must be supplied (not a PO box) for initial applications (part of MT735 Foreign Tax Status message).
- Foreign Residency Indicator must be populated ('Y' or 'N').
- **Where Foreign Residency Indicator = 'Y'**, the broker must also complete, at a minimum, the following fields in the Foreign Tax Status message:
 - Foreign Person 1 = 'Y'
 - Foreign Person Date of Birth = ddmmyyyy
 - Foreign Country Code 1A = xxx (3 character ISO country code)
 - Foreign TIN 1A = up to 30 character Tax Identification Number for the relevant country

Note: response "AUS" will be rejected by CHES via an MT518.

CRS Data Collection Process: MT735 (Foreign Tax Status)

Account Type '1' (Individuals)

- If no TIN is able to be supplied, the field TIN Absent 1A must be submitted with one of the following values:
 - 'A' = The country of tax residency does not issue TINs to tax residents;
 - 'B' = The investor has not been issued with a TIN; or
 - 'C' = The country of tax residency does not require the TIN to be disclosed.
- An Investor can supply tax residency data for up to 3 foreign countries – format is Foreign Country Code 1B, Foreign Tin 1B, Tin Absent 1B, etc....
- A value of 'USA' in Foreign Country Code 1A means that the data supplied is to be used by the Issuer for FATCA reporting rather than CRS reporting.

CRS Data Collection Process: MT735 (Foreign Tax Status)

Account Type 'J' (Joint Individuals)

- For Joint Individual accounts, the residential address for **each** will be provided (up to 3 individuals).
- Where one or more of the holders is a tax resident of another country, the process is equivalent to Individual Accounts with the following additional requirements:
 - The provision of Foreign Person information must match the order in which the joint individuals appear in the HIN's registration details. If for example the first named individual is not foreign, but the second is; Foreign Person 1 should show 'N' and Foreign Person 2 'Y' with supporting data populated;
 - Up to 3 individuals can have their foreign tax residency data submitted;
 - Up to 3 Foreign Country Codes may be specified per individual; and
 - In the instance that 3 individuals are shown, PISPs should refer to HIN registration details to ascertain that there are actually only 3 individuals shown on the HIN.
 - If more than 3 individuals are associated with the account (irrespective of foreign tax residency), additional data will need to be supplied outside the CHESSE messaging process.

Sample questions to be asked by the broker

Account Type 'I' (Individuals) & 'J' (Joint Individuals)

- If Account type is I (Individual) or J (Joint Individuals), the Broker/Participant must ask the following question:
 - Is any holder a tax resident of a country other than Australia?
- If the answer is no, the Broker selects 'N' in the Foreign Residency Indicator field and no further information is required in the Foreign Tax Status details message (other than the residential or registered address).
- If the answer is yes, the Broker selects 'Y' in the Foreign Residency Indicator field and must ask the following questions:
 - what is their date of birth?
 - what countries other than Australia are they a resident of?
 - what is their TIN for each country referred to above or if a TIN is not provided for any country, which of the following reasons for not providing a TFN applies:
 - the country of residence does not issue TINs to tax residents;
 - the investor has not been issued with a TIN;
 - the country of residence does not require the TIN to be disclosed.

If there are more than 3 foreign holders, the Broker must select "Y" in the Additional Foreign Parties field.

CRS Data Collection Process

Account Type 'C' (Company)

- Registered address must be supplied (not a PO box) for initial applications (part of MT737 message).
- Entity Type must be selected from following (definitions to be drafted):
 - 'F' = Financial Institution (FI);
 - 'A' = Active NFE (Non Financial Entity); or
 - 'P' = Passive NFE (Non Financial Entity).
- Foreign Residency Indicator must be populated ('Y' or 'N').
- Broker must ask the following two questions to determine any foreign tax residencies of the company account or related parties:
 - (1) Is the company a tax resident of a country other than Australia?
 - (2) Are any of the directors, partners, or beneficial owners foreign residents for tax purposes?
- If NO to both of these questions, Foreign Residency Indicator is set to 'N'. No further information is supplied.
- If YES to either or both of these questions, Foreign Residency Indicator is set to 'Y'. No further information is supplied.
- Given the complex nature of the data required for company accounts that do have some form of foreign tax residency, any additional CRS data will need to be captured outside of CHES.
- Subsequent applications may occur on a straight through basis as MT735 Foreign Tax Status is not mandatory.

CRS Data Collection Process

Account Type 'T' (Trust)

- Trust address must be supplied (not a PO box) for initial applications (part of MT737 message).
- Entity Type must be selected from following (definitions to be drafted).
 - 'F' = Financial Institution (FI);
 - 'A' = Active NFE (Non Financial Entity); or
 - 'P' = Passive NFE (Non Financial Entity).
- Foreign Residency Indicator must be populated ('Y' or 'N').
- Broker must ask the following two questions to determine any foreign tax residencies of the trust account or related parties:
 - (1) Is the trust a tax resident of a country other than Australia?
 - (2) Are any of the trustees, beneficiaries, associated parties (eg appointor/settlor) or beneficial owners of the incorporated trustee, foreign residents for tax purposes?
- If NO to both of these questions, Foreign Residency Indicator is set to 'N'. No further information is supplied.
- If YES to either or both of these questions, Foreign Residency Indicator is set to 'Y'. No further information is supplied.
- Given the complex nature of the data required for company accounts that do have some form of foreign tax residency, any additional CRS data will need to be captured outside of CHES.
- Subsequent applications may occur on a straight through basis as MT735 Foreign Tax Status is not mandatory.

CRS Data Collection Process

CHES 10 Technical Specifications

11.3 Foreign Tax Determination Matrix

The structure allows up to 3 Foreign Persons per Account Type to be identified and 3 Foreign Tax Residencies per Foreign Person. An Additional Foreign Parties indicator indicates where there are more than 3 Foreign Persons identified for the Account Type.

Account Type	Address Type ¹	Address Details	Entity Type ²	Foreign Residency Indicator	Superannuation Fund ABN ³	Foreign Person ⁴	Foreign Person Date of Birth	Foreign Country Code ⁵	Foreign TIN ⁶	TIN Absent ⁷	Comments
	3 instances provided for Account Type 'J'					3 instances provided – any additional identified Foreign Persons can be indicated by using the Additional Foreign Parties indicator					
								3 instances provided			
S (Super Fund)					Y						No foreign tax reporting implications
I (Individual)	Y	Y		Y		Y	Y	Y	Y	Y if no Foreign TIN	
	Y	Y		N							No foreign tax reporting implications
J (Joint)	Y	Y		Y		Y	Y	Y	Y	Y if no Foreign TIN	Align the group entries with the holder names as they appear in the HIN Registration details.
	Y	Y		N							No foreign tax reporting implications
C (Company)	Y	Y	Y	Y							
	Y	Y	Y	N							No foreign tax reporting implications
T (Trust)	Y	Y	Y	Y							
	Y	Y	Y	N							No foreign tax reporting implications

Notes

¹ A Residential Address is required for Account Types 'I'; a Registered Address is required for Account Type 'C'; a Trust Address is required for Account Type 'T'. Note that appropriate Address Details must be provided for each party to Account Type 'I'.

² Entity Type denotes, for Account Types 'C' and 'T', whether the entity is an Active NFE, Passive NFE or a Financial Institution.

³ A Superannuation Fund ABN is required for Account Type 'S'.

⁴ Up to 3 Foreign Persons may be identified. Where more than 3 Foreign Persons are identified, the Additional Foreign Parties indicator must be used.

⁵ Up to 3 X 3 Character ISO Country Codes may be entered per Foreign Person. AUS (Australia) not accepted.

⁶ Up to 3 Tax Identifiers, such as a TIN, may be entered per Foreign Person.

⁷ Up to 3 unknown Tax Identifiers, such as a TIN, may be described as absent per Foreign Person.

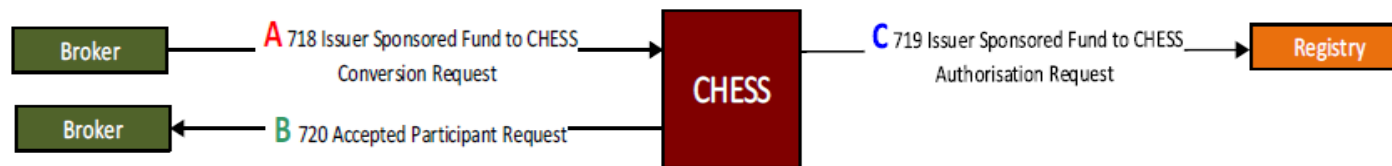
SRN applications and conversions of holdings into and out of CHESS

SRN applications

- CHESS 10 will see the removal of the ability to apply for units to be held off-CHESS (to an SRN).
- All units purchased will be allotted to an existing HIN.

Conversions – Issuer Sponsored (SRN) to CHESS

- Requests are currently facilitated via an MT718 from the broker.

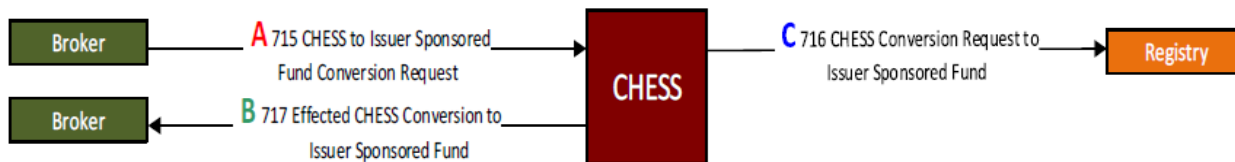


- Section 9 of ASX Settlement Operating Rules (“SOR”):
 - Require the broker to have the holder’s authority to effect the conversion prior to initiating the request.
 - Require the request to be authorised if the request satisfies SOR 9.8.3, subject to SOR 9.8.5.
- The Registry accepts via an MT721 which is received by the broker as an MT723.

SRN applications and conversions of holdings into and out of CHESS

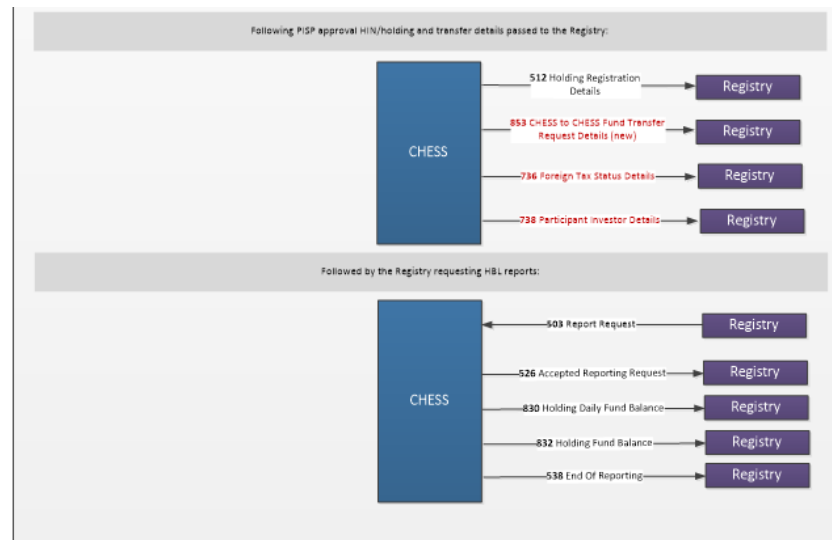
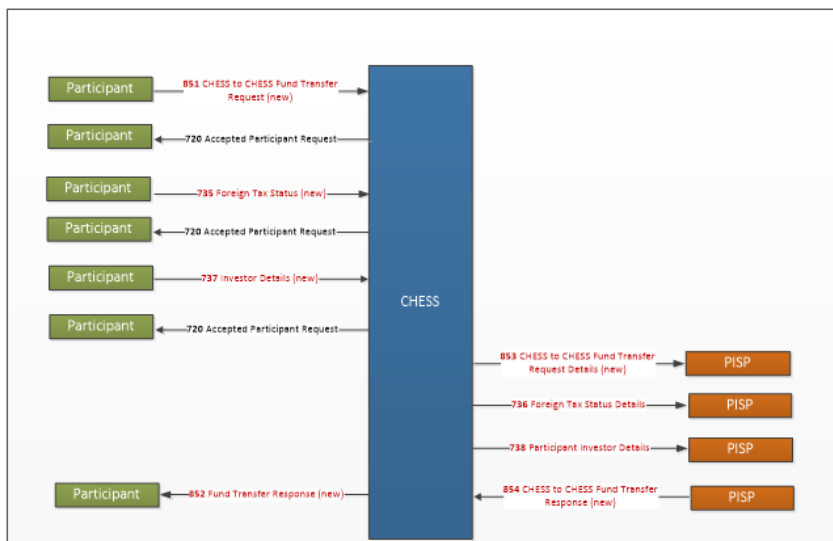
Conversions – CHESS to Issuer Sponsored (SRN)

- Requests are currently facilitated via an MT715 from the broker.



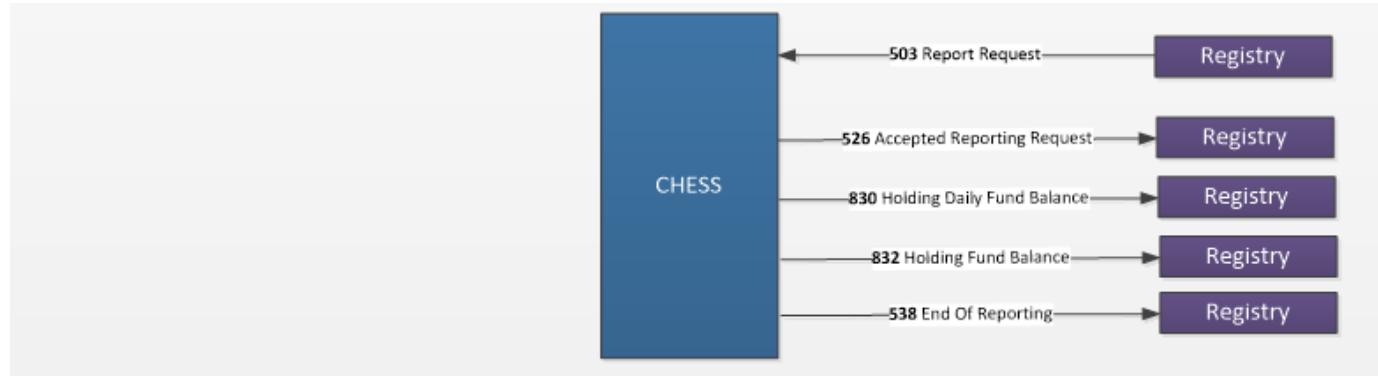
- ASX SOR 6.6.1(b) states a controlling participant must not “take any other action that the effect of deducting a number of financial products from ... a holding ... without the consent or acquiescence of the relevant holder”.
- CHESS will send the broker an MT717 if the MT715 passes CHESS validation.
- If the request satisfies SOR 9.7.2(b), the request must be processed and no response from the Registry is required via CHESS.

HIN to HIN Transfers (subject to regulatory clearance)



Allows a Participant to request the transfer of mFund units between HINs under its control. This function will allow full or partial (Number of Units) to be transferred. The transfer request will be actioned by CHES and will not be informed directly to the PISP/Registry prior to processing. The Registry will be informed that a new holding for a HIN is imminent, along with the requisite foreign tax status and investor details. This will ensure that when the registry processes requested CHES reporting, that the receiving HIN will have all the required data and controls for that holding.

Transfer – Registry requests Holding Balance Reports (Subject to regulatory clearance)



The CHES reporting will confirm the delivering and receiving HINs impacted by the transfer, and provide the new holding balances. Note that both Participants and Registries can establish a standing request for the HBL (Holding Balance Report) report (or any other desired reports) via the MT503 Report Request. Please refer to the APG (ASX Settlement Procedure Guidelines) for details.

Appendix 1 – Current ASX Settlement Procedure Guidelines for FATCA

28.6.1	Application for Units in MFund Products	31.3	MFUND SETTLEMENT SERVICE
28.6.1.3	The Settlement Participant confirms/ensures that the authorised Trading Participant has completed the AML/CTF requirements under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) have been satisfied in addition to the FATCA requirements under the US Foreign Account Tax Compliance Act. For additional information about FATCA refer to Section 31 (US Foreign Account Tax Compliance Act).		The mFund Settlement Service facilitates the application and redemption of unlisted financial products utilising CHESSE. mFund issuers are required to comply with FATCA. Effective 1 July 2014, a new <i>FATCA Questions</i> field will be included in a number of mFund CHESSE messages to assist mFund issuers with their FATCA due diligence and reporting obligations.
28.6.2	Redemption of Units in mFund products	31.3.1	FATCA Questions
28.6.2.2	The Settlement Participant ensures/confirms that the AML/CTF requirements under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) have been satisfied in addition to the FATCA requirements under the US Foreign Account Tax Compliance Act. For additional information about FATCA refer to Section 31 (US Foreign Account Tax Compliance Act).		The two FATCA questions that are required to be asked by the controlling participant of their client are: 1. For individuals: if they are a US citizen or US tax resident? [Yes or No]; and 2. For entities (i.e. non-individuals): if they are an entity other than a superannuation fund as defined in the <i>Superannuation Industry (Supervision) Act 1993 (Cth)</i> ? [Yes or No] If 'No' is answered to either questions 1 or 2, the controlling participant is required to input '1' into the <i>FATCA Questions</i> field of the appropriate mFund CHESSE message. If 'Yes' is answered to questions 1 or 2, the controlling participant is required to input either '2' or '3' into the <i>FATCA Questions</i> field of the appropriate mFund CHESSE message which will alert the mFund Issuer that it may be a FATCA Reportable Account.
28.6.3	Switch of Units in MFund Products	31.3.2	Allowable values
28.6.3.3	The Settlement Participant confirms/ensures that the Trading Participant has completed the AML/CTF requirements under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) have been satisfied in addition to the FATCA requirements under the US Foreign Account Tax Compliance Act. For additional information about FATCA refer to Section 31 (US Foreign Account Tax Compliance Act).		The three allowable values for the <i>FATCA question</i> fields are: <ul style="list-style-type: none">1 = Not Applicable2 = US Citizen or US Tax Resident3 = Entity other than a Superannuation Fund
28.9.1	Issuer Sponsored to CHESSE Conversion of Fund Units		
	Issuer Sponsored Fund conversions to CHESSE requests will only be effected on the CHESSE subregister when the PISP has authorised the request. (Effective, 1 July 2014, a Settlement Participant must complete the FATCA Questions. For additional information about FATCA refer to Section 31 (US Foreign Account Tax Compliance Act).		

Appendix 2 – Current Allowable Values for mFund rejections

Source: CHES EIS Section 8.6

Rejected Order Reason

Format	5 Numeric
Definition	The reason why a message submitted to a Product Issuer Settlement Participant has been rejected.
Allowable Values	50000 Fund Amount less than minimum value 50001 Account is Closed 50002 Account is Suspended 50003 Account is Pending 50004 Fund Manager is currently not accepting Redemption Orders 50005 Account is a Deceased Estate 50006 Account does not have a Holding 50007 Account not found 50008 Invalid Fund Code 50009 Invalid Advisor 50010 Invalid Registration Details 50011 Order request cannot be accepted as AML/CTF Check Flag is not 'Y' (Yes) 50012 Issuer does not accept this request – contact Fund Manager 50013 Closed to Existing Accounts 50014 Closed to New Accounts 50015 Fund is not associated with a Product Issuer Settlement Participant 50016 Insufficient Cleared Funds 50017 Order request details differ from Product Disclosure Statement 50018 Redemption Order request exceeds allowable value 50019 Please contact your Fund Manager 50020 Order request cannot be accepted as Current PDS Provided indicator is not 'Y' (Yes) 50021 Order request will result in a below minimum investment balance 50022 Invalid address details contact Fund Manager 50023 TFN, ABN or exemption code required for Australian residents 50024 Date of Birth mandatory for individual applicants 50025 Investor Type is required to establish an account 50026 Tax Residence is mandatory for applicants 50027 DRP Preference is mandatory for an Initial Application 50028 Bank Account details are mandatory where DRP Preference = 'N' (No) 50031 PDS Issue Date supplied is not the latest issued PDS 50032 Fund Manager is currently not accepting Switch Orders

Rejected Registry Reason

Format	1 Character
Definition	Identifies the reason a Registry has rejected an mFund request.
Allowable Values	'A' = DRP is not offered for this fund 'C' = Partial DRP is not offered 'F' = PDS issue date does not reflect the latest PDS 'G' = Periodic Income Statements are not offered 'H' = Periodic Income Statements are currently not available 'I' = Annual Income Statements are currently not available 'Z' = Please contact registry directly for further detail

Appendix 3

Source: CHES EIS Section 8 don't know what this for?

- Current “Investor Email Purpose” Allowable Values (MT737)

Email Purpose

Format	1 Character
Definition	The purpose for which an Email address may be used by an issuer registry.
Allowable Values	'A' = Preference for all electronic communication 'B' = Preference for electronic ASX Settlement communication 'C' = Preference for all electronic Issuer communication

- Current “Rejected Reason” responses (MT518 CHES to broker)

Section 8.5

https://www.asxonline.com/content/dam/asxonline/public/documents/manuals/chess-external-interface-specifications/asx_021308.pdf

Appendix 4 – Initial Application order rejection reasons

April 2016 to October 2017

#	Count of Reject Reason	Total	% of total rejected by reason
	Accepted	7565	
1	Please Contact your Fund Manager	210	42.8
2	PDS Issue Date supplied is not the latest issued PDS	71	14.5
3	Issuer does not accept this request - contact Fund Manager	55	11.2
4	TFN, ABN or exemption code required for Australian residents	46	9.4
5	Fund Amount Less than Minimum Amount	39	7.9
6	Date of Birth is Mandatory for Individual Applicants	8	1.6
7	Invalid Advisor	8	1.6
8	Order request cannot be accepted as AML/CTF Check Flag is not Y (Yes)	4	0.8
9	Invalid Registration Details	3	0.6
10	Closed to New Accounts	2	0.4
11	Fund Code is not associated with Product Issuer Settlement Participant	1	0.2
12	Order Request Details differ from Product Disclosure Statement (PDS)	1	0.2
13	Order request will result in a below minimum investment balance	1	0.2
14	Account not Found	1	
	Total Orders	8056	
	No. Rejected	491	6.1%
	Reject Rate Pre-CRS	4.7%	
	Reject Rate Post-CRS	9.7%	

Thank you.