

Tuesday, 10 September 2024

Dodie Green  
Senior Manager, Market Infrastructure  
Australian Securities and Investments Commission  
GPO Box 9827  
Melbourne VIC 3001

By email: [CSfacilities@asic.gov.au](mailto:CSfacilities@asic.gov.au)

Dear Dodie,

**Re: ASIC CS Services Rules**

Computershare appreciates the opportunity to provide our comments on ASIC's Consultation Paper, 'ASIC CS Services Rules'. While we are broadly supportive of implementing the Council of Financial Regulators *Regulatory Expectations for Conduct in Operating Cash Equity Clearing and Settlement Services in Australia* (Regulatory Expectations) as enforceable obligations along with the proposed additional obligations through the *ASIC CS Services Rules 2024 (CS Services Rules)*, there are matters that we would like to highlight for ASIC to consider as part of this consultation.

Computershare has been an engaged and proactive participant in various forums over many years that focus on improving the efficiency, effectiveness, and competitiveness of the Australian market. Our observation from these forums is a key driver of our feedback below:

1. The proposed rules suggest "user input" requirements are not intended to interfere with ASX's current advisory forums. While the theory of the advisory forums is sound, in our experience the reality of the advisory forums has been suboptimal over a long period of time, and consideration needs to be given as to whether it's well-established format and structure, is functioning as it was intended and has the effectiveness to support the successful delivery of various clearing and settlement agenda items and workstreams. **Computershare recommends a review of the purpose and objectives of the advisory bodies to ensure they will provide the right oversight and input into the various releases of CHES replacement, and other associated projects. This input should also provide insight and feedback to ensure the industry is being supported to meet agreed timetables and that proposed rules are aligned.**
2. The Regulatory Expectations are intended to ensure ASX remains responsive to users evolving needs however we believe there needs to be a mechanism(s) for users to access if they do not feel ASX is being responsive to their queries or needs or is falling short of the Regulatory Expectations. Under the *CS Services Rules* and *ASX Cash Equities Clearing and Settlement Code of Practice*, ASX simply needs to provide written reasons for a decision after that decision is made if it does not accord with the recommendations of a representative body. Users should have formal avenues to pursue in the event their queries or needs are not being met, particularly if recommendations have been made. **Computershare recommends implementation of formal arrangements to enable members of advisory bodies to challenge decisions and/or have a mediation process.**

3. **Computershare agrees with the proposal to extend the proposed scope of the annual review of the independent expert to include technology and governance issues in relation to the CHES replacement program.** This was a recommendation in the April 2024 report of the Parliamentary Joint Committee on Corporations and Financial Services. It is noted that these matters are also a consideration under Part 7.3 of the Corporations Act, and we would be supportive of this scope being captured under either option to avoid duplication assuming similar outcomes.
4. Where ASX is required to undertake independent reviews of pricing of Covered Services against comparable international markets, **Computershare recommends that the advisory forums (or successors) and/or ASIC agree scope of the relevant review to ensure independence is maintained. Further, the comparable report should be published in full, as opposed to a summary which is currently proposed in the draft rules.**

Should you have any questions in relation to the above comments, please contact me on [REDACTED] or [REDACTED].

Yours sincerely,

[REDACTED]

**Marnie Reid**

Computershare  
CEO > Issuer Services, Au & NZ  
[REDACTED]