



**ASIC**  
Australian Securities &  
Investments Commission

**M01682492**

**Australian Securities  
and Investments Commission**

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The Directors  
ASX Settlement Pty Limited  
ASX Clear Pty Limited  
Level 6,  
16-20 Bridge Street  
Sydney NSW 2000

C/o Johanna O'Rourke, Group General Counsel and  
Company Secretary

By email: [REDACTED]

28 March 2025

Dear Directors

### **Written notice of requirement to appoint an expert to provide ASIC with a report**

Under s823BB(4) of the Corporations Act 2001, I direct:

- ASX Settlement Pty Ltd (**ASX Settlement**) to appoint a person approved by ASIC under s823BB(6)(b) to provide ASIC with an expert report on specified matters relating to ASX Settlement's compliance with its obligations under Part 7.3 of the Act (**ASX Settlement Expert Report**); and
- ASX Clear Pty Ltd (**ASX Clear**) to appoint a person approved by ASIC under s823BB(6)(b) to provide ASIC with an expert report on specified matters relating to ASX Clear's compliance with its obligations under Part 7.3 of the Act (**ASX Clear Expert Report**).

The specified matters to be reported on in the ASX Settlement Expert Report and the ASX Clear Expert Report (each an **Expert Report**) are set out in **Attachment A**. The ASX Settlement Expert Report and the ASX Clear Expert Report must deal with those matters in relation to each entity respectively.

ASX Settlement and ASX Clear must each appoint a person (**Expert**) within 42 days of this notice (or within such longer period as may be agreed by ASIC) on terms acceptable to ASIC to provide their Expert Report to ASIC within 150 days after the appointment (or within such longer period as may be agreed by ASIC).

ASX Settlement and ASX Clear may comply by directing a single Expert to provide to ASIC an Expert Report which addresses the specified matters required to be addressed by the ASX Settlement Expert Report and the ASX Clear Expert Report.

To enable the Expert to provide the Expert Report to ASIC, ASX Settlement and ASX Clear must each provide assistance to the Expert as required under s823BB(7) of the Act. Without limiting those requirements, we expect that ASX Settlement and ASX Clear would assist the Expert as follows:

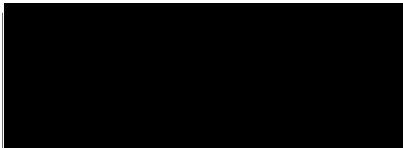


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- access to all relevant technical systems utilised by CHES, including any required login credentials;
- access to subject matter and domain experts supporting CHES;
- access to source code and source control systems of CHES;
- access to documentation and management tools for CHES; and
- access to meetings and governance processes in relation to CHES (including documentation such as meeting minutes, agendas and papers).

Yours sincerely,



as a delegate of ASIC  
Benjamin Cohn-Urbach  
Senior Executive Leader, Market Infrastructure  
Australian Securities and Investments Commission



## **Attachment A to the written notice dated 28 March 2025 to each of ASX Settlement Pty Ltd and ASX Clear Pty Ltd pursuant to s823BB(4) of the Corporations Act 2001**

### **1. Definitions**

**ASIC** means the Australian Securities and Investments Commission.

**CHES** means the Clearing House Electronic Sub-register System and includes the hardware and software systems and any other technical systems necessary to, or used in relation to, the clearing and settlement of transactions by the Clearing House Electronic Sub-register System.

**Approved Expert** means a person who has been approved by ASIC to prepare the Expert Report.

**Expert Report** means the report to be provided to ASIC by each Licensee on the specified matters required by the notice and set out at paragraph 2 below.

**Licensee** means each of ASX Settlement Pty Ltd and ASX Clear Pty Ltd respectively.

### **2. Specified matters to be reported on**

- (1) The Expert Report must describe the findings of the Approved Expert in relation to the Licensee following an assessment of the risks associated with CHES.
- (2) The Expert Report must address the following specified matters in relation to the Licensee:
  - a. the technical architecture of CHES including the components, services, libraries, languages and frameworks utilised by CHES and how this is currently integrated within CHES;
  - b. the quality and health of the code of the technical architecture of CHES as identified by paragraph 2(2)(a) above;
  - c. the reliability and scalability of the infrastructure upon which CHES is hosted;
  - d. the sufficiency of current levels of Licensee resourcing in relation to CHES and the skills and capabilities of individuals and teams in relation to CHES;
  - e. the maturity of the technical delivery practices and processes that support the ongoing operation and maintenance of CHES;
  - f. the observability of CHES from the perspective of understanding CHES system behaviour and identifying the cause of errors or unexpected system behaviour (including both real-time and retroactive observability);



- g. the adequacy and maturity of the Licensee's change management processes for CHES, including testing processes and procedures and release and deployment of changes; and
- h. the degree to which third-party support arrangements are required and the sufficiency of these arrangements for the ongoing operation and maintenance of CHES, including responses to incidents or outages.

(3) The Expert Report must detail the Approved Expert's:

- a. findings in respect of the specified matters in paragraph 2(2) above, including any deficiencies identified; and
- b. recommendations as to any action that should be taken by the Licensee in response to any of its findings, including the Approved Expert's opinion of a reasonable time period for implementation by Licensee of all recommended actions.