

Overview of proposed clearing and settlement fee changes to be effective 1 August 2024



ASX Clearing & Settlement

Schedule of Fees

1 August 2024

Contents

Table of Contents

| | |
|--|----|
| Cash Market Transaction Clearing | 4 |
| Cash Market Transaction Settlement | 4 |
| Settlement Fail Fees | 6 |
| Collateral Management | 6 |
| Holder Recordkeeping | 7 |
| Reporting & Enquiry Services | 10 |
| Administrative Services | 10 |
| Support Services | 11 |
| Settlement Facilitation Services for Approved Market Operators | 12 |
| Trade Acceptance Service for Approved Market Operators (AMO) | 14 |

All fees are shown in Australian dollars. All fees are effective from 1 January 2024 unless otherwise indicated and are subject to change from time to time. If you require further clarification please contact your ASX Account Manager or ASX Customer Service (telephone 131 279)

GST exclusive prices are quoted in the Schedule of Fees applicable to Clearing and Settlement Services. Usually Clearing and Settlement services will be subject to GST and the GST inclusive prices will be charged. In certain situations, an otherwise taxable supply may be exempt from GST (for example, exports). However, ASX anticipates that Clearing and Settlement services will not be 'exports' for the purposes of GST and accordingly, GST inclusive prices will be charged for these services.

Clearing and Settlement Services

ASX Clear Pty Limited (ASX Clear) and ASX Settlement Pty Limited (ASX Settlement) are wholly owned subsidiaries of ASX Limited (ASX) and are responsible for the provision of clearing and settlement services to ASX Participants and Approved Market Operators. Fees are invoiced by ASX Operations Pty Limited (ASX Operations) on behalf of ASX Clear and ASX Settlement. Invoices are issued monthly in arrears. The Clearing House Electronic Sub-register System (CHES) is used by ASX Settlement to settle cash market products such as equities, interest rate products, warrants and exchange traded funds.

Cash Market Clearing Fees

This schedule can be found at ASX's Code of Practice website for cash equities clearing and settlement: <https://www2.asx.com.au/about/regulation/clearing-and-settlement-of-cash-equities-in-australia>

ASX Clear is the central counterparty for products traded on ASX and other Approved Market Operators. As the central counterparty, ASX Clear becomes the seller to every buyer and the buyer to every seller making it liable for completing all cleared transactions on the relevant market. This occurs through a contractual process known as novation, in accordance with operating rules of ASX Clear. Following execution, ASX Clear sends a 164 CHES message to the Buyer Clearing Participant confirming the novated trade. The 164 message notifies each party of the cleared trade details and the settlement date. A Transaction Clearing Fee is charged for Equities, Warrants, Structured Products and Interest Rate Securities. Where the Buyer Clearing Participant and the Seller Clearing Participant are the same entity, ASX Clear does not novate the trade and the 164 CHES message is for information only. The 164 message notifies the Clearing Participant of the trade details and the settlement date. A crossing Registration Fee is charged. ASX Clear provides these services to the market and charges the fees detailed within this fee schedule.

Cash Market Settlement Fees

This schedule can be found at ASX's Code of Practice website for cash equities clearing and settlement: <https://www2.asx.com.au/about/regulation/clearing-and-settlement-of-cash-equities-in-australia>

The Clearing House Electronic Sub-register System (CHES) is used by ASX Settlement to settle cash market products such as equities, interest rate products, warrants and exchange traded funds for products traded on ASX and other Approved Market Operators. ASX Settlement charges participants for holdings transfers and Delivery versus Payment (DvP) settlement to meet novated obligations between the participant and ASX Clear and non-novated obligations directly between participants. Transactions include:

- DvP Settlement (101 message) where each participant independently notifies CHES of settlement details which are then matched by the system. Instructions can include DvP, delivery without payment, miscellaneous payments. Refer Product code 04900005 - \$1.30 per request.
- Batch settlement (156 Message, as generated by a 164, 134 or 101 message) for market settlement of DvP obligations (netted and bilateral) via CHES settlement batch. Refer Product code 04900024 - \$0.30 per request. The charge for this service excludes free of payment 156 messages.

ASX Settlement provides these services to the market and charges the fees detailed within this Fee Schedule.

Cash Market Clearing and Settlement Revenue Sharing Scheme

ASX operates a cash market clearing and settlement revenue sharing scheme, which operates on the following principles:

- All cash market clearing and settlement revenue earned by ASX above an annual growth threshold will be shared 50/50 between ASX and its cash market clearing and settlement participants.
- The annual growth threshold will be applied to the total ASX cash market clearing and settlement revenue. No individual participant growth thresholds are required.
- All participants are eligible to participate in the schemes.
- The total amount to be shared with participants will be distributed proportionate to each individual customer's revenue contribution.
- All payments will be paid annually in arrears.
- The scheme will operate annually.
- The annual growth thresholds will be reviewed periodically and advised to participants before commencement of the next financial year. ASX's calculations will be final.

Cash Market Transaction Clearing

These fees are applicable to ASX Clear & ASX Settlement Participants.

| Product Code | Service | Charge Basis | CHESS EIS Message | Fee (excluding GST) | Effective Date |
|--------------|---|---|-------------------|----------------------------------|----------------|
| 04900000 | Clearing fee for Equities & Investment Products | Calculated at 0.00225% of executed trade value for Equities, excluding crossings, option exercise and other non-billable transactions | 164 | Ad valorem of 0.225 basis points | 1 July 2016 |
| 04900002 | Clearing fee for Warrants | Calculated at 0.00350% of executed trade value for Warrants | 164 | Ad valorem of 0.35 basis points | |
| 04900004 | Clearing fee for Interest Rate Securities | Calculated at 0.00350% of executed trade value for Interest Rate Securities | 164 | Ad valorem of 0.35 basis points | |
| 04900001 | Crossings Registration fee | Calculated at 0.0010% of crossed trade value (0.0005% per side); capped at \$5 per side (i.e. \$10 total cap) | 164 | Ad valorem of 0.10 basis points | |

Cash Market Transaction Settlement

| Product Code | Service | Charge Basis | CHESS EIS Message | Fee (excluding GST) | Effective Date |
|--------------|--|--|-------------------|---------------------|----------------|
| 04900005 | DvP Settlement / Miscellaneous payment | Per request to create settlement obligation with value | 101 | \$1.30 | |
| 04900024 | Batch Settlement DvP Instruction | Per settled DvP settlement instruction | 156 | \$0.30 | |

| Product Code | Service | Charge Basis | CHESS EIS Message | Fee (excluding GST) | Effective Date |
|--------------|---|--|---|---------------------|----------------|
| 04900010 | Transaction Modification | Per request | 037, 119, 121, 123, 125, 129, 131, 135, 139, 195, 247, 483, 489, 493, 497 | \$0.90 | |
| 04900015 | CHESS & Sub-register Transfer & Conversion ¹ | Per request to transfer a holding | 001, 003, 005, 007, 009, 011, 013, 015, 017, 019, 021, 025, 101 (Free of Value), 105, 107 | \$0.90 | |
| 04900020 | RTGS Settlement | Per request to create a CHESS RTGS Settlement instruction with value | 481, 497 | \$5.00 | |
| 04900025 | ETC Facility | Per electronic trade confirmation message submitted | 651, 653, 655, 657, 659, 661, 663, 665, 667, 669 | \$0.90 | |
| 06200400 | Settlement Close Out Notification | Per notification | 554 | \$0.20 | |

¹ Transfers between a Participant's accumulation and settlement entrepot accounts using CHESS message types 001, 105 and 107 are free of charge

Settlement Fail Fees

| Product Code | Service | Description | CHESS EIS Message | Fee (excluding GST) | Effective Date |
|--------------|---------------------------|--|-------------------|--|----------------|
| 04900030 | Total Fail Fees for month | Calculated at 0.10% of the value of a settlement holding shortfall. A fail fee is levied on each Business Day a shortfall persists | 544 | Ad valorem of 10 basis points min. fail fee \$100.00 per day. Max. fail fee \$5,000.00 per day | |
| 04900035 | Fail Fee Reversal | | 548 | Variable | |

Collateral Management

| Product Code | Service | Description | CHESS EIS Message | Fee (excluding GST) | Effective Date |
|--------------|---|-------------|-------------------|---------------------|----------------|
| 04900050 | Collateral Creation – Sponsored Holding | Per request | 027 | \$1.20 | |
| 04900055 | Collateral Creation – Direct Holding | Per request | 027, 871 | \$0.20 | |
| 04900060 | Collateral Creation Advices & Removals | Per advice | 082, 108, 176 | \$0.20 | |

Holder Recordkeeping

| Product Code | Service | Description | CHESS EIS Message | Fee (excluding GST) | Effective Date |
|-----------------|--|---|-----------------------|-----------------------|-------------------|
| 04900065 | Re-issue of current Holding statement – Message request | Per message request | 503 | \$1.50 | 1 Jan 2024 |
| 04900070 | Re-issue of Archived / Manually requested Holding Statement | Per statement request | n/a ² | \$15.00 | |
| 04900075 | Holder Maintenance – Sponsored Holding ³ | Per request to create or update a Sponsored Holder | 201, 203 ⁴ | \$1.50 | 1 Jan 2024 |
| <u>04900268</u> | <u>Sponsored HIN Subscription Fee</u> | <u>Per active⁵ Sponsored HIN</u> | | <u>\$0.02 monthly</u> | <u>1 Aug 2024</u> |
| <u>04900269</u> | <u>Sponsored HIN Subscription Fee – Mail CHESS Notifications</u> | <u>Per request to create or update a Sponsored Holder⁶</u> | <u>201, 203</u> | <u>\$1.50</u> | <u>1 Aug 2024</u> |
| 04900080 | Holder Maintenance – Direct Holding ⁷ | Per request to create or update a Direct or Entrepot Holder | 201, 203 | \$0.35 | 1 Jul 2017 |

² Refer to ASX Settlement Procedure Guidelines – Appendix N1, N2

³ Includes updates to holder registration details, holder status and residency indicator.

⁴ Fees are waived for valid 203 electronic communication opt-in or out messages. More details of the fee waiver can be found here:

https://www.asxonline.com/content/dam/asxonline/public/notices/2021/August/electronic_communications_technical_guide_aug_2021.pdf

⁵ Product code 04900268 is an alternate to 04900075 if a participant has opted in to the HIN Pricing Subscription Model. An active HIN is defined as a HIN with at least one holding balance greater than zero at the last business day of the month.

⁶ Product code 04900269 is applicable where a participant has opted in to the HIN Pricing Subscription Model but the communication preference for the HIN is NOT email.

⁷ Includes updates to holder registration details, holder status and residency indicator.

| Product Code | Service | Description | CHESS EIS Message | Fee (excluding GST) | Effective Date |
|--------------|--|-----------------------------------|-------------------|---------------------|----------------|
| 04900085 | Change of controlling participant – message request | Per message request | 245 | \$1.50 | 1 Jan 2024 |
| 04900090 | Change of controlling participant – manual request | Per HIN request | n/a ⁸ | \$5.00 | |
| 04900095 | Change of controlling participant – Partial/ Bulk base fee | Base charge per processed request | | \$2,000.00 | |

⁸ Refer to ASX Settlement Procedure Guidelines – Appendix H

| Product Code | Service | Description | CHESS EIS Message | Fee (excluding GST) | Effective Date |
|-----------------------|---|---|--------------------|---------------------|----------------|
| 04900100 | Holder Notification Partial/Bulk Change of Participant | Per Sponsored Holder Notification | | \$1.00 | |
| 04900105 | Holder/Holding Details Partial/Bulk Change of Participant | Per Holder/Holding report message Fee references Participant and ASX managed change of sponsoring broker requests. A 50% discount is available on incremental fees over \$40,000 (exclusive of GST) generated as a result of large transfer of holdings. Discount is only applicable for ASX managed change of Participant transfers. | 222, 502, 520, 522 | \$0.35 | 1 Jul 2017 |
| 02300016 | Bulk Holder Cancellation – Sponsored Holders | Per HIN request | | \$1.50 | 1 Jan 2024 |
| 02300017 | Bulk Holder Cancellation – Sponsored Holders Notification Suppressed or Direct Holders | Per HIN request | | \$0.25 | |
| 04900240 ⁹ | Sponsored Holder Offer Acceptance/ Completion | Per Offer Acceptance | 082, 704 | \$1.50 | 1 Jan 2024 |

⁹ Fee has been moved out of “Issuer Services” Schedule of Fees effective 1 Jan 2024.

Reporting & Enquiry Services

| Product Code | Service | Description | CHESS EIS Message | Fee (excluding GST) | Effective Date |
|--------------|---|--|----------------------------------|---------------------|----------------|
| 04900110 | Report requests & Enquiry Output | Per message request | 503, 505, 154, 538 ¹⁰ | \$0.20 | |
| 04900115 | Report requests from Archived Storage Holding Balance Reports | Per request. Minimum \$750.00 per Report Request | | \$0.20 | |
| 04900120 | SRN Enquiry | Per enquiry | 452 | \$2.20 | |
| 04900125 | SRN Holding Balance | Per holding balance | 464 | \$0.70 | |
| 04900130 | PID Enquiry | Per enquiry | 691 | \$0.20 | |

Administrative Services

| Product Code | Service | Description | CHESS EIS Message | Fee (excluding GST) | Effective Date |
|--------------|------------------------------|--|-------------------|---------------------|----------------|
| 04900135 | Application of Holding Lock | Per manual application | | \$5.00 | |
| 04900140 | New/Changed Payment Facility | Per request to create or modify a payment facility | 240, 242 | \$5.00 | |

¹⁰ The CHESS message type 538 counts the number of related output CHESS messages for reporting (see section 19 of ASX Settlement Procedure Guidelines for related message numbers). CHESS charges at \$0.20 per count value in the CHESS message type 538 except for FGM reports, which are charged via the CHESS message type 514.

| Product Code | Service | Description | CHESS EIS Message | Fee (excluding GST) | Effective Date |
|--------------|--|---|-------------------|---------------------|----------------|
| 04900145 | Payment Provider Application Fee | Per application fee | | \$500.00 | |
| 04900195 | Top-up to \$2,000 Minimum Annual Fee ¹¹ | Difference between total CHESS fees paid per annum and the \$2,000 minimum annual fee | | Variable | |

Support Services

| Product Code | Service | Description | CHESS EIS Message | Fee (excluding GST) | Effective Date |
|--------------|---|--|-------------------|---------------------|----------------|
| 04900185 | Non-routine Technical Support (CHESS & DCS) | Within business hours – per hour or part thereof | | \$150.00 | |
| 04900185 | Non-routine Technical Support (CHESS & DCS) | Standby fee for weekends & public holidays (no call out) – per day | | \$400.00 | |
| 04900186 | Non-routine Technical / Operational Support (CHESS & DCS) | Outside business hours including weekends & public holidays – per hour or part thereof | | \$250.00 | |

¹¹ Only applicable to ASX Settlement Participants and not applicable if the total CHESS fees paid per annum exceeds \$2,000.

Settlement Facilitation Services for Approved Market Operators

Market Operators

| Product Code | Service | Description | Fee (excluding GST) | Effective Date |
|--------------|--|---|---------------------|----------------|
| 06200501 | Settlement Facilitation Services – ASX Settlement Licence Compliance | <p>Per Approved Market Operator per Annum.</p> <p>Share of the external audit of ASTC calculated in accordance with the following formula:</p> $C = B \times (Sa/St)$ <p>Where,</p> <p>C = the annual Fee</p> <p>B = the Annual cost of the external audit of ASTC</p> <p>Sa = the market capitalisation of securities on the Recipient Market as at 31 May</p> <p>St = the market capitalisation of all equities settled in CHESS as at 31 May</p> | Variable | |
| 06200503 | Settlement Facilitation Services – Application | Per Application | \$9,050.00 | |
| 06200504 | Settlement Facilitation Services – Business Management | Per Approved Market Operator per Annum (or part thereof). Flat fee for general business and account management. Billed in advance of each financial year (or part thereof) | \$13,600.00 | |

| Product Code | Service | Description | Fee (excluding GST) | Effective Date |
|--------------|---|---|---------------------|----------------|
| 06200506 | Settlement Facilitation Services – Operations and Support | Calculated and billed in advance for each financial year (or part thereof) based on the number of securities as at 31 May | | |
| | | Per annum – based on number of securities on Recipient Market | | |
| | | 0 – 6 securities | \$5,100 (Minimum) | |
| | | 7 – 12 securities | \$7,650 | |
| | | 13 – 18 securities | \$10,200 | |
| | | 19 – 24 securities | \$12,750 | |
| | | 25 – 30 securities | \$15,300 | |
| | | 31 – 36 securities | \$17,850 | |
| | | 37 – 42 securities | \$20,400 | |
| | | 43 – 48 securities | \$22,950 | |
| | | 49 – 54 securities | \$25,500 | |
| | | 55 – 60 securities | \$28,050 | |
| | | 61 – 66 securities | \$30,600 | |
| | | 67 – 72 securities | \$33,150 | |
| | | 73 – 78 securities | \$35,700 | |
| | | 79 – 84 securities | \$38,250 | |
| | | 85 – 90 securities | \$40,800 | |
| | | 91 – 96 securities | \$43,350 | |
| | | 97 – 102 securities | \$45,900 | |
| | | 103 – 108 securities | \$48,450 | |
| | | 109 – 114 securities | \$51,100 | |
| | | 115 – 120 securities | \$53,550 | |
| | | 121 -126 securities | \$56,100 | |
| | | 127 – 132 securities | \$58,650 | |
| | | 133 – 138 securities | \$61,200 | |
| | | 139 – 144 securities | \$63,750 | |
| | | 145 – 150 securities | \$66,300 | |
| | | 151 + securities | To be reviewed | |

| Product Code | Service | Description | Fee (excluding GST) | Effective Date |
|--------------|--|--|---------------------|----------------|
| 06200509 | Development Fee for DvP Facilitation Service | Total charge pro-rata against number of Approved Market Operators taking up DvP Facilitation Service | \$120,000.00 | 19 Sep 12 |
| 06200510 | Settlement Facilitation Service - Administration | Per request – processing once-off requests outside of agreed procedures | \$200.00 | 9 Jan 14 |

Trade Acceptance Service for Approved Market Operators (AMO)

| Product Code | Service | Description | Fee (excluding GST) | Effective Date |
|--------------|--|--|----------------------|----------------|
| 06200516 | Trade Acceptance Service – Application Fee | Per Application | \$10,000.00 | 1 Jul 18 |
| 06200517 | Trade Acceptance Service – Service Fee | <p>Service fee calculated to recover allocations for limited categories of costs as follows:</p> <ul style="list-style-type: none"> - Ongoing resourcing costs (staff time related to the TAS and occupancy allowance) \$23,000 per AMO per annum, - Equipment costs (technology support related to the TAS): the amount paid by the ASX from time to time for support (converted at the prevailing exchange rate as selected by ASX), currently \$43,000 per annum. <p>This equates to an annual service fee of \$66,000 for one AMO using the TAS, for two AMOs, it would be \$44,500 each, and for three AMOs it would be \$37,333 each</p> | Variable | 1 Jul 18 |
| 06200513 | Trade Acceptance Service – Expansion and Enhancement Fee | <p>Expansion or enhancement of the Trade Acceptance (TAS) as requested by an AMO. In addition, any development or testing of ASX systems which may be required to support the delivery of clearing, settlement or issuer services , or services to the AMO, in respect of a new product will be priced as agreed by the AMO and ASX.</p> | Price on application | 1 Jul 18 |

| Product Code | Service | Description | Fee (excluding GST) | Effective Date |
|--------------|---|--|----------------------|----------------|
| 06200514 | Trade Acceptance Service – Clearing Assessment Fee | Clearing Assessment fee to be charged at cost-based hourly rates of relevant ASX staff. ASX will provide a cost estimate at the commencement of the assessment, and periodic reporting of costs accrued at reasonable levels to be agreed. Refund out of ASX revenue will discontinued for new products. Any development or testing of ASX systems required to support central clearing of the new product will be charged as agreed separately (refer to product 06200513). | Price on application | 1 Jul 18 |
| 06200515 | Trade Acceptance Service – Operational Support Assessment Fee | Operational Support Assessment Fee to be charged at cost-based hourly rates of relevant ASX Staff. ASX will provide a cost estimate at the commencement of the assessment, and periodic reporting of costs accrued at reasonable intervals to be agreed. Any development or testing of ASX systems required for operational support of the new product will be charged as agreed separately (refer to product 06200513). | Price on application | 1 Jul 18 |