

SCHEDULES TO ASX 24 OPERATING RULES

Existing 2.22.1 90 Day Bank Accepted Bill Futures Contract is renamed 90 Day Bank Accepted Bill Futures Contract (Deliverable) – Note – this contract specification will be deleted after the final delivery in June 2020 and replaced with 2.22.1 90 Day Bank Accepted Bill Futures Contract (Cash Settled) which will be cash settled from September 2020.

New individual contract specification

2.22.1 90 Day Bank Accepted Bill Futures Contract (Cash Settled)

Note – The first cash settlement will occur for the September 2020 expiry

	Heading	Individual contract specifications
1	Contract Unit	<p>Prime Bank Securities (as defined in the BBSW Conventions) with a face value of \$1,000,000 accepted by an approved acceptor and maturing 90 days from Settlement Day. Any such bill must be either:</p> <p>(a) a bill of exchange under the Bills of Exchange Act (as amended); or</p> <p>(b) an electronically recorded debt obligation defined as an “EBA” within the definition of “Dematerialised Security” in the Operating Rules of Austraclear Limited (hereafter referred to as “EBA”).</p>
1.2	Type of Contract	Cash settled
2	Contract Value	$\text{Value} = \frac{1,000,000 \times 365}{365 + \left(\frac{P \times 90}{100}\right)}$ <p>Where</p> <p><i>P = price expressed as a yield per cent per annum</i></p> <p><i>and where the calculations within the brackets shall be carried out to such number of decimal places as the Market Operator shall determine and the values shall be rounded in the manner determined by the Market Operator.</i></p>
3	Settlement Price	For each Settlement Day the Approved Clearing Facility shall declare the Settlement Price, which shall be calculated in accordance with the procedures in Item 5.

	Heading	Individual contract specifications
4	Settlement Value	<p>Settlement Value = $\frac{1,000,000 \times 365}{365 + \left(\frac{P \times 90}{100}\right)}$</p> <p><i>Where</i></p> <p><i>P = price expressed as a yield per cent per annum</i></p> <p><i>and where the calculations within the brackets shall be carried out to such number of decimal places as the Market Operator shall determine and the values shall be rounded in the manner determined by the Market Operator.</i></p>
5	Manner of determining the Settlement Price	<p>The Settlement Price shall be the 3 month BBSW rate as published at approximately 10:30 am and no later than 12 noon by the BBSW Benchmark Administrator.</p> <p>The 3 month BBSW rate will be rounded in a manner determined by the Market Operator and deducted from 100 to obtain the Settlement Price.</p>
6	Inability for declaration of Settlement Price	<p>If a situation is developing or has developed which is capable of preventing the declaration of the Settlement Price in accordance with these Individual Contract Specifications, or if a situation within the meaning of Rule [3100] is developing or has developed, then the provisions of that Rule [3100] shall apply and any provision of the Rules which cannot be complied with until the price has been declared shall be complied with as soon as possible after it has been declared.</p>

Procedure 2.22.1 90 Day Bank Accepted Bill Futures Contract (Cash Settled)

Subject	Determinations
Manner of quoting Futures Prices	Yield per cent per annum. For quotation purposes the Futures Price shall be deducted from 100.00.
Minimum fluctuations for quoting Futures Prices	Multiples of 0.010 per cent.
Calculation of Contract Value	The contract value is to be rounded to the nearest cent, 0.500 cents being rounded up.
Calculation of Settlement Value	The settlement value is to be rounded to the nearest cent, 0.500 cents being rounded up.
Number of decimal places and rounding for calculation of Settlement Price	The 3 month BBSW rate will be rounded to the nearest 0.001 per cent (0.0005 per cent being rounded up).
Time Settlement Price is declared	ASX Clear (Futures) will normally declare the Settlement Price by 10:30am and no later than 12pm on the Final Trading Day.
Settlement months Trading Months	Commencing September 2020: March, June, September and December up to 60 months ahead. Commencing September 2020: March, June, September and December in any 60 month period.
Trading Hours	5:08 pm – 7:00 am and 8:28 am – 4:30 pm (US daylight saving time) ² 5:08 pm – 7:30 am and 8:28 am – 4:30 pm (US non daylight saving time)
Final Trading Day	The Business Day immediately prior to the Settlement Day
Time trading ceases on the Final Trading Day	At the close of the night session (7:00am or 7:30am) on the Final Trading Day.
Settlement Day	The second Friday of the Settlement Month
Final time by which Sellers obligations must be satisfied	12:00 noon on the Settlement Day
Final time by which Buyers obligations must be satisfied	10:30 am on the Settlement Day

Procedure 3400 - Position Limits

Procedure 3400

For the purposes of Rule [3400] the number the permitted number of Open Positions which may be held by Trading Participants on behalf of any market user is as follows:

	3-Year Commonwealth Treasury Bond Futures Contracts	10-Year Commonwealth Treasury Bond Futures Contracts	20-Year Commonwealth Treasury Bond Futures Contracts	90 Day Bank Accepted Bills Futures Contract
Maximum number of spot month net Open Positions to be held at close of trading on T-1 and the remaining life of the contract at a corporate 'group' level	37,500	28,500	15,000	20,000

These expiry concentration position limits should be considered by market users as hard limits applicable to all market users (with beneficial ownership applied at 'group'¹ level), regardless of the particular type or style of trading activity undertaken. The Market Operator may vary the limits on an exceptional case-by-case basis, with such discretion likely to be exercised on an infrequent and judicious basis only.

Where multiple Trading Participants hold positions on behalf of a single market user, these limits include all holdings by that market user. To this end, Participants are advised to regularly consult with such clients to ensure that they are not to exceed these limits.

These limits have been based upon consideration of a number of factors including:

- The Market Operator's assessment of overall futures market size and a maximum acceptable degree of Open Interest concentration;
- physical market turnover and liquidity on expiry day (i.e. the size of the cash market); and
- turnover and liquidity within the repo market.

Participants are referred to Bulletins 47/04 and 76/04 for further detail.

~~In relation to Interest Rate Swap Futures Contracts, a Trading Participant that is not an OTC Clearing Participant or does not have a clearing arrangement with an OTC Clearing Participant must have closed out any Open Positions for a market user that that is not an OTC Clearing Participant or does not have a clearing arrangement with an OTC Clearing Participant in Interest Rate Swap Futures Contracts five Trading Days prior to the Final Trading Day of the Contract.~~

¹ Application of limits at a 'group' level as the default (i.e. consolidating all affiliated corporate entities) is considered to be the most straightforward and reasonable basis. However, genuine disparate holdings by international branches of a global institution, or by proprietary trading and funds management divisions of a bank may be examples where the Market Operator would utilise its discretion to vary limits as required.

In the event of or in order to prevent an undesirable market situation, the Market Operator may – in order to ensure fair, orderly and transparent markets under Rule [3100](c) – instruct Trading Participants to trade in a particular manner on behalf of their own account or those of other market users, potentially including an instruction to hold no more than a certain number of positions. In such an event, no further notification may occur before the issuance of such an instruction.

Amended 26/02/14, 21/09/15, 30/11/15, 20/03/17