ASX

CHESS Replacement

Tranche 3 and Combined Rule Amendments Consultation Paper

August 2021

Invitation to comment

ASX is seeking submissions in response to this paper by 14 December 2021.

Submissions should be sent to:
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Attention: Diane Lewis

ASX prefers to receive submissions in electronic form.

If you would like your submission, or any part of it, to be treated as 'confidential', please indicate this clearly. All submissions will be provided to regulators. They may also be published on the ASX website, unless they are clearly marked as confidential or ASX considers that there are reasons not to do so.

ASX is available to meet with interested parties for bilateral discussions on this Consultation Paper.

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Executive Summary

To facilitate the implementation of the new system that will replace CHESS in April 2023, ASX needs to make amendments to the ASX Settlement Operating Rules (**ASXSORs**), ASX Clear Operating Rules (**ASXCORs**), ASX Operating Rules (**ASXORs**) and ASX Appeals and Enforcement Rules (together, the **rulebooks**) and associated Procedures.

This paper sets out the third of three tranches of rule amendments, as well as the total package of rule amendments across the three tranches, for public consultation. Stakeholders now have the complete set of rules, procedures, explanatory documents and technical specifications for the business functionality to make a comprehensive assessment of the proposed operating rule changes relating to CHESS replacement.

The proposed amendments are required to support the operation of the system that will replace CHESS and reflect the solution design for new or changed functionality as captured in the Technical Documentation released in connection with the new system.

Tranche 3 changes and consolidated rules package

To make the rules for new system functionality available to the market at an early stage, ASX sought to do so via three tranches[1]. The first and second tranches of rule amendments were released for public consultation in 2019 and 2020.

The third (and final) tranche of rule amendments required to support the new system are being released to the market for the first time as part of this paper[2]. They cover netting, settlement, reporting and miscellaneous amendments for 'Day 1' implementation of the new system, including as revised to reflect changes to netting and settlement workflows as consulted on in 2021. As part of the miscellaneous amendments, they also include transitional rules addressing migration aspects for the cutover to the new system[3].

This paper also includes a consolidated rules package across all the rule amendments for the new system (as covered by the three tranches), as part of ASX's commitment to releasing a combined rule amendment package to the market. This includes the tranche 1 rule amendments and tranche 2 rule amendments as revised following previous market consultation on those rule amendments.

- The tranche 1 rule amendments covered accounts, participants, securities and pre-settlement aspects of the new system, and were released to the market for consultation on 15 November 2019[4], with ASX's response to the tranche 1 consultation feedback released on 22 May 2020.[5]

- The tranche 2 rule amendments covered corporate actions, mFund and RTGS payment aspects of the new system, and were released to the market for consultation on 21 February 2020[6], with ASX's response to the tranche 2 consultation feedback released on 24 September 2020.[7]

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[1] Each tranche groups related sets of rules reflecting the logical development of clearing and settlement aspects, e.g. tranche 1 covered off: accounts, participants and securities aspects - which are building blocks for other activities in the system; and pre-settlement activities - which are a pre-requisite to payments and settlements covered off in tranches 2 and 3. This approach allowed rule amendments for clearing and settlement aspects covered in that tranche to be made available as the relevant solution design process for those aspects was completed, rather than waiting until all rules were available following completion of the solution design process across all clearing and settlement aspects for the new system

[2] ASX originally had proposed releasing a separate tranche 3 consultation paper to the market in early April 2020, but in March 2020 decided to postpone this due to uncertainty created by the COVID-19 pandemic and ASX's decision to consult on a revised timeline for delivery of the replacement system in June 2020

[3] For example, the remediation and conversion to ISO 20022 format of holder registration details and the treatment of in-flight transactions/processes in CHESS at the cutover time

[4] The Tranche 1 Consultation Paper is available here: https://www.asx.com.au/documents/public-consultations/chess-replacement-tranche1-rule-amendment.PDF

[5] The Tranche 1 Response to Consultation is available here: https://www2.asx.com.au/content/dam/asx/about/regulations/public-consultations/2020/tranche-1-response-to-cp-may-2020-full-910959v1.PDF

[6] The Tranche 2 Consultation Paper is available here: https://www.asx.com.au/images/resources/Tranche2ConsultationPaperandAttachments.PDF.

[7] The Tranche 2 Response to Consultation is available here: https://www2.asx.com.au/content/dam/asx/about/regulations/public-consultations/2020/tranche2-response-to-cp-september2020-final-933157v1.pdf

The rule amendments in the consolidated rules package also:

- Include updates to the tranche 1 rule amendments to reflect changes to netting and settlement workflows as consulted on in 2021[8].
- Remove tranche 2 rule amendments for functionality which no longer forms part of Day 1 scope of the new system as indicated in ASX's response to consultation feedback on the revised implementation timetable released in October 2020[9], i.e:
  - electronic acceptance and payment for entitlement offers
  - CHESS processing of elections as to alternate forms of consideration under schemes of arrangement.

The rule amendments across the three tranches discussed in this paper are being made to:

- Implement new business requirements for the CHESS replacement system, which were outlined in the consultation paper *CHESS Replacement: New Scope and Implementation Plan* released by ASX in April 2018 (there is one new business requirement covered by tranche 3, seven new business requirements covered by tranche 1 and two new business requirements covered by tranche 2).
- Reflect the re-engineering of some existing functionality – this includes the implementation of a number of system enhancements and the automation of manual processes.
- Decommission some existing CHESS functionality – this relates to CHESS functionality not being used by system users or that is no longer required in the new system.
- Implement other miscellaneous changes - this includes tidy up changes.

Presentation of rule changes in this paper

The tranche 3 rule amendments, are provided both on a stand-alone basis, as well as part of the consolidated rules package, in this consultation paper.

This enables stakeholders who have engaged with the previous rules consultations to be able to focus their review and feedback on the tranche 3 rule amendments, which have not previously been subject to formal consultation.

It also enables all stakeholders to provide feedback across all the rule amendments for the new system as a consolidated rules package across the three tranches[10], including in particular the interaction between the rules amended in each tranche.

This paper contains a number of attachments:

- **Attachment A** contains a summary of the changes proposed to the rulebooks across all three tranches (Part 1 dealing with Tranche 3, Part 2 dealing with Tranche 1 and Part 3 dealing with Tranche 2).
- **Attachment B** contains the changes ASX has made to certain descriptions previously provided in the tranche 1 and tranche 2 consultation papers as a result of amendments arising through previous stakeholder feedback on previous rules consultations, amendments to reflect changes to netting and settlement workflows and functionality which no longer forms part of Day 1 scope of the new system.

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[8] The Consultation Paper is available here: https://www2.asx.com.au/content/dam/asx/participants/clearing-and-settlement/chess-replacement/stakeholder-communications/asx-chess-replacement-project-consultation-paper-proposed-changes-to-netting-and-settlement-workflow.pdf. The response to this consultation paper is available here: https://www2.asx.com.au/content/dam/asx/markets/clearing-and-settlement-services/chess-replacement-response-to-consultation-feedback-confirmed-changes-to-netting-and-settlement-workflow.pdf

[9] http://www2.asx.com.au/content/dam/asx/documents/unlinked-docs/chess-replacement-project-response-to-consultation-revised-implementation-timeline.pdf

[10] As updated through the prior consultations on the tranche 1 rule amendments and tranche 2 rule amendments

- **Attachment C** contains the changes made to the Tranche 2 rule amendments for functionality which no longer forms part of Day 1 scope of the new system (electronic acceptances and payment for entitlement offers and CHESS processing of elections as to alternate forms of consideration under schemes of arrangement).[11]
- **Attachments D, E and F** contain the tranche 3 rule amendments only, being those rule amendments that have not previously been released to market. This will be of value to stakeholders who wish to focus their review on rule amendments that have not previously been consulted on.
- **Attachments G, H, I and J** contain a combined set of rule amendments covering tranches 1, 2 and 3. The rule amendments presented in this way will provide stakeholders with an overall view of all the rule amendments proposed as part of the implementation of the CHESS replacement system.
- **Attachment K** contains a diagram explaining how the account and holder terminology and account structure referred to in the User Technical Documentation aligns to the terminology and account structure used in the rulebooks (this was also Attachment C to the tranche 1 response to consultation feedback).
- **Attachment L** contains an index, which identifies for each rule change, the row in the summary of changes in Attachment A that relates to that change.

Stakeholders who wish to focus their review and feedback on the tranche 3 rule amendments can refer to the:

- Description of these amendments in Section 1 of this consultation paper and Part 1 of **Attachment A**.
- Rule amendments in **Attachments D, E** and **F**.
- Index in **Attachment L** (first two columns).

Stakeholders who wish to provide feedback across all the rule amendments for the new system as a consolidated rules package across the three tranches can refer to the:

- Description of these amendments in Sections 1 , 2 and 3 of this consultation paper and Parts 1, 2 and 3 of **Attachment A**.
- Rule amendments in **Attachments G, H, I** and **J**,
- Diagram in **Attachment K**.
- Index in **Attachment L** (all columns).

The description of the tranche 1 and tranche 2 rule amendments included in the consultation paper are those previously included in the public consultations on those rule amendments, subject to changes for:

- amendments arising through previous stakeholder feedback on public consultations on those rule amendments as set out in ASX's response to consultation feedback on those rule amendment consultations (tranches 1 and 2).
- amendments to reflect changes to netting and settlement workflows as consulted on in 2021 (tranche 1).
- functionality which no longer forms part of Day 1 scope of the new system (tranche 2).

The changes made to those tranche 1 and tranche 2 descriptions are shown in tracking:

- in the table set out in Attachment B; and
- in the relevant change summaries set out in Attachment A (Parts 2 and 3).

[11] Refer to ASX's 28 October 2020 response to consultation feedback received on the June 2020 CHESS Replacement: Revised Implementation Timetable Consultation Paper, available at http://www2.asx.com.au/content/dam/asx/documents/unlinked-docs/chess-replacement-project-response-to-consultation-revised-implementation-timeline.pdf.

other than for the removal of descriptions of new functionality for electronic acceptance of entitlement offers (which has been de-scoped from Day 1). This is to assist stakeholders who have engaged with the previous rules consultations to be able to easily identify the changes made to those previous tranches.

Previous consultation on solution design for new system

The new business requirements and the existing CHESS functionality being re-engineered or decommissioned have been subject to an extensive consultation process with industry, and stakeholder feedback from these processes has been taken into account in the evolution of the business requirements and solution design for the new system. The key consultation processes undertaken to date to elicit industry feedback on the business requirements and solution design for the new system include:

- The release of two public consultation papers (2016 and 2018).
- Convening six industry working groups, which held multiple meetings throughout 2017, to obtain industry input on the business requirements for the new system.
- Convening regular Technical Committee meetings focused on the adoption of ISO 20022 (covering message specifications and workflow) between December 2016 and April 2020.
- Convening monthly Focus Group meetings on the solution design for significant new or materially changed functionality throughout late 2018 and 2019.

The record trading volumes in March 2020 also led ASX to propose subsequent changes to the design of both the netting and settlement workflows so as to put in place business processes that are not constrained by volumes. These proposed changes have also been subject to an extensive consultation process with industry, and stakeholder feedback from this process has been taken into account in the solution design for those redesigned workflows. The key consultation processes undertaken in respect of the redesigned netting and settlement workflows include:

- The release of a public consultation paper in February 2021.
- Convening three Focus Group meetings with affected stakeholder groups on the solution design for the redesigned workflows in March 2021.
- Convening a dedicated Technical Committee meeting focused on the adoption of ISO 20022 (covering message specifications and workflows for the redesigned workflows) in March 2021.
- Providing regular updates at the monthly Implementation and Transition working group webinars on the redesign of netting and settlement workflows between December 2020 and June 2021.

Consultation process for rule amendments

ASX is consulting on the rule changes required to implement the CHESS replacement system in three tranches.

As indicated above, the tranche 1 rule amendments and tranche 2 rule amendments have been previously released for public consultation in 2019 and 2020.

This consultation paper is seeking feedback on the tranche 3 rule amendments set out in **Attachments D, E** and **F**. Where these tranche 3 draft rule amendments impact tranche 1 or tranche 2 draft rule amendments, those impacted tranche 1 and tranche 2 rule amendments have been incorporated into these tranche 3 rule amendments in **Attachments D, E** and **F** and highlighted yellow to differentiate them from further mark-up to the rulebooks as part of this tranche 3.

This consultation paper is also seeking feedback on the total package of rule amendments across the three tranches set out in **Attachments G, H, I** and **J**.

Feedback on the third tranche of rule amendments and on the consolidated rules package is requested by 14 December 2021.

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ASX is planning to release a response to consultation feedback on the rule amendments addressed in this paper in early June 2022. This will cover the tranche 3 draft rule amendments and the consolidated draft rule amendments across the three tranches.

The response to consultation feedback will provide a summary of the feedback received in stakeholder submissions, address respondents' requests for clarification and further information, and include the draft rule changes with the revisions made to take into account feedback received marked-up.

The rule amendments across the three tranches, including any changes made through the public consultation process, will be subject to the usual regulatory clearance processes.

Subject to regulatory clearance, ASX plans to formally lodge the combined rules package with ASIC in early September 2022. Following the regulatory clearance process, a final set of rule changes will be released. ASX is planning to release the final rule changes at least six months prior to go-live of the new system in late-September 2022.

The final form of the amendments will become effective at the time of go-live of the new system other than for certain transitional rules to support migration to the new system which are to become effective up to six months prior to go-live[12].

Further information on the consultation process for the rule amendments can be found in **section 5** of this paper.

[12] The proposed effective date for the transitional rules are provided for in ASX Settlement Operating Rule Procedure 19.1.2 and ASX Clear Operating Rule Procedure 24.1.2 contained in Attachments C and D as well as in Attachments F and G.

1. New functionality covered as "Tranche 3"

1.1. Overview of functionality

The tranche 3 rule amendments support the operation of the CHESS replacement system on Day 1 implementation and reflect the solution design for new and changed functionality in the new system as captured in Technical Documentation made available by ASX at https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/overview.

Unlike the tranche 1 and tranche 2 rule amendments referred to in sections 2 and 3 of this paper, the tranche 3 rule amendments have not previously been disclosed to market for consultation. The tranche 3 rule amendments relate to the following functional elements of the new system:

- Netting (redesign of netting and settlement workflows).
- Batch settlement (including redesign of netting and settlement workflows).
- Reporting.
- Static and pass-through investor data.
- Default management.
- System authentication and set-up.
- Transitional arrangements addressing migration aspects for the cutover to the new system.
- Other miscellaneous amendments including participant identifiers, excess cash instructions, data governance, suppression of holding statements, and tidy-up changes.

The relevant functional elements covered by these amendments are identified further in sections **1.2 to 1.15** below.

The tranche 3 rule amendments are separately contained in **Attachments D, E** and **F** to this paper. For those stakeholders who wish to review the rule amendments across all three tranches, they are also contained in **Attachments G** to **J** to this paper.

Where the below descriptions include terms not defined in this document, they have the meanings given to them in the rulebooks (as applicable). The description below is a summary only and needs to be read in conjunction with the rulebooks (as proposed to be amended).

1.2. Netting (redesign of netting and settlement workflows)

These changes impact clearing participants and settlement participants in relation to processing between trade registration and batch settlement. Such participants will need to consider changes to their systems and operational processes to support these changes. Please see below for further detail on rule impacts.

Overview of new/changed functionality

Further to the changes to netting referred to in Tranche 1 rule amendments (section 2.7 of this paper), the following additional changes are being made in respect of the netting functionality in the CHESS replacement system as part of the redesign of netting and settlement workflows to provide additional system scalability to meet higher trading volumes:

- All novated market trades will be eligible for netting without exception, and so existing netting eligibility criteria will be removed.
- Novated market trades will no longer be offset and represented for settlement through the CCP Net Batch Instruction (also referred to as the "NBO"). As a result of no longer generating the CCP Net Batch Instruction, associated scheduled netted trade reporting will no longer be produced and disseminated to clearing participants in the overnight batch. Similarly there will not be separate CCP Gross Batch Instructions generated for novated market trades that did not form part of the CCP Net Batch Instruction.

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- A new type of instruction, referred to as a "CCP Market Trade Batch Instruction" will be generated and provided by ASX Clear to the settlement facility in respect of each novated market trade.
- ASX Clear will also calculate, or caused to be calculated, a clearing participant's net payment and delivery obligation or net receipt position across its novated market trades in a security for each settlement account (HIN) operated by the clearing participant, referred to as the novated net delivery position (NNDP)[13]. This will include novated market trades currently excluded from the NBO, for example:
  - based on security eligibility (for complex corporate action processing for which diary adjustments i.e. redress mechanisms for a settlement fail, are not supported by ASX Settlement); or
  - novated transactions arising from the exercise of option contracts and registered with ASX Clear for settlement on the following day (also referred to as T+1 trades with an 'as at' date of T (being the date on which the exercise notice was allocated).
- ASX Clear will create and provide to clearing participants during CHESS end-of-day processing a new report (netted obligation report) with an end of day view of the participant's projected NNDP for each future settlement date.
- Clearing participants (in their capacity as settlement participant or through their settlement agent (if applicable)) will also be able to request, using existing demand reporting functionality, a new report (obligation status report) in the case of a reconciliation break between novated trades and the projected NNDP reported to the participant.
- ASX Clear will also provide the NNDP to the settlement facility at the commencement of batch settlement for that settlement date.

These changes, and the impact on the rulebooks are described in further detail in points 1 to 7 of Part 1 of the Summary in **Attachment A**.

Consultation on solution design

The solution design for the additional changes to netting[14] resulting from the redesign of netting and settlement workflows has been the subject of consultation through the consultation paper released by ASX in February 2021 *CHESS Replacement: Proposed changes to netting and settlement workflow*.

The solution design for the redesign of netting and settlement workflows has also been the subject of consultation through the following stakeholder forums:

- Focus Group sessions on 2, 3 and 4 March 2021.
- Technical Committee meetings on 26 March 2021.

Regular updates on the redesign of netting and settlement workflows were also provided at the monthly Implementation and Transition working group webinars between December 2020 and June 2021, including on 16 December 2020, 23 February 2021 and 3 June 2021, which also allowed the opportunity for feedback.

ASX made available on its website a summary of the feedback it has received from stakeholders from the ISO 20022 Technical Committee meeting on the solution design for redesigned netting and settlement workflows.[15]

The redesigned netting and settlement workflows solution design has been communicated publicly in the Technical Documentation as part of the June 2021 Document Release, which is available on the ASX website.[16]

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[13] Where the security is due to be delivered or received on a business day during an ex-period, a separate NNDP will be calculated per basis of movement, i.e. having regard to whether the security is to be transferred with or without the relevant entitlement.
[14] Refer to section 2.7 of this paper for details on the consultation on solution design and documentation released in relation to netting and unnetting functionality referred to in Tranche 1 rule amendments
[15] This information is available here: https://www2.asx.com.au/content/dam/asx/participants/clearing-and-settlement/chess-replacement/iso20022/meeting-minutes/iso20022-technical-committee-meeting-26mar21-minutes.pdf.
[16] Available at: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/1498447873/June+2021+-+Documentation+Release+Notes.

1.3. Batch settlement (including redesign of netting and settlement workflows)

These changes impact settlement participants and clearing participants in relation to batch settlement processing. Such participants will need to consider changes to their systems and operational processes to support these changes.

Please see below for further detail on rule impacts.

Overview of new/changed functionality

The following changes are being made to batch settlement functionality in the new system, including as part of the redesign of netting and settlement workflows to provide additional system scalability to meet higher trading volumes:

- The process for rescheduling CCP Batch Instructions that have failed due to a financial products shortfall or a payment shortfall has changed. This process change is outlined below, and has resulted in various amendments to the ASXSORs and ASXCORs.
  - Currently in CHESS, each CCP Net Batch Instruction and CCP Gross Batch Instruction that is failed due to a financial products shortfall is rescheduled for settlement on the next business day on a line by line basis.
  - In the new system all CCP Market Trade Batch Instructions that are failed due to a financial products shortfall will be rescheduled and netted into a new type of instruction, referred to in the rulebooks as a "CCP Rescheduled Batch Instruction". This CCP Rescheduled Batch Instruction will represent the net of all delivery and payment obligations under all CCP Market Trade Batch Instructions per settlement account (HIN) and security that are failed (in whole or in part) due to a financial products shortfall on each day. It is expected that this change will create efficiency for participants by accounting for failed instructions on a net basis with one CCP Rescheduled Batch Instruction rather than multiple instructions.
  - In the new system all CCP Batch Instructions that are failed due to a payment shortfall will be scheduled for performance on the following business day via a new type of instruction, referred to in the rulebooks as a "CCP Offsetting Transaction Arrangement Batch Instruction". In the case of failed CCP Market Trade Batch Instructions, the CCP Offsetting Transaction Arrangement Batch Instruction will represent the net delivery and payment obligations for a participant across each of the OTAs entered into in respect of those failed instructions per settlement account (HIN) and security. Further information on the generation of CCP Offsetting Transaction Arrangement Batch Instructions is contained in section 1.6 (default management) below.
- As a result of the change outlined above, there is also a change to the notices a settlement participant will receive following batch settlement.
  - Currently, a settlement participant will receive notice of each batch instruction that has settled (including the extent to which an instruction has been settled in part) and the net movement of financial products controlled by that participant.
  - In the new system ASX Settlement will provide reporting to settlement participants on the settlement of batch instructions on an exceptions basis, with ASX to no longer notify settlement participants of each batch instruction that has settled in full. However, the new system will provide two types of settlement confirmation messages each at a net level:
    - A single net funds movement message for total funds settled in batch per payment facility; and
    - A net settlement movement confirmation message per account (HIN) and security[17] showing the securities and funds comprising the settlement movement confirmation broken down by settlement instruction type,

[17] Where the security is due to be delivered or received on a business day during an ex-period, separate calculations of securities and funds will be included per basis of movement, i.e. having regard to whether the security is to be transferred with or without the relevant entitlement

which settlement participants can use for reconciliation purposes. This includes in the case of the securities and funds comprised in net settlement movement confirmation, when read subject to CCP Rescheduled Batch Instruction or CCP Offsetting Transaction Arrangement Batch Instructions generated on that day for that holding in respect of failed CCP Market Trade Batch Instructions or suspended CCP Market Trade Batch Instructions as a result of the suspension of the underlying financial product (as referred to below), to reconcile against scheduled batch instructions that successfully settled by instruction type[18].

  - The net settlement confirmation message will also include any CCP Market Trade Batch Instructions failed or suspended and rescheduled as a CCP Rescheduled Batch Instruction or as a CCP Offsetting Transaction Arrangement Batch Instruction. Accordingly to determine the net movement of securities or funds for each holding controlled by the settlement participant specified in CCP Market Trade Batch Instructions scheduled for settlement on a day, a settlement participant must read each notification of the net movement of securities and funds for the holding subject to any CCP Rescheduled Batch Instruction or CCP Offsetting Transaction Arrangement Batch Instructions generated on that day for the holding.
  - Settlement participants will also be able to request, using existing demand reporting functionality, a new report (obligation status report) in the case of a reconciliation break between batch instructions scheduled for settlement and the settlement movement confirmation reported to the participant.

- Currently in CHESS, ASX Settlement may apply a standard settlement price (SSP) adjustment to each CCP Net Batch Instruction that has failed. The purpose of this calculation is to ensure that batch settlement results in a net zero outcome with ASX Clear neither receiving nor paying funds as a consequence of a batch instruction that fails due to a financial products shortfall or a payment shortfall. The SSP is currently calculated with reference to bids/offers and the last sale price of financial products one day before settlement. These tranche 3 rule amendments propose the following changes to SSP functionality.
  - The SSP will be determined by reference to bids/offers and the last sale price of financial products two days before the settlement date (being generally the trade date), to more closely align with the original transaction price.
- The following changes are being made to rules that relate to the isolate counterparty functionality. This functionality enables a clearing participant that is a buyer to request ASX Clear to isolate a counterparty in relation to a Failed CCP Batch Instruction in order to identify one or more selling participants in respect of the original transaction.
  - Isolate counterparty functionality will apply to the CCP Rescheduled Batch Instructions, CCP Offsetting Transaction Arrangement Batch Instructions and Accrued Batch Instructions generated in respect of failed CCP Market Trade Batch Instructions (rather than to the CCP Market Trade Batch Instructions). The reason for this change is that in the new system, CCP Market Trade Batch Instructions that are failed due to a financial products shortfall or a payment shortfall will be rescheduled as a CCP Rescheduled Batch Instruction or a CCP Offsetting Transaction Arrangement Batch Instruction (as applicable), rather than a CCP Market Trade Batch Instruction (see the first point above in this section 1.3). The reference to Accrued Batch Instructions also reflects the interposing of ASX Clear in such instructions generated in respect of failed CCP Batch Instructions in order to effect a distribution of financial products arising from a corporate action.
  - Another new type of instruction, referred to as a "CCP Isolate Counterparty Batch Instruction" will represent the CCP Batch Instruction generated where use of isolate counterparty functionality is requested.

[18] The net settlement movement confirmation aggregates CCP Rescheduled Batch Instructions, CCP Offsetting Transaction Arrangement Batch Instructions and CCP Isolate Counterparty Batch Instructions for this purpose.

- The ASXCORs and ASXSORs have been amended to provide that the CCP Isolate Counterparty Batch Instructions generated as a result of an isolate counterparty request will be linked to make settlement of all CCP Isolate Counterparty Batch Instructions generated pursuant to the isolate counterparty request contingent on each other. This avoids a buyer having to request to isolate a counterparty again if on a subsequent day, one of the linked instructions fails.
- The ASXCORs are also being amended to more clearly reflect that ASX Clear is the counterparty to the relevant CCP Isolate Counterparty Batch Instructions generated as the result of an isolate counterparty request.
- Certain ASXSORs which deal with adjustments for entitlements in respect of failed batch instructions arising pursuant to an agreement between the counterparty settlement participants are being amended to clarify that the prescribed mechanism for such adjustments does not apply to CCP Batch Instructions. Such adjustments in respect of CCP Batch Instructions will instead need to occur through the operation of the isolate counterparty functionality.

- Settlement participants in CHESS today can currently agree changes to CCP Gross Batch Instructions and request that ASX Settlement make the agreed change to those instructions. This functionality will no longer be available in the new system. The rationale for removing this functionality is to prevent changes to settlement obligations under CCP Batch Instructions without reference to the central counterparty (ASX Clear) which may vary from the underlying Cash CCP Transactions that the CCP Batch Instructions are giving effect to. However, settlement participants can continue to give effect to a similar outcome in the manner described below.
  - Receiving and delivering settlement participants will need to agree to cancel CCP Isolate Counterparty Batch Instructions generated in respect of an isolate counterparty request, and re-enter them on a bilateral (non-novated) basis.
  - Where CCP Isolate Batch Instructions have been cancelled in this manner, the underlying Cash CCP Transaction(s) will also be cancelled and ASX Clear and the Buyer and Seller will have no obligations in relation to those Cash CCP Transactions.
- In relation to the cancellation of transactions and batch instructions in the clearing and settlement facilities:
  - Other than for the cancellation of CCP Isolate Counterparty Batch Instructions referred to above, participants will no longer be able to cancel novated market trades or CCP Batch Instructions.
  - AMOs will continue to be able to cancel novated market trades, however in line with current practice and reflecting feedback received through the consultation on the redesign of netting and settlement workflows, this will continue to be supported only on the day that the underlying market trade was submitted to ASX Clear (notwithstanding that later cancellation could be supported up until the commencement of batch settlement under the new system, given the removal of the NBO generation process at the end of the trade date which limited the ability to do so after that time).
  - ASX Clear and ASX Settlement will retain their operating rule powers to remove novated market trades in certain circumstances (including to maintain the orderly operation of the clearing and settlement facilities), with this now to be supported up until the commencement of batch settlement under the new system, given the removal of the NBO generation process at the end of the trade date which limited the ability to do so after that time.
- Settlement participants will no longer be able to identify a “Standing HIN” to be specified by ASX Settlement on messages of the type listed in Appendix 2 of the ASXSORs. This change is being made because ISO 20022 standards require participants to specify a HIN on all messages that require this information.
- Settlement participants may today nominate a “Standing Settlement HIN” by way of notice to ASX Settlement, to be specified on CCP Net Batch Instructions. In the new system, this functionality will remain with two key changes:

- this HIN will no longer be known as a "Standing Settlement HIN" but will be referred to as a "Nominated Settlement HIN"; and
- settlement participants may nominate a "Nominated Settlement HIN" on all CCP Batch Instructions (which is an expansion from only CCP Net Batch Instructions in CHESS today).

- The ASXSORs currently provide that if an Issuer's financial products are suspended, ASX Settlement will reschedule any instructions in that class of financial product to the next business day. In the new system, for CCP Market Trade Batch Instructions this will be on a net basis as a CCP Rescheduled Batch Instruction, in the same way as for failed CCP Market Trade Batch Instructions referred to in the first dot point above in this section 1.3. Therefore simplifying the solution design for the new system by having a single method of rescheduling novated market trades. The ASXSORs are also being amended to require ASX Settlement to notify each affected settlement participant that the instruction has been rescheduled.
- The ASXSORs currently provide that if batch settlement is cancelled on a business day, ASX Settlement will reschedule any batch instructions[19] included in batch settlement on that day, to the next business day. In the case of CCP Market Trade Batch Instructions, this will be on a net basis as a CCP Rescheduled Batch Instruction, in the same way as for failed CCP Market Trade Batch Instructions referred to in the first dot point above in this section 1.3. Therefore simplifying the solution design for the new system by having a single method of rescheduling novated market trades.
- ASX Settlement has an existing power to remove batch instructions from settlement in the circumstances described in ASX Settlement Operating Rule 10.5.1. This power is being amended to enable ASX Settlement to also *reschedule* any batch instructions that have been removed. One example where this power may be utilised is where a participant's settlement HIN becomes subject to a Holder Record Lock or Holding Lock (requiring removal of Batch Instructions from Batch Settlement to comply with the applicable lock), which is subsequently lifted (which may require rescheduling of the previously removed instructions).
- The ASXSORs are being amended to more expressly provide that a settlement participant cannot designate a CCP Batch Instruction as being unavailable for settlement in part (this is currently implied under the rules, but not express). This change will clarify existing rules and ensure that novated instructions are fully available for settlement.
- Certain ASXSORs that explain how settlement is effected in the CHESS system currently treat CCP Net Batch Instructions differently to other types of CCP Batch Instructions. To better reflect the same settlement treatment of all classes of CCP Batch Instruction (being CCP Market Trade Batch Instructions, CCP Rescheduled Batch Instructions, CCP Offsetting Transaction Arrangement Batch Instructions and CCP Isolate Counterparty Batch Instructions) in the new system, these rules are being updated to provide for settlement of all types of CCP Batch Instructions to be effected in the same way.
- The ASXSORs are being amended to expressly recognise that for the purpose of the calculation of whether a financial products shortfall arises in connection with batch settlement, this has regard to the 'available' number of financial products in a holding, and excludes securities which are not available e.g. where the relevant securities are locked due to a court order.
- The ASXSORs will require ASX Settlement to provide notice to settlement participants when the Settlement Processing Phase is complete. This not a current requirement under the ASXSORs.
- ASX Settlement currently does not process certain messages during the settlement processing phase. In the replacement system, additional messages will not be processed during the settlement processing phase, being messages requesting a change to the status of a participant, a change to a Holder Record, or the application or removal of a Holding Lock, Holder Record Lock, Settlement Lock or Demand Lock.

[19] An exception to this is for CCP derivatives payment batch instructions

- In relation to the calculation and notification of net amounts per PID to be paid to or received from a participant's trust account concurrent with batch settlement, expressly recognising the breakdown of that net trust amount where unilateral batch instructions containing such trust amounts involve transfers of securities to or from more than one settlement account in respect of that PID and more than one payment facility applies across those settlement accounts (noting there can only be one payment facility per settlement account)[20].
- The timing for the notification of such net trust amount to the settlement participant set out in the ASXSORs has also been updated to better reflect the provision of such notification to the participant, concurrent with or 'after' notification of that amount to its payment provider, rather than concurrent with or 'prior' such notification to its payment provider.

These changes, and the impact on the rulebooks are described in further detail in points 8 to 24 of Part 1 of the Summary in **Attachment A**.

Consultation on solution design

The solution design for batch settlement (prior to the redesign of netting and settlement workflows) has been the subject of consultation through the following stakeholder forums:

- The Focus Group session on 12 November 2019.
- Technical Committee meetings on 26 November 2019 and 25 February 2020.

ASX has made available on its website a summary of the feedback it has received from stakeholders from the relevant Focus Groups and ISO 20022 Technical Committee meetings on the solution design for batch settlement functionality.[21]

The batch settlement solution design (prior to the redesign of netting and settlement workflows) was communicated publicly in the Technical Documentation as part of Document Release 7 (Part I) in January 2020, Document Release 4 in July 2019 and Document Release 8 in April 2020, which is available on the ASX website.[22]

The solution design for the additional changes to batch settlement resulting from the redesign of netting and settlement workflows has been the subject of consultation through the consultation paper released by ASX in February 2021 *CHESS Replacement: Proposed changes to netting and settlement workflow*.

The solution design for the redesign of netting and settlement workflows has also been the subject of consultation through the following stakeholder forums:

- Focus Group sessions on 2, 3 and 4 March 2021.
- Technical Committee meetings on 26 March 2021.

Regular updates on the redesign of netting and settlement workflows were also provided at the monthly Implementation and Transition working group webinars between December 2020 and June 2021, including on 16 December 2020, 23 February 2021 and 3 June 2021, which also allowed the opportunity for feedback,

ASX made available on its website a summary of the feedback it has received from stakeholders from the ISO 20022 Technical Committee meeting on the solution design for redesigned netting and settlement workflows.[23]

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[20] A breakdown of the net trust amount can also occur in existing CHESS, although calculated currently per payment facility of the delivering HIN (where more than one payment facility applies across those delivering HINs).
[21] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/315622286/Stakeholder+Feedback+and+ASX+Response+Settlement.
[22] Available at: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/86836695/Batch+Settlement+Overview and https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/316540448/Isolate+Counterparty+Overview.
[23] This information is available here: https://www2.asx.com.au/content/dam/asx/participants/clearing-and-settlement/chess-replacement/iso20022/meeting-minutes/iso20022-technical-committee-meeting-26mar21-minutes.pdf.

The redesigned netting and settlement workflows solution design has been communicated publicly in the Technical Documentation as part of the June 2021 Document Release, which is available on the ASX website.[24]

1.4. Reporting

These changes impact settlement participants, AMOs, issuers and their registries in relation to the way reports are received and requested in the replacement system. Such parties will need to consider system and operational processes to support the relevant changes. Please see below for further detail on rule impacts.

Overview of new/changed functionality

From a rules perspective, minor changes are being made to reflect changes to reporting functionality in the new system:

- Facility users will no longer be able to request a Standing Report, set the parameters for a Standing Report or request a Total Security Balance Report. Instead, Total Security Balance Reports and all Standing Reports will be Transmitted by ASX Settlement at End of Day on each Business Day. This will simplify the technical build for users by rationalising report parameters and workflows. Demand Reports will continue to be provided to facility users by ASX Settlement on request. The detail regarding scope and content of each report in the new system is contained in the User Technical Documentation, which is available on the CHESS replacement wiki.[25] The User Technical Documentation replaces the ASX Settlement Procedure Guidelines which currently contain that detail for each report in CHESS.
- Issuers will be entitled to receive additional reporting in the new system:
  - Issuers will receive a notice from ASX Settlement when the Holding Balance of a CHESS Holding (other than an Accumulation Account or Settlement Account) is reduced to zero. This notice is not currently provided for under the rules today.
  - Holding Net Movement Reports and Total Security Balance Reports will be available to issuers on a Standing Report basis at End of Day (meaning an issuer no longer has to request this report at End of Day). Holding Net Movement Reports will continue to be available on a Demand Report basis if an issuer wishes to request these reports intraday.
- Issuers of financial products subject to foreign ownership restrictions will no longer be required to request a Foreign Holding Net Movement Report each Business Day and this report will not be available in the new system. Analysis of the messages requested by issuers indicated that issuers did not request a Foreign Holding Net Movement Report and instead relied on other reporting capabilities maintained or referenced by them for this purpose. Issuers will however, be obliged under the rules to continue to monitor the Foreign Ownership Percentage Level on a daily basis. The Holding Net Movement Report made available to issuers will also be supplemented to include summary information in relation to holdings in financial products by foreign persons, assisting issuers to monitor the Foreign Ownership Percentage Level.
- In the current system, Settlement Participants receive notification each Business Day of their projected (as at start of day):
  - net obligations to make payment from a Payment Facility; and
  - unit shortfall (if any).

  The new system will no longer provide notification of projected net payment obligations and unit shortfalls to settlement participants as these were subject to change due to the scheduling of additional instruction on that day until batch settlement cut off and therefore of limited value to participants (whose systems already update such

[24] Available at: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/1498447873/June+2021+-+Documentation+Release+Notes.
[25] Available at: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/316506846/Reporting+Overview. Note that additional Technical Documentation in relation to certain reports are due for release as part of the Technical Documentation release planned for 31 August 2021.

values in real time as new instructions arise). Notifications relating to projected net payment obligations in respect of a Payment Facility will continue however to be provided to Payments Providers in the new system (in accordance with the payments provider deed).

These changes, and the impact on the rulebooks are described in further detail in points 25 to 29 of Part 1 of the Summary in **Attachment A**.

Consultation on solution design

The solution design for reporting has been the subject of consultation through the following stakeholder forums:

- Focus Group sessions on 21 November 2019.
- Technical Committee meetings on 26 November 2019 and 25 February 2020.
- The Equity Settlement Payment Providers Sub Committee on 10 March 2020.

ASX has made available on its website a summary of the feedback it has received from stakeholders from the relevant Focus Groups and ISO 20022 Technical Committee meetings on the solution design for reporting functionality. As set out above, the User Technical Documentation contains further detail on the types of Standing Reports and Demand Reports that will be available in the new system, given this detail is not currently addressed under the rulebooks.

The reporting solution design has been communicated publicly in the Technical Documentation as part of Document Release 8 in April 2020, which is available on the ASX website.[26]

1.5. Static and pass-through investor data

These changes impact participants and issuers in relation to the communication and use of bank account and tax information. Such parties will need to consider system and operational processes to support the relevant changes.

Overview of new/changed functionality

The following changes are being made to static and pass-though investor data functionality in the new system:

- Currently, CHESS facilitates the communication of "Australian ADI Account" details from a participant to an issuer. In the new system, a bank account notification from a participant to an issuer for the making of payments to an investor may also include a foreign bank account where payments are made in currencies other than AUD. The acceptance of such foreign bank account details so notified will remain at the Issuer's discretion.
- Currently, TFN, ABN or Exemption Code (each a "Tax Number") information are required to be entered by Participants for joint holders in the order that the holders are identified in the holder record in CHESS. In the new system, this data will be provided on a per holder basis as part of the creation of the holder record, reflecting the ISO 20022 messaging standard which provides for separate recording of holder and account (HIN) details. Accordingly, it is no longer necessary that the ASXSORs specify that Tax Numbers appear in the same order as the names of Joint Holders appear.

These changes, and the impact on the rulebooks are described in further detail in points 30 and 31 of part 1 of the Summary in **Attachment A**.

Consultation on solution design

The solution design for static and pass through investor data has been the subject of consultation through the following stakeholder forums:

- Focus Group session on 15 October 2019 and;

[26] Available at: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/316506846/Reporting+Overview.

- Technical Committee meeting on 10 December 2019.

ASX has made available on its website a summary of the feedback it has received from stakeholders from the relevant Focus Groups and ISO 20022 Technical Committee meetings on the solution design for reporting functionality[27].

The static and pass through investor data solution design has been communicated publicly in the Technical Documentation as part of Document Release 7 Part II in February 2020, which is available on the ASX website.[28]

1.6. Default management

These changes impact settlement and clearing participants, particularly in relation to the way in which the new system will generate instructions under the second leg of an offsetting transaction arrangement and interaction between settlement locks in a default scenario. Such parties will need to consider system and operational processes to support the relevant changes.

Please see below for further detail on rule impacts.

New business requirements

Part of the changes to default management functionality set out below relate to the new business requirement for settlement locks for CHESS holdings, which was described in section 2.2.5 of the 2018 consultation paper. It provides for the new system to give settlement participants the option to place a 'lock' on, or commit, financial products held in a client CHESS holding for delivery into its settlement account on the settlement day the financial products are due, with ASX to validate that the relevant securities are available and locked for settlement.

This new business requirement was supported by the Settlement Enhancements Working Group on the basis that it would provide for increased settlement certainty and process efficiency, reduce accumulation entrepot account reconciliation and improve investor protection against a participant default.

Overview of new/changed functionality

Changes are being made to the new settlement lock functionality introduced as part of the tranche 1 rule amendments[29] in the event of a default. Namely, a new power is being introduced to the ASXSORs which provides that ASX Settlement may remove a settlement lock if:

- ASX Settlement imposes restrictions on, suspends or terminates the participation of a participant under the ASXSORs; or
- ASX Clear notifies ASX Settlement that it considers an event of default in respect of a clearing participant has occurred where the defaulting clearing participant is also a settlement participant. In the event a settlement participant is not also the defaulting clearing participant and instead acts as settlement agent for the defaulting clearing participant, settlement locks may be removed from CHESS holdings controlled by the settlement agent in respect of the defaulting clearing participant.

As indicated in the April 2018 Consultation Paper, it is not currently intended that settlement locks persist following a default[30]. A settlement lock may also not apply if following an event of default, ASX has continued to allow a settlement participant to participate in the settlement facility, but only for limited purposes, e.g. for facilitating transfers of

[27] Available at: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/245435169/Stakeholder+Feedback+and+ASX+Response+Investor+Data

[28] Available at: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/245435169/Stakeholder+Feedback+and+ASX+Response+Investor+Data

[29] Settlement locks give settlement participants the option to "lock" or commit securities for settlement from a CHESS holding they control for delivery into their settlement account as part of batch settlement on the settlement date for those financial products. A mandatory settlement lock will also automatically apply on all securities scheduled to be transferred in batch settlement from a participant's accumulation account to its settlement account.

[30] Reasons for this include the potential assumption by ASX Clear of direct obligations to holders whose securities delivered into settlement, impact on margining processes and restriction on the ability to transfer financial products to third parties (e.g. new controlling participant)

holdings to a new sponsoring participant. The ability to remove a settlement lock in respect of a defaulting participant will support this approach.

Changes are also being made to the generation of instructions under the second leg of an Offsetting Transaction Arrangement (**OTA**) - occurring in the circumstances of a payment shortfall[31]. Currently where there is a payment shortfall, each CCP Net Batch Instruction and CCP Gross Batch Instruction that is failed is subject to an OTA under ASXCOR 12.8A. The second leg of an OTA is scheduled for settlement on the next day as a CCP Net Batch Instruction or CCP Gross Batch Instruction (as applicable) under ASXCOR 12.6.2A and 12.7.9. This means a separate instruction is generated under the second leg of each OTA entered into in respect of a failed CCP Batch Instruction.

In the new system, the second leg of an OTA in respect of a failed CCP Batch Instruction (including a CCP Market Trade Batch Instruction[32]) for each PID of a Participant in a class of securities will be performed through a new type of CCP Batch Instruction, a "CCP Offsetting Transaction Arrangement Batch Instruction". In the case of failed CCP Market Trade Batch Instructions, the CCP Offsetting Transaction Arrangement Batch Instruction will be generated by ASX Clear to represent the net delivery and payment obligations for a participant across each of the OTAs entered into in respect of all those failed instructions[33]. It is expected that this change will create efficiency for settlement participants by accounting for failures due to a payment shortfall on a net basis with one "CCP Offsetting Transaction Arrangement Instruction" rather than multiple instructions.

These changes, and the impact on the rulebooks are described in further detail in points 32 and 33 of Part 1 of the Summary in **Attachment A**.

Consultation on solution design

As referred to above, the solution design in relation to the lifting of settlement locks during a default was outlined in the 2018 consultation paper in section 2.2.5. ASX did not receive specific feedback on the interaction between settlement locks and default management as part of the 2018 consultation.

The solution design for the functionality relating to CCP Offsetting Transaction Arrangement Batch Instructions also reflects the solution design of CCP Rescheduled Batch Instructions. These two classes of instruction are differentiated by there being a different "reason" code on the message to participants. The solution design of CCP Rescheduled Batch Instructions was the subject of consultation through the stakeholder forums described above in section 1.3.

The default management solution design has been communicated publicly in the Technical Documentation as part of Document Release 9 in April 2020, which is available on the ASX website.[34]

1.7. System authentication and set up

These changes impact all CHESS users and are the result of the new technology adopted through the replacement system. Such parties will need to consider system and operational processes to support the relevant changes. Please see below for further detail on rule impacts.

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[31] In circumstances where it is not possible or prudent for ASX to rely solely on available liquidity to meet the payment obligations arising from a participant default, OTAs enable ASX Clear to settle its payment obligations with non-defaulting participants on the intended settlement date through an arrangement to offset the underlying settlement obligations to and from those participants. This involves, under the first leg of the OTA, ASX Clear in effect, re-delivering securities to the non-defaulting participant due to deliver securities under a failed instruction, in return for payment equal to the amount of the payment obligation of ASX Clear to that participant under that instruction, with ASX Clear agreeing to repurchase the securities the next business day under the second and final leg of the transaction.

[32] In the new system, CCP Net Batch Instruction and CCP Gross Batch Instructions have been replaced with CCP Market Trade Batch Instructions, CCP Rescheduled Batch Instructions, CCP Offsetting Transaction Arrangement Batch Instructions and CCP Isolate Counterparty Batch Instructions (as applicable). Refer to sections 1.2 (netting) and 1.3 (batch settlement) above for further information.

[33] Where a participant operates multiple settlement accounts for the settlement of CCP Batch Instructions in respect of a PID of the participant, and CCP Market Trade Batch Instructions in a class of financial products failed on a settlement date relate to more than one of those settlement accounts, separate CCP Offsetting Transaction Arrangement Batch Instructions will be generated in respect of each settlement account to which the failed CCP Market Trade Batch Instructions relate.

[34] Available at: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/313295433/Default+Management+Overview .

Overview of new/changed functionality

The introduction of the new system requires certain rule amendments to reflect the new system's authentication and set-up processes. Certain existing rules are bespoke to the CHESS system, and need to be modified to reflect the new technology and software that will be utilised to connect and interact with the new system. The following rule amendments are proposed:

- The definition of "Transmit" in the ASXSORs is being updated to accommodate the different connectivity channels a facility user may use to interact with the new system (i.e. ISO 20022 messaging via AMQP or SWIFT, ledger API (node) or web browser). These connectivity channels will each have a separate message collection facility which is referred to in the updated definition.
- The concept of a "Message Authentication Code" or MAC was bespoke to CHESS. This concept has been deleted and replaced with a general requirement for facility users to add a digital signature (where applicable) to a message. The User Technical Documentation will specify when a digital signature is required depending on a user's chosen way of accessing the new system and what form it must take.
- The concept of an "Access Identification Code" or AIC was also bespoke to CHESS and has been deleted from the rulebooks. In the new system, facility users may request ASX Settlement to allocate a unique set of authentication credentials in relation to two or more UICs allocated or attributed to them. This is functionality equivalent to the old AIC concept.
- In CHESS today, ASX is responsible for issuing all Security Keys. In the new system, a Security Key may be generated by a third party (eg SWIFT). The User Technical Documentation will specify the types of Security Keys that may be issued or allocated to a facility user, depending on the technology they choose to utilise to access the new system.
- The concept of a User Identification Code (UIC) remains relevant in the new system. The User Technical Documentation will specify how a UIC will be allocated or attributed by ASX Settlement to a facility user, depending on the technology they choose to utilise to access the new system.

These changes, and the impact on the rulebooks are described in further detail in points 34 to 37 of Part 1 of the Summary in **Attachment A**.

Consultation on solution design

These system and authentication requirements relate to connecting and interacting with the new system, rather than functionality within the new system. The solution design for system authentication and set up has been outlined through the Connectivity and Integration Working Group (which has been the forum for consultation on details regarding each of the connectivity channels), rather than through Focus Groups and Technical Committee referred to for other functional elements referred to in this paper (which have been the forums for consultation on the solution design of the functionality in the new system). Presentation material from each of the working group webinars is available on the CHESS replacement wiki.[35]

The solution design for system authentication and set up has been communicated publicly in the Technical Documentation as part of Document Release 6 in November 2019, which is available on the ASX website.[36]

1.8. Miscellaneous changes – transitional rules including migration

These changes impact clearing participants, settlement participants (including account participants and PISPs), issuers and their share registries in relation to existing functional elements addressed through the migration processes for the cutover to the new system, covered off in the transitional rules. Such parties will need to consider system and operational processes to support the relevant changes. Please see below for further detail on rule impacts.

[35] See here: https://www.asx.com.au/services/connectivity-and-integration-work.htm.
[36] Available at: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/23233960/Connectivity

Overview of new/changed functionality

Transitional rules are being introduced to facilitate the following aspects of the transition to the new system:

- Supporting the remediation, conversion and migration of holder records to the new system, including:
  - Remediation requirements for participants prior to cutover to address outstanding non-compliance of registration details with the ISO 20022 standards specified for Registration Details in the new system.
  - ASX Settlement remediation of any remaining non-compliant registration details, conversion of registration details in CHESS to ISO 20022 format, and removal of non-compliant inactive accounts (no holdings or live instructions) during the cutover weekend.
  - ASX Settlement conversion of existing electronic communication preferences provided prior to the commencement of the new e-statements functionality (i.e. where participant sponsored holders have not opted into receiving CHESS holding statements and notifications electronically after the commencement for the new e-statements functionality) during the cutover weekend so that the communication preference for ASX Settlement communications is identified as postal (reflecting the existing approach for ASX Settlement communications).
  - ASX Settlement removal of any remaining email details which are not compliant with the ISO 20022 standards specified for Registration Details in the new system during the cutover weekend.
  - Requirements for participants to update uncategorised entity type (referred to as holder type in the technical documentation) in the new system when updating other holder record details post the cutover.
- Reducing the timeframe for clearing participants and settlement participants to action certain messages received or otherwise allowing ASX Clear to specify a different timeframe to do so in order to minimise complexity and the workflows to be migrated to the new system on the cutover weekend, with those workflows to instead be re-initiated in the new system (subject to the operating rules). This includes:
  - Requests by a controlling participant to withdraw the lodgement of financial products as Cover, where the controlling participant that made the financial products available as Cover is different to the relevant clearing participant.
  - Requests to an issuer for an issuer sponsored to CHESS demand transfer or conversion.
  - The completion of pending takeover acceptance workflows (although in the case of a rejection of an offer accepted subposition by a participant bidder allowing for this to occur post cutover through a different workflow).
  - The matching of dual entry (bilateral) demand messages to generate a batch instruction.
  - mFund application and redemption requests.
- Supporting the migration of batch instructions that are scheduled prior to the cutover to the new system aligning to the relevant new form of batch instruction that applies in the new system, as well as the linking of those instructions (where applicable).
- Supporting the ability of ASX Settlement to cancel and remove, at its discretion, batch instructions which remain suspended at the time of the cutover to the new system, earlier than the timeframe for such cancellation ordinarily contemplated under the ASX Settlement Operating Rules (generally 10 business days) in order to minimise complexity and the workflows to be migrated to the new system on the cutover weekend.
- Implementing a 4 day blackout period for mFund application and redemption requests immediately prior to Cutover.

These changes, and the impact on the rulebooks are described in further detail in points 38 to 42 of Part 1 of the Summary in **Attachment A**.

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Consultation on solution design

The solution design for migration of in-flight transactions, account registration details and mFund has been outlined through the Integration and Transition Working Group (which has been the forum for consultation on details regarding migration aspects), rather than through Focus Groups and Technical Committee referred to for other functional elements referred to in this paper (which have been the forums for consultation on the solution design of the functionality in the new system). Presentation material from each of the relevant working group webinars on 29 January 2020, 26 August 2020, 23 February 2021, 31 March 2021, 3 June 2021 and 28 July 2021 is available on the ASX Implementation & Transition Working Group webpage.[37]

The solution design for the migration of batch instructions resulting from the redesign of netting and settlement workflows has been the subject of consultation through the consultation paper released by ASX in February 2021 *CHESS Replacement: Proposed changes to netting and settlement workflow.*

1.9. Miscellaneous changes – participant identifiers

These changes are optional and impact those participants who seek to use a business identifier code (BIC) as an alternative identification code to a PID.

Overview of new/changed functionality

The new system will allow participants to use a BIC (allocated by SWIFT as designated registration authority) in messages as an alternative identification code to a PID allocated by ASX. Where participants use a BIC as one of its PIDs, participants will be required to nominate the ASX allocated PID to which the BIC relates to, and a message which refers to a BIC will be treated as a message referring to the nominated PID. A BIC will not be included in calculating the allowed number of PIDs under the ASXCORs and ASXSORs.

These changes, and the impact on the rulebooks are described in further detail in point 43 of the Summary in Part 1 of **Attachment A**.

Consultation on solution design

The solution design for participant identifiers has been the subject of consultation through the following stakeholder forums:

- Technical Committee meetings on 7 February 2017, 14 March 2017 and 10 October 2017.

The solution design for participant identifiers has been communicated publicly in the Technical Documentation as part of Document Release 1 in 2018, which is available on the ASX website.[38]

1.10. Miscellaneous changes – excess cash instructions

These changes impact clearing participants. Given the infrequent use of the messages affected by the changes, such impacts are not expected to be significant.

Overview of new/changed functionality

The new system will no longer facilitate a CHESS message for standing settlement instructions used by participants who want to maintain an Excess Cash balance in respect of Cash Market Accounts for providing Cover. Participants who intend to maintain an Excess Cash balance will need to notify ASX Clear Operations of their standing settlement instruction given there will no longer be a message to support this. Having regard to the infrequent use of CHESS

[37] Available at: https://www2.asx.com.au/markets/clearing-and-settlement-services/chess-replacement/stakeholder-engagement/engagement-forums

[38] Available at: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/23233954/ISO+20022+Messaging+-+TM+-+Party+Identification+UIC+and+BIC#ISO20022Messaging-TM-PartyIdentification(UICandBIC)-BusinessIdentifierCode(BIC)

messages for Excess Cash instructions, the removal of such messages in the new system will simplify the technical build for users.

These changes, and the impact on the rulebooks are described in further detail in point 44 of Part 1 of the Summary in **Attachment A**.

Consultation on solution design

The solution design for excess cash instructions has been the subject of consultation through the following stakeholder forum:

- Focus Group session on 12 December 2019

The excess cash instruction solution designed has been communicated publicly in the Operational Procedures & Guidelines[39].

1.11. Miscellaneous change – data governance

These changes impact participants that provide, and issuers that receive and disclose, CHESS data in relation to holders. Such parties will need to consider system and operational processes to support the relevant changes. Please see below for further detail on rule impacts.

Overview of new/changed functionality

As part of ASX's ongoing focus on privacy and data protection across its organisation, the following rule amendments are proposed:

- Issuers will indemnify ASX Settlement for any use of personal information in connection with a Holder provided by ASX Settlement under the ASXSORs that is not for an approved purpose. Approved purposes will include performing obligations or taking action under the ASXSORs, maintaining the accuracy of the issuer's register, sending information to the holder that is connected to their holding with the issuer, or any other purpose permitted by law. In accordance with existing ASXSORs 2.4.2 and 5.1.1, the use or disclosure of personal information by a third party provider retained by the issuer to perform functions or obligations on its behalf is deemed to be use or disclosure by the issuer for the purposes of this rule.
- A requirement for participants to take reasonable steps to obtain correct holder record details, if a participant becomes aware that the registration details for a holder are incorrect as a result of a returned or undelivered holding statement or other notice sent or given to a participant sponsored holder. The participant must notify ASX Settlement of the corrected details within 2 business days of receiving written authority to update the registration details. This is an additional measure to ensure that correct registration details are recorded in a holder record and supports ASX Settlement's compliance with its obligations under the Privacy Act 1988 (Cth). ASX anticipates that in complying with this rule, participants will have regard to their own policies and procedures for keeping holder details up to date and the guidance provided in relation to the Privacy Act 1988 (Cth) by the Office of the Australian Information Commissioner.
- Amendments to clarify indemnities in Section 8 of the ASXSORs in relation to unauthorised or incorrect details in relation to a Holder provided by a participant.
- The ASXSORs will expressly require ASX Settlement to take measures to ensure it does not view or access a TFN included in a message transmitted by a participant except in limited circumstances that are specified.
- ASX Settlement will not be liable for losses arising from the provision by a Participant of incorrect or unauthorised TFN, ABN or Exemption Code details (consistent with ASXSOR 8.19.12 in relation to the notification of bank account details).

[39] https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/566001854/Section+13+-+Cash+Market+Margining+CMM#13.4---Excess-cash-standing-instruction-processing

These changes and the impacts on the rulebooks are described in further detail in points 45 to 49 of Part 1 of the Summary in **Attachment A**.

Consultation on solution design

These rule amendments were foreshadowed in sections 2.6, 2.7.1 and 2.7.7 of the Data Governance Paper released by ASX in December 2020[40]. They do not affect the solution design for the new system.

1.12. Miscellaneous change – suppression of holding statements

These changes impact controlling participants. Given the infrequent use of the suppression of holding statements affected by the changes, such impacts are not expected to be significant.

Overview of new/changed functionality

In CHESS today, a participant can request that ASX Settlement suppress the production of holding statements for participant sponsored holdings of certain specified entities (e.g. a related body corporate of the participant or a bank), or to reinstate the production of holding statements for such participant sponsored holdings that have previously been suppressed.

Due to very low usage of this functionality, in the new system participants will no longer be able to make these requests, and so this option will no longer be available. Following the commencement of the ASX e-statements functionality, participant sponsored holders will have the option to elect (via their sponsoring participant) to receive their statements electronically (rather than by post).

These changes and the impacts on the rulebooks are described in further detail in point 50 of Part 1 of the Summary in **Attachment A**.

1.13. Miscellaneous change – removal of opt-out ability for trade registration

These changes are optional for AMOs and clearing participants in respect of trades of that AMO. Where such parties seek to prevent trades on that AMO that are crossings being registered with ASX Clear (and the AMO does not currently prevent the sending through of crossing trades to CHESS), they will need to consider system and operational processes to support the relevant changes. Please see below for further detail on rule impacts.

Overview of new/changed functionality

In CHESS today, clearing participants can opt-out from the registration with ASX Clear of trades reported to ASX Clear by an AMO which are crossings, i.e. where the clearing participant acts on the buy side and the sell side of the trade, as these are excluded from novation performed by ASX Clear.

The new system will no longer support such opt-out functionality, noting that currently, AMO systems (other than ASX) do not send through their crossing trades to ASX Clear. For the new system, if an AMO does not want trades executed or reported on its market that are crossings to be registered with ASX Clear, it will need to prevent that trade being reported to ASX Clear, rather than relying on CHESS to have functionality to support this outcome.

These changes, and the impact on the rulebooks are described in further detail in point 51 of Part 1 of the Summary in **Attachment A**.

1.14. Miscellaneous change - further changes to tranche 1 and 2 rule amendments

In addition to the changes in respect of the functional elements referred to above in this Section 1 of the paper, several tidy up changes are also being made to draft amendments covered in the tranche 1 and tranche 2 draft rule amendments:

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[40] The Data Governance Paper is available at https://www2.asx.com.au/markets/clearing-and-settlement-services/chess-replacement/chess-replacement-resources/stakeholder-communications. Refer to sections 2.6, 2.7.1 and 2.7.7.

These changes include:

- Updating the tranche 1 rule amendments (relating to change of controlling participant) to reflect that ASX Settlement will not effect a change of Controlling Participant if the incoming participant sends a message to cancel the change of Controlling Participant before a change has been effected by ASX Settlement. This better reflects the sequencing of the messaging to effect such a change of controlling participant. In the Tranche 1 Consultation, the ASXSOR contemplated such message could be sent by either the incoming or outgoing participant.
- Updating the tranche 1 rule amendments (relating to transfers and conversions) to incorporate BAU rule amendments (which no longer required paper transfer documents for transfers to the CHESS subregister for a sub-class of settlement only participants) introduced on 18 December 2019 (after the tranche 1 rule amendments public consultation was released). As referenced in the tranche 1 response to consultation feedback, the process for transfers under the tranche 1 rule amendments (applicable for all settlement participants) will replace the process under the BAU rule changes, including removing manual paper based processes[41]. The version of the rules attached to this consultation paper are marked up against those BAU rule amendments.
- Updating the tranche 1 rule amendments (relating to amendment to holder registration and other holder record details) to better reflect the timing for notification to holders of such a change (within five business days). This also aligns with other timeframes in the ASXSORs for provision to holders of holding statements at the end of each month where there was an addition or deduction to the holding or for other notifications relating to their holdings.
- Tidy up changes to the tranche 1 rule amendments (relating to suspension of Batch Instructions due to suspension of underlying financial product) to reflect the notifications generated in relation to suspended Batch Instructions as well as having regard to the separate notifications to issuers and ALMOs in relation to the suspension of underlying financial products under the ASXSORs.
- Tidy up changes to the tranche 1 rule amendments (relating to unilateral batch instructions) to replace a reference to 'bilateral' with 'unilateral'.
- Tidy up changes to the tranche 1 rule amendments (relating to removal of bilateral payment batch instructions) to remove related rules which no longer apply as a result of the cessation of bilateral batch instructions for payment free of delivery.
- Updating the tranche 1 rule amendments (relating to security state and settlement instructions) to prescribe the location for the publication of the User Technical Documentation[42] within the Procedures to the Rules rather than being embedded within the Rules themselves. This allows for any changes to the location of the publication of such documentation to be updated and reflected in the rulebooks more expeditiously. The location for the publication of the User Technical Documentation has also been incorporated.
- Updating the tranche 2 rule amendments (relating to mFund) to reflect the change to enable an investor to include a foreign bank account where payments are made in currencies other than AUD (see section 1.5 above).
- Tidy up changes to the tranche 2 rule amendments (relating to real time gross settlement), including some additional deletions to reflect the removal from the ASXSORs of the ability for switching of batch instructions to RTGS.
- Updating the tranche 2 rule amendments (relating to takeovers and buybacks) to incorporate changes made in December 2019 in relation to Specialist Settlement Participants which were not shown in the tranche 2 rule amendments. Relevant updates have been made to reflect these changes in the draft rule amendments accompanying this consultation paper.

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[41] Refer to row 31 of Attachment A to the tranche 1 response to consultation feedback available here: https://www2.asx.com.au/content/dam/asx/about/regulations/public-consultations/2020/tranche-1-response-to-cp-may-2020-full-910959v1.PDF

[42] Further information on the constituent documents of the User Technical Documentation is also contained in row 50 of Attachment A to the tranche 1 response to consultation available here: https://www2.asx.com.au/content/dam/asx/about/regulations/public-consultations/2020/tranche-1-response-to-cp-may-2020-full-910959v1.PDF

These changes, and the impact on the rulebooks are described in further detail in points 52 to 61 of Part 1 of the Summary in **Attachment A**.

1.15. Miscellaneous changes – other

In addition to changes in respect of the functional elements referred to above in this Section 1 of the paper, several tidy up changes are also being made to the rulebooks.

These changes include:

- Removing old references to the "Client Bank Deed" in the ASXSORs which has been replaced with the term "Payments Provider Deed" and updating cross references to the Scheduled Time applicable under the old Client Bank Deed to refer to the appropriate time under the new Payments Provider Deed.
- Replacing the term "EIS" with "User Technical Documentation" across the ASXSORs and ASXCORs for the purpose of identifying the framework for message requirements and validity[43].
- Removing from the ASXSORs system specific references for residency indicator codes (existing one letter codes "F" (foreign), "D" (domestic) or "M" (mixed)) or to indicate a foreign to foreign allocation (existing code "OR"), and instead refer to the user technical documentation for such code references.
- Expressly recognising Accrued Batch Instructions (generated in respect of failed Batch Instructions in order to effect a distribution of financial products arising from a corporate action) as a type of Batch Instruction within several references to Batch Instruction in the ASXSORS.
- Identifying three examples of transactions (with very limited application) that will not settle on the second Business Day following the date the transaction was created on or reported to the market, that are not currently reflected in the procedures to the ASXCORs or ASXORs.
- Specifying in the ASXSORs restrictions on the processing of settlement transfers in connection with RTGS Messages during the settlement processing phase in the new system to better reflect processing of RTGS messages in the new system.
- Amending the definition of "Reconstruction" in the ASXSORs to remove an express reference to merger. This change has been made to reflect that the ASXSORs that relate to the processing of Reconstructions (typically being a reorganisation of capital within one entity) do not apply in the same way in relation to a merger event (which involves at least two entities). The only exception to this is ASX Settlement Operating Rule 5.26.1, which has been amended to expressly include a merger.
- Deleting existing section 17 of the ASXSORs, which deals with arrangements for the prior transition from the SCH Business Rules to the ASX Settlement Operating Rules in March 2004, as these rules are obsolete and no longer required.
- Aligning the definition of insolvency events for bodies corporate in the ASXSORs with the amended definition in the Corporations Act.
- Clarifying for the purposes of ASXSOR 10.12.8 that obligations on ASX Settlement to settle batch instructions included in batch settlement on that day is subject to the cancellation of batch settlement on that day as permitted under ASXSOR 10.14.1.
- Several additional tidy up changes as described in points 72 to 75 of the Summary in **Attachment A** – Part 1.

These changes, and the impact on the rulebooks are described in further detail in points 62 to 75 of Part 1 of the Summary in **Attachment A**.

[43] The definition of "EIS" (bespoke to existing CHESS system and messages) was replaced with "User Technical Documentation" (covering different connectivity channels in the new system - ISO 20022 messaging, distributed ledger API or "node" connection and web browser) as part of the Tranche 1 draft rule amendments.

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2. Functionality previously covered in Tranche 1

2.1. Overview of functionality

The tranche 1 rule amendments support the operation of the CHESS replacement system on Day 1 implementation and reflect the solution design for new and changed functionality in the new system as captured in Technical Documentation made available by ASX at https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/overview.

These tranche 1 rule amendments have already been subject to a consultation process. Please refer to the tranche 1 consultation paper[44] and ASX's response to that paper (which includes revisions made by ASX to those tranche 1 rule amendments in response to that feedback).[45]

All stakeholders also have the opportunity to provide feedback on the tranche 1 rule amendments, as revised following previous market consultation on those rule amendments, as part of the consultation on the consolidated rules package across all the rule amendments for the new system (as covered by the three tranches)[46], including in relation to the interaction between the three tranches of rule amendments.

The tranche 1 rule amendments relate to accounts, participants, securities and pre-settlement aspects for Day 1 CHESS replacement system functionality. The relevant functional elements covered by these amendments are identified further in sections **2.2 – 2.13** below.

The tranche 1 rule amendments are combined with the tranche 2 and tranche 3 rule amendments in **Attachments G to J** to this paper.

Where the below descriptions include terms not defined in this document, they have the meanings given to them in the rulebooks (as applicable). The description below is a summary only and needs to be read in conjunction with the rulebooks (as proposed to be amended).

2.2. Account and Holder creation (including changes to Holder details)

New business requirements

This functionality relates to the following two new business requirements:

Centralised data capture and storage (described in section 2.2.3 of the 2018 consultation paper) - providing for the new system to capture and store additional information linked to a CHESS holding which can be used in connection with corporate actions, compliance with regulatory obligations and new investor services as requested by stakeholders.

This business requirement was identified by the Data Storage, Delivery and Reporting Working Group which requested ASX to investigate the feasibility of a centralised depository for the capture and storage of static end investor data and to distribute certain data to permissioned users to assist in reducing the costs associated with duplicating capture and storage of data and operational costs of on-boarding.

Standardised registration details (described in section 2.2.4 of the 2018 consultation paper) - providing for the new system to support the standardisation of the format for holder details, accommodate changes to requirements specified by regulators (e.g. ATO specifications for SMSFs for the holding of assets) and adhere to industry global messaging standards, i.e. ISO 20022.

This business requirement was identified by the Transfers and Conversions Working Group which requested that there be a standardised format for the recording of holder registration details to assist in reducing operational inefficiency

[44] The Tranche 1 Consultation Paper is available here: https://www.asx.com.au/documents/public-consultations/chess-replacement-tranche1-rule-amendment.pdf.
[45] The Tranche 1 Response to Consultation is available here: https://www.asx.com.au/documents/products/tranche-1-response-to-cp-may-2020-full-910959v1.pdf.
[46] As updated through the prior consultations on the tranche 1 rule amendments and tranche 2 rule amendments

and cost associated with managing the holdings of a client that has different holding registration details entered for their respective CHESS holdings and/or issuer sponsored holdings.

The proposed account and holder creation structure impacts controlling participants, issuers and their share registries. Such parties will need to consider systems and operational processes to support the proposed holder and account information structure, including in relation to initial client on-boarding processes. Please refer below for further information on rule impacts.

Overview of new/changed functionality

Changes are being made in respect of account and holder functionality, including:

- Transitioning from recording Holder Record details in an unstructured 180 character free text field currently in CHESS, to recording this data in a structured format against certain data elements that aligns with ISO 202022 standards.
- Allowing, from a system perspective, for up to four joint Holders per HIN to be recorded in the new system, although settlement participants will continue to be subject to existing rules based restrictions on establishing a Holder Record with more than three Holders unless permitted under the Issuer's constitution (reflecting restrictions in most Issuer constitutions).
- Introducing two new data fields that are required to be completed in connection with the creation of a Holder Record, being "Ownership Type" (i.e. single or joint holding) and "Entity Type" for each named Holder (being individual or company[47]). Although these are new fields, the information is not new as it is inherent in existing CHESS data.
- Creating the framework for additional non-mandatory data fields to be populated in a Holder Record, by amending the definition of Holder Record to contemplate that additional data fields may be populated in a Holder Record. Further information about the data that may be received under the CHESS replacement system is outlined in the Data Governance Paper released by ASX in December 2020.[48]
- As part of the adoption of ISO 20022 messaging which requires separate messages for static data (e.g. holder details) and transaction data (e.g. transfer/enquiry requests), introducing a temporary "Registration Identifier" object containing information of the kind recorded in registration details in order to facilitate transfers between CHESS and issuer sponsored subregisters and SRN enquiries (referred to in 2.9 and 2.10 below).
- Automating processing of requests for change of registration details, changes of Holder Type and removal of Holder Record.
- As a result of feedback received on the original tranche 1 rules released for consultation, ASX amended the definitions of "Holder Record" and "Registration Details" to provide further clarification as to the way the rulebooks align with the account and holder functionality as expressed in the user technical documentation. As part of its response to the tranche 1 consultation feedback, ASX also provided stakeholders with a diagram (Attachment C to that paper) explaining how the account and holder terminology and account structure referred to in the User Technical Documentation aligns to the terminology and account structure used in the rulebooks. To assist stakeholders consider these rule amendments, the above diagram is also republished in this paper as **Attachment K**.

ASX has adopted two key principles in relation to privacy and data protection in the CHESS replacement solution, which the proposed rule amendments are consistent with:

[47] Please note that company is intended to be a generic term to refer to entity types that are not a natural person.
[48] The Data Governance Paper is available at https://www2.asx.com.au/markets/clearing-and-settlement-services/chess-replacement/chess-replacement-resources/stakeholder-communications.

- Users not being compelled to provide additional investor data, nor will changes be made to the rulebooks that would compel certain stakeholders to provide additional information unrelated to clearing, settlement and other equity post trade services.
- Users only receiving information if they are party to a transaction or business purpose which the information relates to.

These changes and the impact on the rulebooks are described in further detail in points 1 to 12 of Part 2 of the Summary in **Attachment A**.

Consultation on solution design

The solution design for account and holder creation (including changes to holder details) has been the subject of consultation through the following stakeholder forums:

- Focus Group session on 31 October 2018.
- Further Focus Group sessions on 19 March 2019 with participants and registries, and on 26 March 2019 with vendors.
- Technical Committee meetings on 22 May 2018, 27 November 2018 and 26 March 2019.

ASX has made available on its website a summary of the feedback it has received from stakeholders from the relevant Focus Groups and ISO 20022 Technical Committee meetings on the solution design of the account and holder functionality.[49]

The account and holder functionality solution design has been communicated publicly in Technical Documentation made available as part of Document Release 1 in December 2018 (and updated in Document Release 3 in May 2019) on the ASX CHESS Replacement website.[50]

2.3. Locking and unlocking of accounts and holdings

These changes impact controlling participants, issuers and their share registries. Such parties will need to consider systems and operational processes to support revised locking and unlocking functionality. Please refer below for further information on rule impacts.

Overview of new/changed functionality

Currently in CHESS, Issuers may request ASX to impose a Holding Lock (being a lock that applies to specific holdings under a HIN) and Controlling Participants may request ASX to impose a Holder Record Lock (being a lock that applies to all holdings under a HIN).

Changes are being made in respect of the existing locking functionality in the CHESS replacement system, including:

- Settlement Participants will be able to request that a Holder Record Lock is applied to a Holder Record in the event that they are served with a court order requiring all Holdings in a Holder Record to be frozen. ASX Settlement will also be able to apply a Holder Record Lock to a Holder Record if the court order is served on ASX Settlement.
- A Holding Lock will be able to be applied to part of a holding only. Currently in CHESS, if an Issuer requests ASX Settlement to apply a Holding Lock to part of a Holding due to a court order or lien, or if ASX Settlement is required to apply a Holding Lock due to a court order, ASX Settlement must request the Controlling Participant to establish a new Holder Record and transfer the financial products that are not subject to the Holding Lock to a new HIN. This

[49] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/82183674/Stakeholder+Feedback+and+ASX+Response+Standardised+Registration+Details+Account+and+Holder+creation+modification.
[50] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/23233289/Accounts.

new functionality will avoid the need for ASX Settlement to request Controlling Participants to establish a separate Holder Record so that a Holding Lock can be applied to only part of a Holding.

- Automating the processing of applications to apply a Holder Record Lock due to a Holder's death or bankruptcy, and applications to remove a Holder Record Lock from Controlling Participants. This reflects the removal of the need for supporting documentation to be provided prior to the application or removal being processed, however Controlling Participants must continue to maintain supporting documents and provide them to ASX Settlement if requested.
- Introducing an ability for Holding Locks and Holder Record Locks to be time limited (e.g. to reflect the terms of a court order) by way of a written notice to ASX Settlement, removing the need for a further message from Issuers or Controlling Participants to request its release at the expiry of that period.
- Where there has been a death or bankruptcy of a Participant Sponsored Holder, the replacement system will place a "Named Holder Indicator" on that Holder, being an indicator that the relevant Holder relates to the death or bankruptcy (e.g. for joint holdings, this indicator will identify which Holder has died or is bankrupt). The "Named Holder Indicator" is an identifier only. Other than for automating the processing of the Holder Record Lock as indicated above, the existing process for the imposition of a Holder Record Lock by a Controlling Participant in response to a death or bankruptcy remains unchanged.

These changes and the impact on the rulebooks are described in further detail in points 13 to 20 of Part 2 of the Summary in **Attachment A**.

Consultation on solution design

The solution design for locking and unlocking functionality has been the subject of consultation through the following stakeholder forums (that also related to account and holder creation):

- Focus Group session on 31 October 2018.
- Further Focus Group sessions on 19 March 2019 with participants and registries, and on 26 March with vendors.
- Technical Committee meeting on 4 September 2018.

The locking and unlocking functionality solution design has been communicated publicly in Technical Documentation made available as part of Document Release 1 in December 2018 (and updated in Document Release 3 in May 2019 and Document Release 4 in July 2019) on the ASX CHESS Replacement website.[51]

2.4. Change of Controlling Participant & Enquiry

These changes impact controlling participants. Such parties will need to consider system and operational processes to support the relevant changes. Please refer below for further information on rule impacts.

Overview of new/changed functionality

Under the new system, ASX Settlement will reject a change of controlling participant message if there are outstanding transfers and conversions which had been initiated by the relinquishing participant. The incoming participant will be able to cancel a requested change of controlling participant prior to the change being effected by ASX Settlement.

The ASX Settlement Operating Rules will also be updated to reflect that a change of controlling participant occurs via electronic messaging.

These changes and the impact on the rulebooks are described in further detail in point 21 of Part 2 of the Summary in **Attachment A**.

[51] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/67830657/Account+and+Holding+Locking+and+Unlocking+Overview

Consultation on solution design

The solution design for change of controlling participant & enquiry has been the subject of consultation in the Technical Committee meeting on 28 May 2019.

The change of controlling participant & enquiry solution design has been communicated publicly in Technical Documentation made available as part of Document Release 4 in July 2019 on the ASX CHESS Replacement website.[52]

2.5. Security state and settlement instructions

These changes impact all CHESS users. Such parties will need to consider system and operational processes to support the relevant changes. Please refer below for further information on rule impacts.

Overview of new/changed functionality

Changes are being made in respect of security state and settlement instruction functionality in the new system, including:

- The new system will provide automatic electronic notifications in relation to a wider range of subregister state changes. Under the new system, automatic notifications will be sent in relation to the suspension, closure, reopening and archiving of a subregister.
- The ASXSORs will be amended to expressly contemplate the closure of the relevant subregister in relation to a lapse, expiry or maturity of the relevant Approved Financial Product, or other relevant product lifecycle events. As noted above, the new system will provide automatic notifications on the closure of a subregister, and so the changes update the ASXSORs to provide an express framework for these notifications.
- The ASXSORs will be amended to reflect the new automated cancellation timeline for suspended Instructions, subject to a discretion for ASX Settlement to continue to facilitate settlement of such Instructions where required for particular circumstances. Under the new system, ASX Settlement will automatically cancel Instructions that have been suspended for 15 business days (currently in CHESS the cancellation occurs manually on the 10th business day after the relevant suspension). There may be certain circumstances where a suspended instruction should not be cancelled, and so ASX retains a discretion not to cancel or remove particular instructions (e.g. in relation to CCP Batch Instructions).
- Under the new system, ASX Settlement will not automatically archive a subregister if there are still holdings. This change aims to avoid situations occurring under the new system, where rights or entitlements arise in relation to subregisters that still had holdings, but had already been archived.

These changes and the impact on the rulebooks are described in further detail in points 22 to 29 of Part 2 of the Summary in **Attachment A**.

Consultation on solution design

The solution design for security state and settlement instructions functionality has been the subject of consultation through the following stakeholder forums:

- Focus Group Session on 18 June 2019.
- Technical Committee meeting on 25 June 2019.

The security state and settlement instruction functionality solution design has been communicated publicly in Technical Documentation as part of Document Release 4 in July 2019 made available on the ASX CHESS Replacement website.[53]

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[52] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/85886086/Change+of+Controlling+Participant+Overview

[53] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/86376579/Security+Sub-register+Status+Notification+Overview

2.6. Trade registration and novation

These changes impact AMOs, who will need to consider how these rule amendments impact their operational processes. Please refer below for further information on rule impacts.

Overview of new/changed functionality

Changes are being made in respect of trade registration and novation functionality to reflect that:

- A maximum number of three BOQ can be provided on a trade report.
- It will no longer be mandatory for a clearing participant's PID to be included in particulars of Cash Market Transactions notified to ASX by AMOs, as the system can derive the PID from information provided by approved market operators to ASX Clear. This functionality will apply across all approved market operators.

These changes and the impact on the rulebooks are described in further detail in points 30 and 31 of Part 2 of the Summary in **Attachment A**.

Consultation on solution design

The solution design for trade registration and novation functionality has been the subject of consultation in the Focus Group with approved market operators on 29 January 2019.

The trade registration and novation functionality solution design has also been communicated publicly in Technical Documentation made available as part of Document Release 2 in March 2019 on the ASX CHESS replacement website.[54]

2.7. Netting and unnetting

These changes impact clearing participants and settlement participants in relation to processing between trade registration and batch settlement. Such participants will need to consider changes to their systems and operational processes to support these changes. Please refer below for further information on rule impacts.

Overview of new/changed functionality

Changes are being made in respect of the netting and unnetting functionality in the CHESS replacement system, including:

- Cash CCP Transactions will be netted per basis of movement (in addition to per HIN and security as per existing functionality). This is to be reflected through a note clarifying that for the purpose of determining net delivery or payment obligations and entitlements in respect of a class of financial products due to be delivered in an ex period, regard will be had as to whether a financial product is to be transferred with or without the relevant entitlement.
- All novated market trades will be eligible for netting without exception, and so existing netting eligibility criteria will be removed. Refer to section 1.2 of this paper (dealing with the tranche 3 rule amendments for the redesign of netting and settlement workflows) for further information on this change and related aspects.
- Blocking indicator functionality (being the ability for a clearing participant to request that certain Cash CCP Transactions are excluded from set off) is being decommissioned, although ASX Clear will have the power to remove Cash CCP Transactions from netting if it considers it appropriate to maintain the orderly operation and integrity of ASX Clear.
- Accommodating separation of clearing and settlement functions post Day 1 by providing for ASX Settlement to notify settlement participants acting as a settlement agent for a clearing participant of the CCP Batch Instructions generated by ASX Clear in respect of, and notified to, that clearing participant. As set out in the 2018 consultation paper, the potential additional clearing and settlement participant structures that this change relates to raise

[54] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/46989605/Market+Trade

various risk and regulatory implications which will need to be addressed prior to such additional participant structures being allowed.

These changes and the impact on the rulebooks are described in further detail in points 32 to 36 of Part 2 of the Summary in **Attachment A**.

Consultation on solution design

The solution design for netting and unnetting functionality has been the subject of consultation in the Technical Committee meetings on 17 April 2018, 22 May 2018 and 26 June 2018.

The netting and un-netting functionality solution design has been publicly communicated in Technical Documentation made available as part of Document Release 3 in May 2019 on the ASX CHESS Replacement website.[55]

2.8. Collateral Management

These changes impact clearing participants in relation to their management of collateral. Such parties will need to consider system and operational processes to support the relevant changes. Please refer below for further information on rule impacts.

Overview of new/changed functionality

Changes are being made in respect of the collateral management functionality, including:

- Consolidating messages used for requests to reserve or release financial products lodged to fulfil a participant's margin obligations for derivatives or cash transactions, with the new system requiring the message to specify the relevant subposition type (either derivatives or cash market transactions).
- Define within the ASX Settlement Operating Rules the role of a Clearing Participant in authorising the withdrawal of Cover provided by a Controlling Participant that is a different entity.
- More fully reflect the process for a replacement of cover, with participants being required to contact ASX Operations in relation to a request for an intraday exchange of collateral, reflecting the need for manual processing steps to facilitate such intraday exchange while ensuring the relevant margin exposure remain covered at all times.
- Replacing existing CHESS EIS message descriptions by reference to the process in accordance with the User Technical Documentation. The User Technical Documentation covers users accessing the new system through messaging (ISO 20022 standard via AMQP or SWIFTNet) as well as through a distributed ledger API or "node" connection.

These changes and the impact on the rulebooks are described in further detail in points 37 to 39 of Part 2 of the Summary in **Attachment A**.

Consultation on solution design

The solution design for collateral management functionality has been the subject of consultation through the following stakeholder forums:

- Focus Group sessions on 9 July 2019 and 13 August 2019.
- Technical Committee meetings on 23 July 2019 and 27 August 2019.

The collateral management solution design has been communicated publicly in Technical Documentation made available as part of Document Release 5 in September 2019 on the ASX CHESS Replacement website.[56]

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[55] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/66062745/Netting
[56] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/101810501/Collateral+Management

2.9. SRN Enquiry

These changes impact settlement participants, issuers and their share registries in relation to requests for details of an SRN or holding balance of an issuer sponsored holding. Such parties will need to consider system and operational processes to support the relevant changes. Please refer below for further information on rule impacts.

Overview of new/changed functionality

Changes are being made in respect of the SRN enquiry functionality, including:

- Formalising the operation of existing CHESS functionality for settlement participants requesting details of an SRN or obtaining the holding balance of an issuer sponsored holding, and issuer obligations to process such requests. This supports the new system requirement that messages for transfers or conversions must include SRN and registration details for validation by the issuer (see Section 2.10 below).
- Extending the availability of SRN enquiry functionality to market participants of an Approved Market Operator that are subject to the National Guarantee Fund (NGF) or compensation arrangements under Division 3 of Part 7.5 of the Corporations Act.

These changes and the impact on the rulebooks are described in further detail in points 40 to 42 of Part 2 of the Summary in **Attachment A**.

Consultation on solution design

The solution design for SRN enquiry functionality has been the subject of consultation through the following stakeholder forums:

- Focus Group on 10 April 2019.
- Technical Committee meeting on 7 May 2019.

ASX has made available on its website a summary of the feedback it has received from stakeholders from the relevant Focus Groups and Technical Committee meetings on the solution design of the SRN enquiry functionality.[57]

The SRN enquiry solution design has been communicated publicly in Technical Documentation made available as part of Document Release 3 in June 2019 on the ASX CHESS Replacement website.[58]

2.10. Transfers and Conversions

These changes impact settlement participants, issuers and their registries in relation to transfers and conversions of holdings between issuer sponsored registers and CHESS. Such parties will need to consider system and operational processes to support the relevant changes. Please refer below for further information on rule impacts.

Overview of new/changed functionality

Changes are being made in respect of the transfers and conversions functionality, including:

- Under the new system, all settlement participants will be required to provide registration details in messages requesting a transfer from the Issuer Sponsored Subregister to the CHESS Subregister, with issuers to be required to conduct a pre-transfer validation of such registration details against those maintained by the issuer for that holding before authorising a transfer. This aligns the processing of transfers with existing processing for conversions.
- The above new requirements will replace existing requirements in respect of transfers from the Issuer Sponsored Subregister to the CHESS Subregister for a post-transfer check to be completed by settlement participants that are

[57] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/82216212/Stakeholder+Feedback+and+ASX+Response+Transfers+and+Conversions+SRN+Enquiry

[58] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/79757880/SRN+Enquiry+Overview

market participants and the provision by settlement-only participants of Registrable Transfer Documents to an issuer for validation by the issuer of registration details in that transfer document against those maintained by the issuer for that holding prior to authorising the transfer. This aligns the treatment of all settlement participants for the processing of transfers.

- Taking a consistent approach to warranties provided by settlement participants that are market participants and those that are settlement-only participants in respect of transfer processing from the Issuer Sponsored Subregister to the CHESS Subregister.
- A request to transfer or convert holdings between CHESS and issuer sponsored subregisters will be sent in multiple messages, reflecting the separation under ISO 20022 of messages containing holder data and transfer/enquiry requests.

These changes and the impact on the rulebooks are described in further detail in points 43 to 50 (Issuer to CHESS subregister) and points 49 to 50 (CHESS to Issuer subregister) of Part 2 of the Summary in **Attachment A**.

Consultation on solution design

The solution design for transfers and conversions has been the subject of consultation through the following stakeholder forums:

- Focus Group sessions on 14 February 2019 and 10 April 2019.
- Technical Committee meetings on 8 February (CHESS to issuer subregister) and 7 May 2019 (both issuer to CHESS subregister and CHESS to issuer subregister).

ASX has made available on its website a summary of the feedback it has received from stakeholders from the relevant Focus Groups and Technical Committee meetings on the solution design of the transfers and conversions functionality.[59]

The transfers and conversions solution design has been communicated publicly in Technical Documentation made available as part of Document Release 3 in June 2019 on the ASX CHESS Replacement website.[60]

2.11. Demand and Settlement Instructions

New business requirements

The changes to demand and settlement instruction functionality described below relate to the following new business requirements:

Bilateral transaction matching – increased settlement tolerance (described in section 2.2.7 of the 2018 consultation paper) - ASX has reviewed the tolerance models for settlement value matching criteria for bilateral transactions with interested stakeholders. Consequently, ASX will be providing settlement participants the opportunity to specify bespoke larger tolerance levels (which will be masked from the other party).

This business requirement was identified by the Settlement Enhancements Working Group, which requested ASX to review the existing three-tiered model for settlement tolerance to accommodate additional flexibility for matching including to allow for the ability for settlement participants to nominate tolerance thresholds in messages.

Bilateral transaction matching – additional matching reference field (described in section 2.2.7 of the 2018 consultation paper) - providing an additional reference field with mandatory matching criteria to better facilitate settlement of stock borrowing and lending transactions.

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[59] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/82216212/Stakeholder+Feedback+and+ASX+Response+Transfers+and+Conversions+SRN+Enquiry

[60] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/80841006/Transfer+Conversions+Between+Subregisters

This business requirement was identified by the Settlement Enhancements Working Group, which requested ASX to introduce the optional additional matching criteria on the basis that it would allow for errors to be identified and corrected.

Non-batch DvP bilateral settlement (described in section 2.2.11 of the 2018 consultation paper) – providing for the new system to allow settlement participants to settle bilateral transactions outside the daily batch process on a delivery vs. payment (DvP) basis using a real time payment facility.

This business requirement was supported by the Settlement Enhancements Working Group, which sought a more efficient settlement mechanism for large bilateral transactions being settled outside of batch and to reduce counterparty and settlement risk.

Linking bilateral settlements (described in section 2.5.5 of the 2018 consultation paper & pages 8, 9 of the *response to consultation feedback* released by ASX in September 2018) – providing for the new system to allow for the settlement of instructions to be linked, with the performance of each contingent on the other.

This business requirement, which was identified by the Settlement Enhancements Working Group, was flagged in the 2018 consultation paper as not being progressed by ASX (including having regard to the new bilateral DvP settlement service offering and the impact on prioritisation of linked bilateral instructions in the settlement batch). However given the strong support from a number of respondents to the CP, ASX's 2018 response to consultation feedback indicated that ASX would include this functionality in the new system. On the basis of the feedback received, ASX was also able to better define this business requirement.

As indicated in the 2018 response to consultation feedback, the availability to users of such functionality on Day 1 remains dependant on addressing any associated risk and regulatory implications from the potential impacts on existing prioritisation of CCP Batch Instructions and settlement certainty for novated transactions.

These changes impact settlement participants. Such parties will need to consider system and operational processes to support the relevant changes. Please refer below for further information on rule impacts.

Overview of new/changed functionality

Changes are being made in respect of transfer and settlement functionality, including:

- New transaction type: Bilateral Demand Settlement Instruction - allowing Participants to transfer units and cash, and to settle the transaction on a DvP basis immediately, rather than in batch. By allowing for such DvP settlement outside of batch, this can reduce counterparty and settlement risk on transactions where currently delivery occurs in CHESS and payment occurs outside of CHESS. The implementation of this functionality is dependent on the establishment of RTGS payment functionality, including implementation of appropriate arrangements with the RBA. Additional rules to support the operation of the RTGS payment facility in respect of such transfers are included as part of the tranche 2 rule amendments. .
- Message and Instruction naming - updating the naming conventions of transaction types to reflect new system nomenclature. In particular, the ASXSORs will be amended so that the naming of:
  - "*Single Entry*" messages and instructions (i.e. messages and instructions submitted by one Participant) are updated to "*Unilateral*" messages and instructions.
  - "*Dual Entry*" messages and instructions (i.e. messages and instructions with a different Participant on each side) are updated to "*Bilateral*" messages and instructions.
- Settlement Link ID - allowing settlement participants to link unilateral and bilateral settlement instructions (other than where involving delivery or receipt of financial products from / into a Participant's entrepot accounts) by including an optional, unique "*Settlement Link ID*". The performance of 'linked' instructions in batch settlement will be contingent on each other.

- Trust Amount provision - consolidated Unilateral Batch Instruction - consolidating Unilateral Batch Messages, and updating message requirements so that the provision of a trust amount in the new Message will be determined by the relevant Participant role. In the new system, a single message type will be used for Unilateral Batch Instructions, whereas under CHESS, there are two distinct message types (one which includes a trust amount field, and another which does not). The new consolidated message is designed to only require the provision of a trust amount if the ASXSORs require the relevant Participant to do so.
- Demand Locks - automatically applying a Demand Lock upon receipt of a Valid Bilateral Demand Message from the delivering settlement participant if there are sufficient Available Financial Products at that time. This aims to prevent financial products for a Bilateral Demand Transfer being transferred or converted between the time that the message is submitted by the delivering Participant and performance of that Bilateral Demand Transfer.
- Settlement Tolerance Override Amount - giving settlement participants the ability to override the ASX default tolerance amount for Bilateral Batch Instructions with a higher value on a per transaction value basis. This change will allow greater flexibility by allowing one or both bilateral counterparties to specify a higher override tolerance amount, and so have the ability to achieve a match without one or both Participants having to cancel messages, seek revised instructions, re-book client trades and resubmit messages.
- Changes to daily housekeeping of unmatched instructions - updating ASX's daily housekeeping processes so that housekeeping of unmatched instructions occurs at the end of day each day.
- Matching Reference - allowing settlement participants to include an additional matching identifier reference for Bilateral Batch Messages, in which case an identical matching identifier must be included by the counterparty participant in order for those messages to be matched.
- Changes to Instructions after Match - narrowing the changes to Bilateral Batch Instructions that can be made by a settlement participant in the new system to certain individual data fields relevant to it, with changes to other fields requiring the settlement participants to cancel and re-submit the relevant transaction messages.
- Removal of payment (Free of Delivery) functionality - removing current provisions under the rules that accommodate "Dual Entry Payment Batch Instructions" to reflect that settlement participants will no longer be able to utilise batch settlement to make payments (free of delivery). This is being removed on the basis that the functionality is not being used in CHESS today.

These changes and the impact of each on the rulebooks are described in further detail in points 51 to 61 of Part 2 of the Summary in **Attachment A**.

Consultation on solution design

The solution design for demand and settlement instructions, including in relation to the new Bilateral Demand Settlement Instruction, has been the subject of consultation through the following stakeholder forums:

- Focus Group Session on 7 November 2018.
- Technical Committee meeting on 27 November 2018.

ASX has made available on its website a summary of the feedback it has received from stakeholders from the relevant Focus Group and ISO 20022 Technical Committee meeting on the solution design of the demand and settlement instructions functionality[61].

[61] Available at: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/82249140/Stakeholder+Feedback+and+ASX+Response+Demand+and+Settlement+Instructions

The solution design for demand and settlement instructions, including in relation to the new Bilateral Demand Settlement Instruction transaction, has been communicated publicly in Technical Documentation as part of Document Release 1 in December 2018 made available on the ASX CHESS Replacement website.[62]

2.12. Settlement locks for CHESS holdings

New business requirement

This functionality relates to the following new business requirement:

Settlement lock for CHESS holdings (described in section 2.2.5 of the 2018 consultation paper) – providing for the new system to give settlement participants the option to place a 'lock' on, or commit, financial products held in a client CHESS holding for delivery into its settlement account on the settlement day the financial products are due, with ASX to validate that the relevant securities are available and locked for settlement.

This new business requirement was supported by the Settlement Enhancements Working Group on the basis that it would provide for increased settlement certainty and process efficiency, reduce accumulation entrepot account reconciliation and improve investor protection against a participant default.

The provision of this new functionality impacts controlling participants, issuers and their share registries, who will need to consider systems and operational processes to support this new functionality. Please refer below for further information on rule impacts.

Overview of new/changed functionality

ASX is introducing settlement locks for CHESS holdings which give settlement participants the option to "lock" or commit securities for settlement from a CHESS holding they control for delivery into their settlement account as part of batch settlement on the settlement date for those financial products.

A mandatory settlement lock will also automatically apply on all securities scheduled to be transferred in batch settlement from a participant's accumulation account to its settlement account.

ASX Settlement will have the power to remove a settlement lock if it reasonably considers it necessary in order to maintain the orderly operation and integrity of the settlement facility. An example of a situation where ASX Settlement may seek to exercise this discretion is if an issuer or settlement participant requests ASX Settlement to apply a Holding Lock or Holder Record Lock to financial products in a Holding due to a court order.

These changes and the impact on the rulebooks are described in further detail in points 62 to 68 of Part 2 of the Summary in **Attachment A**.

Consultation on solution design

The solution design for settlement locks for CHESS Holdings has been the subject of consultation through the following stakeholder forums:

- Focus Group session on 7 November 2018.
- Technical Committee meetings on 4 September 2018, 9 October 2018 and 27 November 2018.

ASX has made available on its website a summary of the feedback it has received from stakeholders from the relevant Focus Group and ISO 20022 Technical Committee meetings on the solution design of the settlement lock functionality.[63]

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[62] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/23233188/Holding+Transfers

[63] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/102958004/Stakeholder+Feedback+and+ASX+Response+Settlement+Locks+on+HIN+Holdings

The settlement lock functionality solution design has also been communicated publicly in Technical Documentation made available as part of Document Release 1 in December 2018 (and updated in Document Release 5 in September 2019) on the ASX CHESS Replacement website.[64]

2.13. [65]Other miscellaneous amendments

In addition to changes in respect of the functional elements referred to above in this **Section 2** of this paper, several miscellaneous changes are also being made to the ASX Settlement Operating Rules and ASX Clear Operating Rules to:

- Provide for ASX Settlement to provide emergency assistance to settlement participants on a reasonable endeavours basis if they are not able to transmit messages in the new system, for example where a technical outage prevents a settlement participant from being able to transmit messages to ASX Settlement. This rule reflects an existing rule based process in ASX Clear Operating Rules 6.9 to 6.12, together with accompanying procedures.
- Tidy up changes to correct errors.
- Reference within the ASX Clear Operating Rule dealing with trade registration prerequisites, the ability for market transactions that are not eligible for registration to nevertheless be notified by ASX Clear to the settlement facility.

These changes and the impact on the rulebooks are described in further detail in points 69 to 71 of Part 2 of the Summary in **Attachment A**.

[64] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/23233771/Settlement+Locks

[65] As part of the Tranche 1 rule amendments consultation ASX had asked for feedback as to its proposal to no longer seek to mandate the use of a settlement lock for client CHESS holdings used in batch settlement (and the removal of the accumulation account staging process for client CHESS holdings in the lead up to settlement). ASX received 7 responses from stakeholders on this point, with 6 stakeholders supporting ASX not mandating use of a settlement lock for client CHESS holdings as part of Day 1 functionality. ASX decided to proceed with not mandating the settlement lock for client CHESS holdings as part of Day 1 functionality. ASX however, will be seeking to mandate use of the settlement lock for client CHESS holdings as part of post-Day 1 functionality. The mandatory settlement lock for accumulation to settlement entrepot movements will continue to be mandatory as part of Day 1 functionality.

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3. Functionality previously covered in Tranche 2

3.1. Overview of functionality

The tranche 2 rule amendments support the operation of the CHESS replacement system on Day 1 implementation and reflect the solution design for new and changed functionality in the new system as captured in Technical Documentation made available by ASX at https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/overview.

These tranche 2 rule amendments have already been subject to a consultation process. Please refer to the tranche 2 consultation paper[66] and ASX's response to that paper (which includes revisions made by ASX to those tranche 2 rule amendments in response to that feedback).[67]

All stakeholders also have the opportunity to provide feedback on the tranche 2 rule amendments, as revised following previous market consultation on those rule amendments, as part of the consultation on the consolidated rules package across all the rule amendments for the new system (as covered by the three tranches)[68], including in relation to the interaction between the three tranches of rule amendments.

The tranche 2 rule amendments relate to corporate actions, mFund and RTGS payment aspects for Day 1 CHESS replacement system functionality. The relevant functional elements covered by these amendments are identified further in sections **3.2 – 3.9** below.

The tranche 2 rule amendments are combined with the tranche 1 and tranche 3 rule amendments in **Attachments G to J** to this paper.

Where the below descriptions include terms not defined in this document, they have the meanings given to them in the rulebooks (as applicable). The description below is a summary only and needs to be read in conjunction with the rulebooks (as proposed to be amended).

3.2. Dividend and distribution reinvestment plan (DRP) and bonus share plan (BSP) elections

New business requirements

This functionality relates to the new business requirement for the electronic elections of DRPs and BSPs, which was described in section 2.2.16 of the 2018 consultation paper. It provides settlement participants the ability to electronically elect to participate in dividend reinvestment plans (DRP) and bonus share plans (BSP) (on a per issuer basis) on behalf of their clients.

This business requirement was supported by the Corporate Actions Working Group on the basis that it will allow for real time electronic acknowledgement of receipt of election, multiple elections per HIN and the option for part elections per holding.

The provision of this new service for electronic notification of elections (and cancellation of elections) for DRPs and BSPs via CHESS impacts:

- Controlling participants who opt to make this service available to their clients.
- Issuers and their share registries whose support is required to facilitate this service in addition to existing processing for DRP and BSP elections currently occurring outside of CHESS.

Such parties will need to consider systems and operational processes and any relevant client documentation to support the new service. Please refer below for further information on rule impacts.

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[66] The Tranche 2 Consultation Paper is available here: https://www.asx.com.au/images/resources/Tranche2ConsultationPaperandAttachments.PDF.
[67] The Tranche 2 Response to Consultation is available here: https://www2.asx.com.au/content/dam/asx/about/regulations/public-consultations/2020/tranche2-response-to-cp-september2020-final-933157v1.pdf .
[68] As updated through the prior consultations on the tranche 1 rule amendments and tranche 2 rule amendments

Overview of new/changed functionality

The new system will permit controlling participants and issuers to transmit electronic notifications of elections (and cancellations of elections) for DRPs and BSPs in relation to CHESS holdings. It will be optional for controlling participants to do so, with election notification via CHESS to operate in addition to existing notification processes (e.g. paper based or issuer registry portal) directly to the issuer by holders or controlling participants (on behalf of holders).

Pursuant to the new functionality for the electronic transmission of elections for a DRP or BSP:

- Controlling participants may use CHESS to provide, or cancel, an investor election. Multiple elections for CHESS holdings are allowed.
- CHESS will check that a plan is in operation for the issuer on receipt of an election message (disclosed by the issuer to the listing market) prior to processing such messages e.g. sending them to the issuer. To support this process, issuers will be required to notify ASX of a DRP or BSP notified to and publicly released by the listing market.
- For each notification of an election (or of a cancellation of an election) received through CHESS, the issuer will be required to either acknowledge receipt or reject the notification by the End of Day on which the notification is received (unless an earlier time is specified in the relevant plan rules).
- Issuers will be required to notify controlling participants through CHESS, for HINs with an existing CHESS notified election (only), of a cancellation of that election instigated by the issuer e.g. due to zero balance, plan suspended or plan eligibility rules.
- The issuer will continue to be responsible for accepting or rejecting elections having regard to the relevant plan rules for the DRP or BSP and determining the sequence and priority for elections or cancellations received (within or outside CHESS).
- A new enquiry functionality will be provided via CHESS for controlling participants to request details of existing DRP or BSP elections, with issuers to be required to process such requests. This will allow controlling participants to identify whether an election is in place under existing DRPs or BSPs (whether established prior to or post the Day 1 implementation of the new DRP/BSP election functionality). As part of that functionality, controlling participants will warrant that they are legally entitled or authorised to request such details and issuers will warrant that election details provided accurately represent those recorded by the issuer and indemnify each other, the holder and ASX Settlement if this is not the case.
- Issuers will be required to warrant that, under the terms and conditions of the plan, holders can apply to participate and to cancel their participation in the relevant DRP or BSP via a notification by their Controlling Participant through CHESS under the new functionality. The warranty will be accompanied by an indemnity in favour of holders, controlling participants and ASX.
- Controlling participants and issuers submitting election or election cancellation notifications via CHESS will warrant that they are legally entitled or authorised to do so (e.g. pursuant to an instruction by the holder or the plan terms) and indemnify each other, the holder and ASX Settlement if this is not the case. In the case of the warranty and indemnity from the issuer, this will be limited to a cancellation instigated by the issuer given that issuers will not be required to notify CHESS of elections or cancellations of elections direct to the issuer from holders.

These changes, and the impact on the rulebooks are described in further detail in point 1 of Part 3 of the Summary in **Attachment A**.

Consultation on solution design

The solution design for DRP and BSP elections has been the subject of consultation through the following forums:

- Focus Group sessions on 18 June 2019, 13 August 2019 and 31 October 2019.
- Further Focus Group sessions with issuer registries and brokers on 6 September 2019.

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- Technical Committee meetings on 23 July 2019, 27 August 2019, 1 October 2019, 1 November 2019, 26 November 2019 and 10 December 2019.

ASX has made available on its website a summary of the feedback it has received from stakeholders from the relevant Focus Groups and ISO 20022 Technical Committee meetings on the solution design for electronic DRP and BSP election functionality.[69]

The electronic DRP and BSP election functionality solution design has been communicated publicly in the Technical Documentation as part of Document Release 7 (Part I) in January 2020, which is available on the ASX website.[70] Following revisions to the solution design outlined in the tranche 2 response to consultation paper, updated Technical Documentation was released as part of the May 2021 Document Release on the ASX CHESS Replacement website.[71]

3.3. Entitlement acceptances

As indicated in ASX's response to consultation feedback on the revised implementation timetable that was released in October 2020[72], the functionality for electronic acceptance and payment for entitlement offers will not form part of Day 1 scope of the new system, and will be included in a future release.

Accordingly, the rules supporting electronic acceptance and payment for entitlement offers and the accompanying descriptions have been removed from the rules package and this consultation paper. Revised timing for these rules will be considered following Day 1 of the new system.

3.4. Real time gross settlement

New business requirements

The changes to real time gross settlement functionality described below relate to the new business requirements set out below.

Non-batch DvP bilateral settlement

The non-batch DvP bilateral settlement business requirement was described in section 2.2.11 of the 2018 consultation paper. It provides for the new system to allow settlement participants to settle bilateral transactions outside the daily batch process on a delivery vs. payment (DvP) basis using a real time payment facility.

This business requirement was supported by the Settlement Enhancements Working Group, which sought a more efficient settlement mechanism for large bilateral transactions being settled outside of batch and to reduce counterparty and settlement risk. Stakeholders have indicated that one scenario where this will be beneficial to the market is facilitating settlement on T+2 even though client settlement instructions are received late and miss batch settlement on that day.

The provision of real time gross settlement functionality to support this new business requirement impacts:

- Controlling participants who opt to use the new non-batch DvP bilateral settlement service.
- Payment providers acting on behalf of such controlling participants.

Such parties will need to consider systems and operational processes, banking arrangements and any relevant client documentation to support the new service. Please refer below for further information on rule impacts.

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[69] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/192808227/Stakeholder+Feedback+and+ASX+Response+DRP+BSP+Elections

[70] Available at: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/180129071/DRP+BSP+Election+and+Distribution+Advice+Notification

[71] Available at: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/180129071/DRP+BSP+Election+and+Distribution+Advice+Notification

[72] Available at: http://www2.asx.com.au/content/dam/asx/documents/unlinked-docs/chess-replacement-project-response-to-consultation-revised-implementation-timeline.pdf

Electronic payment for entitlement offers

As referenced in 3.3 above, the functionality for electronic acceptance and payment for entitlement offers will not form part of Day 1 scope of the new system, and will be included in a future release.

Overview of new/changed functionality

As noted in the *CHESS Replacement: New Scope and Implementation Plan* released by ASX in April 2018, the existing real time gross settlement (RTGS) service was to be discontinued as it is not currently used by participants. However, as a real time payment facility is required to facilitate the new non-batch DvP bilateral settlement functionality, the RTGS service will be repurposed to support that functionality. The operational arrangements and associated rules framework supporting the existing RTGS service will be simplified under the new system given that they are only required to support payments in respect of non-batch DvP bilateral settlement. Changes made to repurpose this service include the following:

- Requiring all users of the RTGS functionality to be General Settlement Participants establishes threshold criteria applicable to all users of the system who make and receive payments. It also supports a single unified RTGS service for the purpose of ASX Settlement seeking to refresh the existing approval CHESS holds as an Approved RTGS System under the Payment Systems and Netting Act (PSNA). The continued application of the PSNA to the repurposed RTGS service will ensure settlement finality, namely that the payment of monies and the transfer of securities through the RTGS service will continue to be irrevocable and unconditional even where a participant becomes insolvent.
- Eligible instructions for Day 1 of the new system will be limited to bilateral demand settlement instructions (to facilitate bilateral DvP settlement) only. This change reflects the change in scope of the service.
- An RTGS payments provider must authorise an RTGS instruction before it is sent to RITS in order to limit the number of redundant instructions sent to RITS. Other than this pre-authorisation, all credit management will need to be completed outside of CHESS (i.e. by using either the AIF or proprietary systems). These changes will simplify the process for facilitating bilateral DvP settlements.
- Settlement participants will be unable to switch settlement of instructions between RTGS and batch (and vice versa). This reflects the decommissioning of the existing RTGS service not currently used.
- Settlement participants will be unable to cancel an RTGS instruction through CHESS once the instruction has entered the settling phase. RTGS is intended to be real time such that once an RTGS instruction hits RTGS processing, it is set to occur (unless the RTGS payments provider rejects the RTGS instruction outside of CHESS).
- Settlement participants will not be able to schedule RTGS instructions for settlement on a future date, which reflects the simplified scope of the new RTGS service and limits the technical build required to provide the new service.
- Any RTGS instruction that remains on the feeder system at the RTGS end of day (which under the new system will be 5:15pm) will be failed and ASX Settlement will cancel the instruction. This change recognises that RTGS instructions will not be able to settle on a future date (refer above).
- An RTGS participant will be required to provide bank account details connected to its payment facility to ASX Settlement. The provision of these details will support the straight through processing of RTGS payments in and out of such bank account.
- An RTGS Payments Provider must also be a Payments Provider for Batch Settlement. The same RTGS Payment Facility may be used for Batch Settlement.

These changes, together with the operational arrangements and associated rules framework under the existing RTGS service remaining unchanged, will facilitate the settlement of bilateral transactions comprising financial products and/or cash payments through RITS for the purpose of the new non-batch DvP bilateral settlement service. Such settlement will occur outside batch settlement on a gross and irrevocable basis in real time.

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These changes and the impact on the rulebooks are described in further detail in points 3 to 16 of Part 3 of the Summary in **Attachment A**.

Consultation on solution design

The solution design for the payment facility aspect of RTGS functionality has been the subject of consultation through the following stakeholder forums:

- Focus Group sessions on 28 November 2018, 12 March 2019, 18 June 2019, 27 August 2019, 14 November 2019 and 17 September 2019.
- Technical Committee meetings on 1 November 2019, 10 December 2019 and 28 January 2020.

ASX has made available on its website a summary of the feedback it has received from stakeholders from the relevant Focus Groups and ISO 20022 Technical Committee meetings on the solution design of the RTGS functionality.[73]

The RTGS payment facility solution design has been communicated publicly in Technical Documentation made available as part of Document Release 6 in November 2019 on the ASX CHESS Replacement website.[74]

3.5. Takeovers and buybacks

These changes impact:

- Issuers who opt to use CHESS for the processing of acceptances in respect of the "non-takeover offer events" referred to below, and participants acting on their behalf.
- Controlling participants for CHESS holdings affected by such "non-takeover offer events".

Given the existing operation of similar functionality for takeovers (as well as for such non-takeover offer events), such impacts are not expected to be significant. Please refer below for further information on rule impacts.

Overview of new/changed functionality

The ASXSORs currently expressly provide for the processing of acceptances into takeover bids, which is supported by the Corporations Act and regulations[75].

Certain other types of bids to acquire financial products that are not strictly "takeover bids" have been processed using the takeovers facility in CHESS, supported by ASXSOR 14.12.1[76], including:

- Bids under buybacks.
- Reinvestment offers.

The ASXSORs are to be updated to include an express framework to support such "non-takeover offer events", including to expressly provide for the processing of acceptances under buyback offers or reinvestment offers.

It will continue to be optional for offerors under such events (namely issuers) to use the facility made available by ASX Settlement for the processing of acceptances in respect of CHESS Holdings under such offers. Where they do so, the obligations set out in the rule amendments for such offerors and participants acting on their behalf, as well as for controlling participants for CHESS holdings, will apply. While accommodating differences in their operation relative to takeovers, such amendments will largely mirror existing rules for processing of takeover acceptances.

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[73] https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/112198773/Stakeholder+Feedback+and+ASX+Response+Payment+Facilities
[74] https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/47087831/Payment+Facilities
[75] See section 653A of the Corporations Act 2001 (Cth) and regulation 6.8.01 of the Corporations Regulations 2001 (Cth).
[76] ASXSOR 14.12.1 permits ASX Settlement to treat certain types of bid to acquire financial products as "takeover bids" for the purposes of the ASXSORs.

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These non-takeover offer events will be specifically distinguished from takeovers (TEND) by an event type code (BIDS, OTHR respectively). Each event type code will be underpinned by the relevant processing and permissions attributable to those events (including any processing of late acceptances allowed for such non-takeover offer events).

These changes, and the impact on the rulebooks are described in further detail in points 17 and 18 of Part 3 of the Summary in **Attachment A**.

Consultation on solution design

The solution design for this functionality has been the subject of consultation through the following stakeholder forums:

- Focus Group session on 13 August 2019.
- Technical Committee meeting on 23 July 2019.

ASX has made available on its website a summary of the feedback it has received from stakeholders from the relevant Focus Group and ISO 20022 Technical Committee meeting on the solution design of the takeovers and buyback functionality.[77]

The takeovers and buyback functionality solution design has been communicated publicly in the Technical Documentation made available as part of Document Release 5 (Part I) in September 2019 on the ASX CHESS Replacement website.[78]

3.6. Diary adjustments

These changes impact settlement participants in relation to instructions not performed on the scheduled date in batch settlement. Given the technical nature of the changes, such impacts are not expected to be significant. Please refer below for further information on rule impacts.

Overview of new/changed functionality

Under the new system, the settlement amount calculated for an accrued DvP batch instruction (generated to provide redress in connection with a failed settlement affecting financial products subject to a rights offer) will be zero. Accordingly, there will no longer be a corresponding reduction to the settlement amount of the parent DvP batch instruction. This calculation and inclusion of a settlement amount is a legacy initiative which was introduced before fail fees and is no longer considered necessary as a method of discouraging failed settlements.

The ASX Settlement Operating Rules will also be updated to:

- Better reflect the different redress mechanisms that apply where a batch instruction does not settle on the scheduled date in connection with a corporate action.
- Allow for settlement participants to change to parent batch instructions by way of messages cancelling and generating new instructions to reflect revised settlement details following a failed settlement affecting financial products subject to a call, option exercise or conversion. Manual updates will not be supported under the new system in such instance.

These changes and the impact on the rulebooks are described in further detail in points 19 to 22 of Part 3 of the Summary in **Attachment A**.

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[77] Available at: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/102891857/Stakeholder+Feedback+and+ASX+Response+Takeovers+and+Buy-backs+Bid+Offers

[78] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/101646653/Takeovers+and+Buy-backs+Bid+Offers+Overview

Consultation on solution design

The solution design for diary adjustments has been the subject of consultation through the following stakeholder forums:

- Focus Group session on 12 November 2019.
- Technical Committee meeting on 26 November 2019.

The diary adjustment solution design has been communicated publicly in Technical Documentation on the ASX CHESS Replacement website made available as part of Document Release 7 (Part II) in February 2020.[79]

3.7. Holding adjustments

These changes impact issuers and their share registries in their performance of holding adjustments for corporate actions. Such parties will need to consider systems and operational processes to support the relevant changes. Please refer below for further information on rule impacts.

Overview of new/changed functionality

Changes are being made in respect of holding adjustment functionality, including:

- Under the new system, issuers will be able to give effect to an adjustment to more than one class of financial products by way of a holding adjustment. In the current CHESS system, a holding adjustment message can only relate to one class of financial product.
- Issuers will be required to initiate a holding adjustment or financial products transformation to give effect to a reconstruction by transmitting a valid message to ASX Settlement. This will mean that the message needs to be formatted in accordance with a requirement to be included in the user technical documentation that reconstructions be given effect to via one message that accounts for an adjustment rather than multiple messages. This supports the preservation under ASXSOR 14.2 of subpositions restricting the movement of Financial Products.
- Issuer initiated holding adjustments or financial products transformations in relation to:
  - financial products held in a locked holding; or
  - financial products reserved in a subposition,

  will not be given effect to unless the holding adjustment or financial products transformation relates to a reconstruction[80] or results in an increase to the number of financial products in the holding.[81] Consistent with CHESS today, ASX will also give effect to a holding adjustment or financial product transformation in relation to financial products held in a holding subject to a holder record lock due to the death or bankruptcy of the holder. This supports the preservation of holding locks and subpositions restricting the movement of financial products.
- A message from an issuer initiating a holding adjustment for AQUA products will no longer need to contain the identification number for the originating request transaction.
- Currently, ASX Settlement will not process an issuer initiated holding adjustment or financial products transformation if the message is received between start of day and settlement cut-off until after the settlement processing phase has completed. This processing restriction is being removed so that ASX Settlement will process these messages between start of day and settlement cut-off.

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[79] Available at: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/245730632/Diary+Adjustments+Overview

[80] If the holding is locked as the result of a demand lock or a settlement lock, ASXSOR 8.26.1 provides the process for the removal of that lock prior to the Issuer initiating a holding adjustment or financial product transformation by way of a valid message in respect of a reconstruction.

[81] In the case of a holding subject to a demand lock or a settlement lock, a holding adjustment or financial product transformation that increases the number of financial products in a holding is not prevented, as demand locks and settlement locks only prevent the specified number of Financial Products that are subject to a transfer from being deducted.

These changes and the impact on the rulebooks are described in further detail in points 23 to 29 of Part 3 of the Summary in **Attachment A**.

Consultation on solution design

The solution design for holding adjustments has been the subject of consultation through the following stakeholder forums:

- Focus Group session on 9 July 2019.
- Technical Committee meeting on 28 May 2019.

ASX has made available on its website a summary of the feedback it has received from stakeholders from the relevant Focus Groups and ISO 20022 Technical Committee meetings on the solution design of the holding adjustment functionality.[82]

The holding adjustment solution design has been communicated publicly in Technical Documentation made available as part of Document Release 6 in November 2019 on the ASX CHESS Replacement website.[83]

3.8. mFund

The proposed changes to the existing mFund functionality are primarily to updates to message content and validation requirements (including for alignment with ISO 20022 requirements). The aim is to streamline and enhance specific aspects of mFund messaging in the new system (for example by removing unused message content and enhancing the structure and content of certain messages – see below for further detail).

Additionally, taking into account feedback received from stakeholders that redemption 'on-hold' status, switch and income advice notification functionality are no longer required, the draft rules include amendments to decommission that functionality.

These changes impact users of the mFund service:

- mFund product issuers, their registries and product issuer settlement participants.
- Controlling participants.

As the proposed changes are generally of a technical nature, this impact is not expected to be significant. Please refer below for further information on rule impacts.

Overview of new/changed functionality

Changes are being made in respect of the message fields, validation requirements and functionality for mFund, including:

- Locked holdings cannot request redemption - the new system will require an account not to be locked for the purposes of submitting a valid originating message requesting the redemption of mFund units. If the message does not satisfy the relevant validation requirements, the new system will generate an error message. For completeness, unit allotment will still be permitted on a locked account, provided the account was active when the relevant order was submitted, accepted and settled.
- Validation of requests against fund status - the new system will validate an mFund request against the fund status of the security. The new system will require the fund status of the particular mFund product to be open in respect of the relevant type of application for issue and/or redemption (as applicable) for the resulting message to be transmitted by ASX Settlement. If the message does not satisfy the relevant validation requirements, the new system will generate an error message.

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[82] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/112657670/Stakeholder+Feedback+and+ASX+Response+Holding+Adjustments.
[83] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/112427568/Holding+Adjustments+Overview.

- Removal of order type - in the new system, the order type field for applications for issue and redemption, and status update messages will be removed. The order type field is not available on the ISO message to be used for mFund applications status updates. In the new system, the order type will be defined by the message type on application submission and confirmation and so will be an inherent aspect of the relevant Message.
- Message field population changes - under the current system, unit price, number of units (i.e. unit quantity), fees are optional fields in the relevant application acceptance message. In the new system, these fields will be populated at order confirmation. The relevant data fields are not available on the ISO message to be used for mFund issue or redemption acceptance. Consequently, the message content requirements for ASXSOR 18.3.6A will be updated to reflect the relevant fields that will be populated in this message going forward.
- Initial applications - the initial application/investor data workflow will be amended such that the application will be required first followed by the investor data. The existing approach does not impose a sequencing requirement. ASX does not expect this change to have a material impact on participants, and notes that applicable business outcomes are not affected by this change.
- Investor cancellation prior to acceptance - the new system will allow cancellation of an application for issue or redemption by an investor prior to its acceptance.
- New cancellation codes - the new system will include new reason codes for cancellation messages. The provision of a reason code will be mandatory in the new system. Under the new system, PISP order cancellation reason codes have been added for:
  - PDS Issue Date supplied is not the latest issued PDS.
  - Investor has requested the order for an incorrect fund.
  - Investor has submitted incorrect details on the order.
  - Participant Request.
- mFund Housekeeping - the new system will cancel orders that have not yet received an accept/reject response from the relevant PISP after 31 days.
- Validation against holding balance - the new system will validate:
  - When requesting a full redemption order, that the total holding balance is equal to the available balance and the number of units requested for redemption.
  - Otherwise, the available balance is greater than or equal to the number of units requested for redemption.
- If the message does not satisfy the relevant validation requirements the new system will generate an error message.
- Removal of 'on-hold' status - taking into account feedback received from stakeholders in consultation with the market and this functionality's low usage, ASX has decided that the new system will not provide the PISP the capability to place a redemption order on an 'on-hold' status prior to acceptance. Under the current ASXSORs, a PISP has the ability to 'defer' a redemption request (i.e. place the request 'on-hold'). This functionality will be removed from the ASXSORs.
- Redemption request reason will be mandatory - the new system will require the provision of a redemption request reason (called 'redemption type') as either relating to cooling-off rights or otherwise.
- Removal of gross redemption amount - the mFund redemption order request in the new system will not have the capability for a participant to redeem a gross amount. As a result, the ability to specify a net or gross amount will not be available in the new system.

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- Validation for an active payment facility - the new system will only validate that an 'active' payment facility exists for the PISP and the settlement participant when the redemption order is requested by the participant. If the message does not satisfy the relevant validation requirements, the new system will generate an error message. For completeness, CHESS currently validates that an 'active' payment facility exists for the PISP and the settlement participant when:
  - The redemption order is requested by the relevant participant.
  - The redemption order is accepted by the PISP.
  - The subsequent message by the PISP to update the acceptance is sent.
- mFund controlling participants - under ASXSOR 18.3.2, only a controlling participant may initiate a request for redemption. Under the new system, a controlling participant must also initiate a request for issue of an mFund product. For completeness, ASX notes that, in practice, a controlling participant may sometimes appoint a third party provider to perform settlement functions on behalf of the controlling participant. Additional commentary will be included in the ASXSORs to clarify liability for batch settlement obligations under ASXSOR 18.3.8.
- Removal of mFund switch functionality - taking into account feedback received from stakeholders in consultation with the market, this functionality's very low usage and that it only has a limited use case, ASX has decided that the new system will not include functionality for switches.
- Removal of request income advice functionality - taking into account feedback received from stakeholders in consultation with the market and this functionality's very low usage, ASX has decided that the new system will not include functionality for the request of mFund income advice.

These changes, and the impact on the rulebooks are described in further detail in points 30 to 45 of Part 3 of the Summary in **Attachment A**.

Consultation on solution design

The solution design for mFund has been the subject of consultation through the following stakeholder forums:

- Focus Group session on 17 September 2019.
- Technical Committee Meetings on 1 October 2019 and 28 January 2020.

ASX has made available on the ASX CHESS Replacement website a summary of the feedback it has received from stakeholders from the relevant Focus Groups and ISO 20022 Technical Committee meetings on the solution design for mFund functionality, together with Technical Documentation which communicates the details of the solution design as part of Document Release 7 (Part II) in February 2020.[84].

3.9. Other miscellaneous amendments

In addition to changes in respect of the functional elements referred to above in this Section 3 of this paper, several tidy up changes are also being made to the ASX Settlement Operating Rules.

These changes and the impact on the rulebooks are described in further detail in points 16, 22, 29 and 46 of Part 3 of the Summary in **Attachment A**.

[84] Available at https://asxchessreplacement.atlassian.net/wiki/spaces/WD/pages/211419207/February+2020+-+Documentation+Release+Notes+Part+II

4. Stakeholder feedback sought

4.1. Operation of Rule amendments

As indicated above, the rule amendments discussed in this paper give effect to the solution design for 'day 1' functionality of the new system, including for new or changed functionality that has already been the subject of consultation processes through:

- ASX's consultation paper released September 2016 *ASXs Replacement of CHESS for Equity Post-Trade Services: Business Requirements*, which sought initial views from stakeholders on their requirements for the system to replace CHESS and the *Supplementary Questionnaire* released by ASX in December 2016.
- Six CHESS Replacement industry working groups convened in 2017 to obtain industry input on the business requirements for the new system.
- ASX's 2018 consultation paper in relation to the development of new business requirements for the new system and aspects of the existing CHESS system to be decommissioned.
- Focus Groups and the Technical Committee for materially changed or significant new functionality or ISO messaging specifications and workflow for the new system (including for subsequent changes arising from the redesign of netting and settlement workflows).
- The tranche 1 rule amendments released to the market for consultation on 15 November 2019, and ASX's response to the tranche 1 consultation feedback released on 22 May 2020.[85]
- The tranche 2 rule amendments released to the market for consultation on 21 February 2020, and ASX's response to the tranche 2 consultation feedback released on 24 September 2020.[86]
- ASX's consultation paper released February 2021 to obtain industry input on the redesign of netting and settlement workflows.

Given the comprehensive nature of the consultation undertaken already on the 'day 1' functionality and solution design of the new system, this consultation process is focussed on the operation of the rule amendments in respect of such functionality / solution design.

4.2. Stakeholder feedback requested by ASX

ASX invites feedback from users and other stakeholders on the operation of the tranche 3 rule amendments set out in **Attachments D, E and F** and the consolidated rules package across the tranche 1, 2 and 3 rule amendments set out in **Attachments G, H, I and J**, including any unintended consequences and associated impacts, to assist in finalising the draft rules for the new system.

Stakeholders can choose to:

- focus their review and provide feedback the tranche 3 rule amendments, which have not previously been subject to formal consultation; or
- provide feedback across the entire package of rule amendments for the new system as a consolidated rules package across the three tranches[87], including the interaction between each tranche of rule amendments.

This consultation feedback is requested by 14 December 2021.

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[85] The Tranche 1 Consultation Paper is available here: https://www.asx.com.au/documents/public-consultations/chess-replacement-tranche1-rule-amendment.PDF. The Tranche 1 Response to Consultation is available here: https://www2.asx.com.au/content/dam/asx/about/regulations/public-consultations/2020/tranche-1-response-to-cp-may-2020-full-910959v1.PDF

[86] The Tranche 2 Consultation Paper is available here: https://www.asx.com.au/images/resources/Tranche2ConsultationPaperandAttachments.PDF. The Tranche 2 Response to Consultation is available here: https://www2.asx.com.au/content/dam/asx/about/regulations/public-consultations/2020/tranche2-response-to-cp-september2020-final-933157v1.pdf

[87] As updated through the prior consultations on the tranche 1 and tranche 2 rule amendments.

5. Next steps

5.1. Response to consultation

ASX will consider consultation feedback received and release to the market its response to consultation feedback that provides a summary of the feedback received in stakeholder submissions, addresses respondents' requests for clarification and further information, and includes the draft rule changes with the revisions made to take into account feedback received marked-up.

ASX is planning to release to market its response to consultation by early June 2022.

ASX will release the final rules package after the completion of the regulatory clearance processes referred to below. ASX is planning to release the final rule changes at least six months prior to the go-live date of the new system.

5.2. Regulatory clearance processes

The amendments will also be the subject of further engagement with the regulatory agencies as part of the normal regulatory clearance process for rule amendments.

As part of this process, ASX anticipates providing a combined draft rules package across all of the tranches (including any changes made through the public consultation process on the rule amendments) to the regulatory agencies in early April 2022. ASX plans to have finalised the form of the combined rules package and to formally lodge that final form of rule amendments with ASIC in early September 2022. Regulatory clearance of the rule amendments will be on the basis of this combined rules package covering all three tranches (i.e. not separately for each tranche of rule amendments).

The final form of the rule amendments will become effective at the time of go-live of the new system, other than for certain transitional rules to support migration to the new system, which are intended to become effective up to six months prior to go-live.

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Attachment A - Summary of proposed changes to the ASX Settlement Operating Rules, ASX Clear Operating Rules, ASX Operating Rules and ASX Enforcement and Appeals Rulebook

This document summarises the changes to the ASX Settlement Operating Rules (**ASXSORs**), ASX Clear Operating Rules (**ASXCORs**), ASX Operating Rules (**ASXORs**) and ASX Enforcement and Appeals Rulebook (**ASXEARs**) (together, the **rulebooks**) and associated Procedures to the rulebooks as part of go-live of the new system to replace CHESS.

Part 1: Tranche 3

Part 1 of this document summarises the changes proposed to the rulebooks as part of Tranche 3.

Part 2: Tranche 1

Part 2 of this document summarises the changes proposed to the rulebooks as part of Tranche 1.

This reflects the Summary contained as Attachment A to the tranche 1 consultation paper, as updated for amendments in response to feedback received on the tranche 1 rule amendments and for changes to netting and settlement workflows consulted on in 2021.

Part 3: Tranche 2

Part 3 of this document summarises the changes proposed to the rulebooks as part of Tranche 2.

This reflects the Summary contained as Attachment A to the tranche 2 consultation paper, as updated for amendments in response to feedback received on the tranche 2 rule amendments and for functionality which no longer forms part of Day 1 scope of the new system (electronic acceptances and payment for entitlement offers and CHESS processing of elections as to alternate forms of consideration under schemes of arrangement).

Stakeholders who wish to focus their review and feedback on the tranche 3 rule amendments can refer to Part 1.

Stakeholders who wish to provide feedback across all the rule amendments for the new system as a consolidated rules package across the three tranches can refer to Parts 1, 2 and 3.

Important information

Terms not defined in this document have the meanings given to them in the rulebooks (as applicable). This document is a summary only and needs to be read in conjunction with the rulebooks.

The amendments to the rulebooks and therefore this summary of amendments are subject to change through public consultation and regulatory disallowance processes.

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Part 1: Tranche 3

31 August 2021

This part covers the third of the three tranches of rule amendments, which relate to the following functional elements of the new system:

- netting (redesign of netting and settlement workflows)
- batch settlement (including redesign of netting and settlement workflows);
- reporting;
- static and pass-through investor data;
- default management; and
- system authentication and set up;
- transitional arrangements addressing migration aspects for the cutover to the new system

It also provides for other miscellaneous amendments including:

- participant identifiers;
- excess cash instructions;
- data governance;
- suppression of holding statements;
- removal of opt-out ability for trade registration;
- further changes to tranche 1 and tranche 2 rule amendments; and
- tidy-up changes.

The changes summarised in this part fall within one of the categories listed below:

- Changes required to implement new business requirements;
- Changes required to reflect re-engineering of existing functionality; and
- Other miscellaneous changes.

No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
Netting (redesign of netting and settlement workflows)					
1.	Netting eligibility is currently determined based on the following attributes: for example: • Netting eligibility flag on the security • Trade condition on the novated market trade, with certain trade conditions exempt from netting.	All novated market trades will be eligible for netting without exception, and so existing netting eligibility criteria will be removed.	This change is part of the redesign of netting and settlement workflows, which is required to provide additional system scalability to meet higher trading volumes.	Amended ASXCOR 2.10.1 (amended definition of "Buyer" (also contains Tranche 2 changes in highlight), "CCP Batch Instruction", "Fail" (also contains Tranche 2 changes in highlight), "Instruction" (also contains Tranche 2 changes in highlight), "Seller" (also contains Tranche 2 changes in highlight); delete definition of "CCP Gross Batch Instruction" and "CCP Net Batch Instruction"); 4.21, Introduction Box for Section 12 (also contains Tranche 2 changes in highlight), 12.6.2,	Reengineer

[1] The following key is used to indicate the type of change:

- Changes required to implement new business requirements identified in the CHESS Replacement Consultation Paper, *CHESS Replacement: New Scope and Implementation Plan (April 2018)* (**CP**) (**New BR**)
- Changes required to reflect re-engineering of existing functionality (**Reengineer**)
- Changes made to decommission existing CHESS functionality (**Decommission**)
- Other changes (**Other**)

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
				12.6.2A, 12.7.9, 12.8.1, 12.8.5, 12.8A.1 and 12.9.1. Amended ASXCOR Procedure 12.1.1.	
2.	Netting is performed as part of overnight processing for eligible novated market trades, and an aggregated CCP Net Batch Instruction (also referred to as the "Net Broker Obligation" or "NBO") scheduled for DvP Batch Settlement. Each novated market trade is placed in a "netted" state and references the CCP Net Batch Instruction which it comprises.	Novated market trades will no longer be offset and represented for settlement through the CCP Net Batch Instruction. As a result of no longer generating the CCP Net Batch Instruction, associated scheduled netted trade reporting will no longer be produced and disseminated to clearing participants in the overnight batch. Similarly there will not be separate CCP Gross Batch Instructions generated for novated market trades that did not form part of the CCP Net Batch Instruction.	This change is part of the redesign of netting and settlement workflows, which is required to provide additional system scalability to meet higher trading volumes.	Amended ASXSOR 2.13.1 (amended definition of "Batch Instruction", "CCP Batch Instruction"; delete definition of "CCP Gross Batch Instruction" and "CCP Net Batch Instruction"); Introduction Box for Section 10 and 10.9.1. Amended ASXCOR 2.10.1 (amended definition of "Buyer" (also contains Tranche 2 changes in highlight), "CCP Batch Instruction", "Fail" (also contains Tranche 2 changes in highlight), "Instruction" (also contains Tranche 2 changes in highlight), "Seller" (also contains Tranche 2 changes in highlight); delete definition of "CCP Gross Batch Instruction" and	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
				"CCP Net Batch Instruction"); 4.21, Introduction Box for Section 12 (also contains Tranche 2 changes in highlight), 12.6.2, 12.6.2A, 12.7.9, 12.8.1 (also contains Tranche 1 changes in highlight), 12.8.5 (also contains Tranche 1 changes in highlight), 12.8A.1 and 12.9.1. Amended ASXCOR Procedure 12.6.2.	
3.	ASX Clear generates a "CCP Net Batch Instruction" (for novated market trades subject to netting) and "CCP Gross Batch Instructions" (for novated market trades that are not subject to netting) and provides these to the settlement facility.	A new type of instruction, referred to as a "CCP Market Trade Batch Instruction" will be generated and provided by ASX Clear to the settlement facility in respect of each novated market trade.	This change is part of the redesign of netting and settlement workflows, which is required to provide additional system scalability to meet higher trading volumes.	Amended ASXSOR 2.13.1 (new definition of "CCP Market Trade Batch Instruction"; amended definition of "Batch Instruction", "CCP Batch Instruction"; delete definition of "CCP Net Batch Instruction" and "CCP Gross Batch Instruction"); Introduction Box for Section 10 and 10.9.1. Amended ASXCOR 2.10.1 (new definition of "CCP Market Trade Batch	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
				Instruction"; amended definition of "Buyer" (also contains Tranche 2 changes in highlight), "CCP Batch Instruction", "Fail" (also contains Tranche 2 changes in highlight), "Instruction" (also contains Tranche 2 changes in highlight), "Seller" (also contains Tranche 2 changes in highlight); delete definition of term "CCP Net Batch Instruction" and "CCP Gross Batch Instruction"); 4.21.1, Introduction Box for Section 12 (also contains Tranche 2 changes in highlight), 12.6.2, 12.6.2A, 12.7.9, 12.8.1 (also contains Tranche 1 changes in highlight), 12.8.5 (also contains Tranche 1 changes in highlight), 12.8A.1 and 12.9.1. Amended ASXCOR Procedure 12.6.2	

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
4.	A Participant's net delivery or net receipt positions for novated market trades that are subject to netting are materialised in a CCP Net Batch Instruction (also referred to as an "NBO") which is scheduled for settlement in DvP Batch Settlement.	CCP Net Batch Instructions will no longer be generated, being replaced by CCP Market Trade Batch Instructions for each novated market trade. ASX Clear will however calculate, or caused to be calculated, a clearing participant's net payment and delivery obligation or net receipt position across its novated market trades in a security for each settlement account (HIN) operated by the clearing participant, referred to as the novated net delivery position (NNDP)[2]. This will include novated market trades currently excluded from the NBO, for example: • based on security eligibility (for complex corporate action processing for which diary adjustments i.e. redress mechanisms for a settlement fail, are not supported by ASX Settlement); or • novated transactions arising from the exercise of option contracts and registered with ASX Clear for	This change is part of the redesign of netting and settlement workflows, which is required to provide additional system scalability to meet higher trading volumes.	Amended ASXSOR 2.13.1 (new definition of "Novated Net Delivery Position"); 10.10.1 (new interpretative note). New ASXCOR 12.6.1A Amended ASXCOR 2.10.1 (new definition of "Novated Net Delivery Position" and "*Settlement Account*"); Introduction Box for Section 12 (also contains Tranche 2 changes in highlight). New ASXCOR Procedure 12.6.1A.	Reengineer

[2] Where the security is due to be delivered or received on a business day during an ex-period, a separate NNDP will be calculated per basis of movement, i.e. having regard to whether the security is to be transferred with or without the relevant entitlement.

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
		settlement on the following day (also referred to as T+1 trades with an 'as at' date of T (being the date on which the exercise notice was allocated).			
5.	A Participant's net delivery or net receipt positions for novated market trades that are subject to netting are materialised in a CCP Net Batch Instruction (also referred to as an "NBO") which is scheduled for settlement in DvP Batch Settlement.	ASX Clear will create and provide to clearing participants during CHESS end-of-day processing a new report (netted obligation report) with an end of day view of the participant's projected NNDP for each future settlement date.	This change is part of the redesign of netting and settlement workflows, which is required to provide additional system scalability to meet higher trading volumes.	New ASXCOR 12.6.1A. Amended ASXCOR 2.10.1 (new definition of "Novated Net Delivery Position"); Introduction Box for Section 12. New ASXCOR Procedure 12.6.1A.	Reengineer
6.	N/A	Clearing participants (in their capacity as settlement participant or through their settlement agent (if applicable)) will also be able to request, using existing demand reporting functionality, a new report (obligation status report) in the case of a reconciliation break between novated trades and the projected NNDP reported to the participant.	This change is part of the redesign of netting and settlement workflows, which is required to provide additional system scalability to meet higher trading volumes.	Amend ASXSOR 16.20.1. Amend ASXCOR 12.6.1A (new interpretative note).	Reengineer
7.	ASX Clear communicates a CCP Net Batch Instruction (for novated market trades subject to netting) and CCP Gross Batch Instructions (for novated market trades that are not subject to netting) to the settlement facility. A	ASX Clear will provide the NNDP (calculated across all CCP Market Trade Batch Instructions in a security for each settlement account (HIN)) to the settlement facility at the	This change is part of the redesign of netting and settlement workflows, which is required to provide additional system scalability to meet higher trading volumes.	Amended ASXSOR 10.10.1 (new interpretative note). New ASXCOR 12.6.1A.	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
	separate netting calculation across such instructions is not currently performed by ASX Clear.	commencement of batch settlement for that settlement date.			
Batch settlement (including redesign of netting and settlement workflows)					
8.	Where there is Financial Products Shortfall, each CCP Net Batch Instruction and CCP Gross Batch Instruction that is Failed due to that shortfall is rescheduled for settlement on the next business day on a line by line basis. Where there is Payment Shortfall, each CCP Net Batch Instruction and CCP Gross Batch Instruction that is Failed due to that shortfall is subject to an Offsetting Transaction Arrangement, under which the second leg of the offsetting transaction arrangement is scheduled for settlement the next day as a CCP Net Batch Instruction or CCP Gross Batch Instruction (as applicable) notified by ASX Clear to ASX Settlement.	The process for rescheduling CCP Batch Instructions that have Failed due to a Financial Products Shortfall has changed. The following process will apply: • ASX Settlement will notify ASX Clear of each CCP Market Trade Batch Instruction that has Failed in whole or in part due to a Financial Products Shortfall. • ASX Clear will generate and forward to ASX Settlement a new instruction during the Settlement Processing Phase referred to in the ASXSORs and ASXCORs as a "CCP Rescheduled Batch Instruction" for settlement on the next business day. [3] • The CCP Rescheduled Batch Instruction will represent the net of all payment and delivery obligations under all CCP Market Trade Instructions for a	Refer above. Efficiency for Participants by accounting for Failure due to a Financial Product Shortfall on a net basis with one CCP Rescheduled Batch Instruction (rather than multiple instructions). The generation of a separate CCP Rescheduled Batch Instruction in respect of each day allows the algorithm to prioritise these instructions for settlement based on the duration of the failure.	Amended ASXSOR 2.13.1 (new definition of "*CCP Offsetting Transaction Arrangement Batch Instruction*", "*CCP Rescheduled Batch Instruction*"; amended definition of "*Batch Instruction*", "*CCP Batch Instruction*", "*Rescheduled Batch Instruction*"), 8.5.1, Introduction Box for Section 10, 10.9.1A (also contains Tranche 2 changes in highlight), 10.11.7. New ASXCOR 12.6.2B. Amended ASXCOR 2.10.1 (new definition of "*CCP Offsetting Transaction Arrangement Batch Instruction*", "*CCP Rescheduled Batch*	Reengineer

[3] Please note the User Technical Documentation refers to this instruction as a "Novated Rescheduled Instruction" or NRI.

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
		Participant's settlement account (HIN) and class of financial product that are Failed (in whole or in part) due to a Financial Products Shortfall on each Settlement Day. • The CCP Rescheduled Batch Instruction will take into account any Standard Settlement Price adjustment (see below). • If a CCP Rescheduled Batch Instruction is Failed on a subsequent Business Day, it will be rescheduled for settlement on the next business day. It will not be netted into any CCP Rescheduled Batch Instructions generated on subsequent Settlement Dates. In the new system, all CCP Batch Instructions that are failed due to a Payment Shortfall will be scheduled for performance on the following business day via a new type of instruction, referred to in the rulebooks as a "*CCP Offsetting Transaction Arrangement Batch Instruction*". In the case of failed CCP Market Trade Batch Instructions, the CCP Offsetting Transaction Arrangement		*Instruction*", "*Financial Products Shortfall*", "*Settlement Processing Phase*" and "*Settlement Account*"; amended definition of "*Buyer*" (also contains Tranche 2 changes in highlight), "*CCP Batch Instruction*", "*Fail*" (also contains Tranche 2 changes in highlight), "*Instruction*" (also contains Tranche 2 changes in highlight), "*Seller*" (also contains tranche 2 changes in highlight), 4.21.1, introduction to Section 12 (also contains Tranche 2 changes in highlight), 12.6.2A, 12.6.2B, 12.8.1 (also contains Tranche 1 changes in highlight), 12.8.5 (also contains Tranche 1 changes in highlight) and 12.9.1. New ASXCOR Procedure 12.6.2A and 12.6.2B.	

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
		Batch Instruction will be generated by ASX Clear to represent the net delivery and payment obligations for a participant across each of the Offsetting Transaction Arrangements entered into in respect of those failed instructions per settlement account (HIN) and class of financial product. Refer to row 33 below (default management) for further information.			
9.	Within 30 minutes of ASX Settlement giving effect to Settlement, it will notify Settlement Participants of: • each Batch Instruction that has settled, including the extent to which a Batch Instruction has settled in part; and • the net movement of Financial Products controlled by the Settlement Participant.	ASX Settlement will provide reporting to settlement participants on the settlement of batch instructions on an exceptions basis, with ASX to no longer notify Settlement Participants of each Batch Instruction that has settled in full. ASX Settlement will notify Settlement Participants of the net movement of Financial Products and funds for each Holding, broken down by settlement instruction type (settlement movement confirmation). This will include any Financial Products that have been Failed and rescheduled as a CCP Rescheduled Batch Instruction or a CCP Offsetting Transaction Arrangement Batch Instruction. To determine the net movement of Financial Products and funds for each	This change is part of the redesign of netting and settlement workflows, which is required to provide additional system scalability to meet higher trading volumes.	Amended ASXSOR 10.13.3 and Appendix 1 as it relates to 10.13.3. New ASXSOR Procedure 10.13.3. Amended ASXCOR 12.10.1 (new interpretative note).	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
		Holding controlled by the Settlement Participant that was specified in CCP Market Trade Batch Instructions scheduled for settlement on a Business Day, a Settlement Participant must read each notification of the net movement of Financial Products for each Holding *subject to* any: • CCP Rescheduled Batch Instruction generated on that Business Day (in respect of CCP Market Trade Batch Instructions Failed due to a Financial Products Shortfall or suspended as a result of the suspension of the underlying financial product (refer row 15 below)); and • CCP Offsetting Transaction Arrangement Batch Instruction generated on that day (in respect of CCP Market Trade Batch Instruction Failed due to a Financial Products Shortfall), for the holding. Settlement participants will also be able to request, using existing demand reporting functionality, a new report (obligation status report) in the case of a reconciliation break between batch instructions			

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
		scheduled for settlement and the settlement movement confirmation reported to the participant.			
10.	If a CCP Net Batch Instruction has Failed due to a financial product shortfall or payment shortfall, ASX Settlement may adjust the net obligation to make or receive payment by reference to the Settlement Amount notified to ASX Settlement by ASX Clear. This revised Settlement Amount reflects any Standard Settlement Price (**SSP**) adjustment that may be applied. The SSP is a price determined by reference to bids/offers and the last sale price of Financial Products on the **one** Business Day before the Settlement Date on which an Instruction Fails.	The SSP price will be determined by reference to bids/offers and the last sale price of Financial Products **two** Business Days before the Settlement Date on which an Instruction Fails.	The SSP will be based on two days before the Settlement Date (generally, T) to more closely align with the original transaction price.	Amended ASXCOR 2.10.1 (amended definition of "*Standard Settlement Price*"), 12.8.5 (also contains Tranche 2 changes in highlight).	Reengineer
11.	A Buyer may request ASX Clear to isolate a counterparty in relation to a Failed CCP Net Batch Instruction. Where a request is made, ASX Clear will generate CCP Gross Batch Instructions that relate to the request. The ASXCORs do not currently provide that settlement of CCP Gross Batch Instructions generated as a result of an isolate counterparty request are contingent on each other, however in	As CCP Market Trade Batch Instructions that are Failed due to a Financial Products Shortfall or a Payment Shortfall will be rescheduled as a CCP Rescheduled Batch Instruction or a CCP Offsetting Transaction Arrangement Batch Instruction, the isolate counterparty functionality will instead apply in respect of CCP Rescheduled Batch Instructions and CCP Offsetting	Reflect change of processes due to introduction of the CCP Rescheduled Batch Instruction and CCP Offsetting Transaction Batch Instruction (see above). Better reflect counterparties to CCP Batch Instructions.	New ASXSOR 10.9.19. Amended ASXSOR 2.13.1 (new definition of "*CCP Isolate Counterparty Batch Instruction*" and "*Linked CCP Instructions*";, amended definition of "Batch Instruction"), Introduction Box for Section 10 (also contains	Reengineer Other

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
	effect CHESS today ensures this in the way these instructions are generated.	Transaction Arrangement Batch Instructions. The isolate counterparty functionality will also apply to Accrued Batch Instructions generated in respect of failed CCP Batch Instructions in order to effect a distribution of financial products arising from a corporate action. Another new type of instruction, referred to as a "*CCP Isolate Counterparty Batch Instruction*" will represent the CCP Batch Instruction generated where use of isolate counterparty functionality is requested. CCP Isolate Counterparty Batch Instructions generated as a result of an isolate counterparty request will be linked to make settlement of all CCP Isolate Counterparty Batch Instructions generated pursuant to the isolate counterparty request contingent on each other. The ASXCORs are being amended to more clearly reflect that ASX Clear is the counterparty to the relevant CCP Isolate Counterparty Batch Instructions generated as the result of an isolate counterparty request, and to acknowledge that if a Clearing Participant is not also a Settlement		Tranche 2 changes in highlight), 10.9.1, 10.9.1A (also contains Tranche 2 changes in highlight), 10.9.19, 10.11.6, 10.11.7, 10.11.7A, 10.20.1 and 10.21; Appendix 1 as it relates to Rule 10.9.1. Amended ASXCOR 2.10.1 (new definition of "*CCP Isolate Counterparty Batch Instruction*" and "*Settlement Agent*"; amended definition of "CCP Batch Instruction"), introduction to Section 12 (also contains Tranche 2 changes in highlight), 12.7.10, 12.8.1 (also contains Tranche 2 changes in highlight), 12.8.5 (also contains Tranche 2 changes in highlight) and 12.9.1.	

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
		Participant, a Settlement Agent may make the isolate counterparty request. Certain ASXSORs which deal with adjustments for entitlements in respect of failed batch instructions arising pursuant to an agreement between the counterparty settlement participants are being amended to clarify that the prescribed mechanism for such adjustments does not apply to CCP Batch Instructions. Such adjustments in respect of CCP Batch Instructions will instead need to occur through the operation of the isolate counterparty functionality.			
12.	If both the receiving Settlement Participant and delivering Settlement Participant request a change to the settlement obligations for a CCP Gross Batch Instruction, ASX Settlement will update the CCP Gross Batch Instruction to reflect that change and will include the CCP Gross Batch Instruction in a Surveillance Report.	In the new system, participants will no longer be able to agree changes to settlement obligations for a CCP Batch Instruction (i.e. from those notified to ASX Settlement by ASX Clear). Instead, where they seek to change settlement obligations for CCP Batch Instructions, the relevant receiving Settlement Participant and the delivering Settlement Participant(s) will be required to each request the cancellation of the corresponding CCP Isolate Counterparty Batch	Prevent changes to settlement obligations under CCP Batch Instructions without reference to the CCP (ASX Clear) and which cause a variance from the underlying Cash CCP Transactions that the CCP Batch Instructions are giving effect to. Better reflect counterparties to CCP Batch Instructions.	Amended ASXSOR 2.13.1 (new definition of "*Cash CCP Transaction*"), 10.5.2 (new interpretive note), 10.9.1, Appendix 1 as it relates to 10.9.1. New ASXCOR 12.7.10.	Reengineer Other

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
		Instructions generated in respect of an isolate counterparty request to which they are a party, and re-enter them on a bilateral (non-novated) basis. Where CCP Isolate Counterparty Batch Instructions have been cancelled in that manner, the underlying Cash CCP Transaction(s) will also be cancelled and ASX Clear and the Buyer and Seller will have no obligations in relation to those Cash CCP Transactions.			
13.	Participants can currently request the removal or cancellation of Cash CCP Transactions and CCP Batch Instructions	Other than for the cancellation of CCP Isolate Counterparty Batch Instructions referred to above, participants will no longer be able to remove or cancel novated market trades or CCP Batch Instructions. AMOs will continue to be able to cancel novated market trades, however in line with current practice, this will continue to be supported only on the day that the underlying market trade was submitted to ASX Clear. This is notwithstanding that later cancellation could be supported up until the commencement of batch settlement under the new system, given the removal of the NBO generation process at the end of the	This change is part of the redesign of netting and settlement workflows, which is required to provide additional system scalability to meet higher trading volumes. Continuing to restrict cancellations by AMOs of novated market trades reflects feedback received through the consultation on the redesign of netting and settlement workflows.	Amended ASXSOR 10.5.2. New ASXCOR 12.7.10. Amended ASXCOR Introduction Box for Section 12, 12.2.2, 12.7.1, 12.7.6. Delete ASXCOR 12.7.2, 12.7.4, 12.7.7 and 12.7.8. Delete ASXCOR Procedures 12.7.2, 12.7.4, 12.7.7.	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
		trade date which limited the ability to do so after that time. ASX Clear and ASX Settlement will retain their operating rule powers to remove novated market trades in certain circumstances (including to maintain the orderly operation of the clearing and settlement facilities), with this now to be supported up until the commencement of batch settlement under the new system, given the removal of the NBO generation process at the end of the trade date which limited the ability to do so after that time.			
14.	Participants can nominate a "Standing HIN" to be specified on each message listed in Appendix 2 of the ASXSORs. Participants may also nominate a "Standing Settlement HIN" to be specified on CCP Net Batch Instructions.	Participants can no longer nominate a Standing HIN to be specified on certain Messages transmitted to ASX Settlement. Messages must specify a HIN. However, participants may still nominate a settlement HIN by way of notice to ASX Settlement for use on all CCP Batch Instructions (this has been expanded from CCP Net Batch Instructions only under CHESS today). In the new system, this HIN will no longer be known as a "Standing	ISO 20022 standards require that a HIN is specified on all Messages transmitted to ASX.	Amended ASXSOR 2.13.1 (definition of "Standing Settlement HIN"), 6.4.2, 6.15.3, 10.9.13. Deleted ASXSOR 2.13 (definition of "*Standing HIN*"), 9.5.6, 9.9.1, Appendix 2. Deleted ASXSOR Procedure 9.9.1	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
		Settlement HIN" but will be referred to as a "Nominated Settlement HIN".[4]			
15.	If ASX Settlement suspends approval of a class of an Issuer's Financial Products, ASX Settlement will reschedule any Instructions in that class of Financial Products to the next Business Day. The ASXSORs do not currently require ASX Settlement to provide notice to each affected Settlement Participant that the Instruction has been rescheduled.	In the new system, rescheduling of CCP Market Trade Batch Instructions will be on a net basis as a CCP Rescheduled Batch Instruction, in the same way as for failed CCP Market Trade Batch Instructions (refer row 8 above). If an Instruction is rescheduled due to suspension of a class of an Issuer's Financial Products, ASX Settlement will notify each affected Settlement Participant that the Instruction has been rescheduled.	This change is part of the redesign of netting and settlement workflows, which is required to provide additional system scalability to meet higher trading volumes. The adoption of the same approach to rescheduling of CCP Market Trade Batch Instructions under the redesign is also to simplify the solution design for the new system by having a single method of rescheduling novated market trades. Ensure appropriate notice is provided to Settlement Participants.	Amended ASXSOR 2.13.1 (new definition of "*CCP Rescheduled Batch Instruction*"); 8.5.1 and 10.13.3. New ASXCOR 12.6.2B. Amended ASXCOR 2.10.1 (new definition of "*CCP Rescheduled Batch Instruction*"). New ASXCOR Procedure 12.6.2B.	Reengineer
16.	If batch settlement is cancelled on a business day, ASX Settlement will reschedule any batch instructions[5] included in batch settlement on that day, to the next business day.	In the new system, if batch settlement is cancelled on a business day, rescheduling of CCP Market Trade Batch Instructions will be on a net basis as a CCP Rescheduled Batch Instruction, in the same way as for failed CCP Market Trade Batch Instructions (refer row 8 above).	This change is part of the redesign of netting and settlement workflows, which is required to provide additional system scalability to meet higher trading volumes. The adoption of the same approach to rescheduling of CCP Market Trade Batch	Amend ASXSOR 2.13.1 (new definition of "*CCP Rescheduled Batch Instruction*"); 10.14.2. New ASXCOR 12.6.2B. Amended ASXCOR 2.10.1 (new definition of "*CCP*	Reengineer

[4] Note, the User Technical Documentation refers to this HIN as a "Nominated Settlement Entrepot HIN".
[5] An exception to this is for CCP derivatives payment batch instructions

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
			Instructions under the redesign is also to simplify the solution design for the new system by having a single method of rescheduling novated market trades.	*Rescheduled Batch Instruction*"). New ASXCOR Procedure 12.6.2B.	
17.	ASX Settlement can remove Batch Instructions from Batch Settlement or DvP Batch Settlement if the circumstances in ASXSOR 10.5.1 are met, but the ASXSORs do not currently expressly provide for the rescheduling of those Batch Instructions once removed.	ASXSORs to expressly provide for ASX Settlement to be able to reschedule Batch Instructions (if applicable) if the circumstances described in ASXSOR 10.5.1 are met. One example where this power may be utilised is where a participant's Settlement HIN becomes subject to a Holder Record Lock or Holding Lock (requiring removal of Batch Instructions from Batch Settlement to comply with the applicable lock), which is subsequently lifted.	Better support ASX Settlement ability to reschedule instructions, including to ensure ASX Settlement is able to give effect to desired Holding Lock and Holder Record Lock outcomes.	Amended ASXSOR 10.5.1.	Other
18.	The ASXSORs could be viewed to imply that a Participant can designate a CCP Batch Instruction as not available for settlement in part.	The ASXSORs to expressly provide that a Participant cannot designate a CCP Batch Instruction as available or not available for settlement in part.	Ensure that novated settlement instructions are fully available for settlement.	Amended ASXSOR 10.9.14.	Other
19.	Certain ASXSORs that explain how settlement is effected in the CHESS system currently treat CCP Net Batch Instructions differently to other types of CCP Batch Instructions.	Those ASXSORs to be updated to provide for settlement of all CCP Batch Instructions (including CCP Market Trade Batch Instructions, CCP Rescheduled Batch Instructions and CCP Offsetting Transaction Arrangement Instructions and CCP	Better reflect same settlement treatment of CCP Batch Instructions, including for new type of CCP Batch Instructions under new system design.	Amended ASXSOR 10.11.9, 10.11.10, 10.12.1, 10.12.2, 10.12.3, 10.12.4.	Reengineer Other

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
		Isolate Counterparty Batch Instructions) to be effected in the same way. The ASXSORs that currently apply to CCP Net Batch Instructions only are being extended to apply to all CCP Batch Instructions.			
20.	For the purpose of calculating whether a financial products shortfall arises in connection with batch settlement, this has regard to the number of financial products in a holding available for settlement. The rules don't however expressly provide that these be 'available' for use in settlement.	Expressly recognise that whether a financial products shortfall arises has regard to the 'available' number of financial products in a holding, and therefore excludes securities which are not available e.g. where the relevant securities are locked due to a court order.	Clarification of current processing	Amended ASXSOR 2.13.1 (definition of "*Financial Products Shortfall*").	Other
21.	The ASXSORs do not require ASX Settlement to send a Message to each Settlement Participant confirming that the Settlement Processing Phase is complete.	ASX Settlement will send a Message to each Settlement Participant that the Settlement Processing Phase is complete.	Ensure appropriate notice is provided to Settlement Participants.	New ASXSOR 10.13.4.	Reengineer
22.	ASX Settlement will not process certain Messages during the Settlement Processing Phase, including requests for Demand Reports or Standing Reports, and Messages that effect a change to the Holding Balance of any CHESS Holding other than a Message that initiates a Settlement Transfer.	Additional messages cannot be processed during the Settlement Processing Phase, being Messages requesting: • a change to the status of a Participant; • a change to a Holder Record; or • the application or removal of a Holder Record Lock, Holding	De-risking of the workflow.	Amended ASXSOR 16.22.1 (also contains Tranche 2 changes in highlight).	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
		Lock, Settlement Lock or Demand Lock.			
23.	ASX Settlement calculates and notifies net amounts per PID to be paid to or received from a participant's trust account concurrent with batch settlement. There is the potential for a further breakdown of the net trust amount in CHESS where more than one payment facility applies across delivering HINs, although this is not expressly addressed in the ASXSORs.	In the new system, there is the potential for the calculation and notification by ASX Settlement of net amounts per PID to be paid to or received from a participant's trust account concurrent with batch settlement, to be subject to further breakdown where unilateral batch instructions containing such trust amounts involve transfers of securities to or from more than one settlement account in respect of that PID and more than one payment facility applies across those settlement accounts (noting there can only be one payment facility per settlement account). The potential for this further breakdown is expressly recognised in the ASXSORs.	Clarification	New ASXSOR 2.10.13 (new definition of "*Settlement Account*"); 10.10A.3.	Reengineer Other
24.	Settlement participants are notified of net amounts per PID to be paid to or received from a participant's trust account at about the time of notification of that amount to their payment provider, with the sequencing being notification first being provided to the payments provider. The	Amend the ASXSORs to refer to such notification being concurrent with or after notification of that amount to their payment provider.	Clarification	Amended ASXSOR Appendix 1 as it relates to Rule 10.10A.2.	Other

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
	ASXSORs however contemplate that this is concurrent with or prior to notification to the payments provider.				
Reporting					
25.	A Facility User may request ASX Settlement to provide a: • Demand Report; or • Standing Report in accordance with parameters defined by the Facility User, in accordance with the EIS.	Facility Users will no longer be able to request a Standing Report or set the parameters for a Standing Report. All Standing Reports are Transmitted by ASX Settlement at End of Day on each Business Day. Demand Reports will continue to be provided to Facility Users by ASX Settlement on request. Detail about the type of Standing Reports and Demand Reports available to each type of Facility User will be set out in the User Technical Documentation.	Support ISO 20022 versions of CHESS message reports. Simplify the technical build for users by rationalising report parameters and workflows.	Amended ASXSOR 2.13.1 (definition of "*Standing Report*"), 16.20.1, 16.20.2, 16.21.1, 16.22.1, Appendix 1 (as it relates to Rule 16.20.2).	Reengineer
26.	An Issuer may request ASX Settlement to provide a Holding Net Movement Report and Total Security Balance Report.	ASX Settlement will make Holding Net Movement Reports and Total Security Balance Reports available to an Issuer on a Standing Report basis at End of Day (meaning an Issuer no longer has to request this report at End of Day). Holding Net Movement Reports will also be available on a Demand Report basis if an Issuer wishes to request these reports intraday. Total Security	As above	Amended ASXSOR 2.13.1 (definition of "*Holding Net Movement Report*"), 16.20.1, 16.20.2.	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
		Balance Reports will not however be available on such intraday Demand Report basis.			
27.	An Issuer of financial products subject to foreign ownership restrictions is required to monitor the Foreign Ownership Percentage Level on a daily basis by requesting a Foreign Holding Net Movement Report each Business Day.	Analysis of the messages requested by Issuers indicated that Issuers do not request a Foreign Holding Net Movement Report. As this report is not being used, an Issuer is no longer required to request a Foreign Holding Net Movement Report daily, although will continue to be required to monitor the Foreign Ownership Percentage Level on a daily basis. The Holding Net Movement Report will also be supplemented to include additional summary information relating to holdings in financial products by foreign persons.	As above. Issuers will be able to continue to rely on other information maintained or referenced by them to monitor the Foreign Ownership Percentage Level on a daily basis. The provision of additional summary information relating to holdings in financial products by foreign persons in the Holding Net Movement Report will also assist issuers to monitor the Foreign Ownership Percentage Level.	Amended ASXSOR 2.13 (amended definition of "*Holding Net Movement Report*" and deleted definition of "*Foreign Confirmed Holding Net Movement Report*"); 5.18.1.	Reengineer
28.	No notice is currently provided to an Issuer when the Holding Balance of a CHESS Holding is reduced to zero.	The new system will notify Issuers when the Holding Balance of a CHESS Holding (other than an Accumulation Account or Settlement Account) is reduced to zero.	Ensure appropriate notice is provided to Issuers.	New ASXSOR 8.31.1.	Reengineer
29.	In the current system, Settlement Participants receive notification each Business Day of their projected (as at start of day): • net obligations to make payment from a Payment Facility; and	The new system will no longer provide notification of projected net payment obligations and unit shortfalls to settlement participants. Notifications relating to projected net payment obligations in respect of a	The provision of notifications of projected unit shortfalls and payment obligations at the start of a settlement date was subject to change due to the scheduling of additional instruction on that	Deleted ASXSOR 10.10.2; Appendix 1 as it relates to 10.10.2.	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
	• unit shortfall (if any). In the current system, Payment Providers also receive notification each Business Day of each Settlement Participant's projected net obligations to make payment from a Payment Facility as at start of day (in accordance with the payments provider deed).	Payment Facility will continue to be provided to Payments Providers in the new system (in accordance with the payments provider deed).	day until batch settlement cut off, and therefore of limited value to participants (whose systems already update such values in real time as new instructions arise).		
Static & Pass-through Investor Data					
30.	Currently, CHESS facilitates the communication of "Australian ADI Account" details from a Participant to an Issuer.	In the new system, a bank account notification to an issuer of an account to make payments to an Investor may include a Foreign Bank Account where payments are made in currencies other than AUD. The acceptance of bank account details so notified to an Issuer will remain at the Issuer's discretion.	To facilitate the notification of bank account details other than in relation to Australian ADI Accounts.	Amended ASXSORs 2.13 (new definitions of "*Foreign Bank*" and "*Foreign Bank Account*"), 8.19 (heading), 8.19.7, 8.19.8, 8.19.9, 8.19.10, 8.19.11, 8.19.12 and 18.13.1. Amended ASXSOR Appendix 1 as it relates to 8.19.8, 8.19.9, 8.19.10 and 8.19.11	Reengineer
31.	Currently, TFN, ABN or Exemption Code (each a "Tax Number") information are required to be entered by Participants for joint holders in the order that the holders are identified in the holder record in CHESS.	In the new system, this data will be provided on a per holder basis as part of the creation of the holder record. Accordingly, it is no longer necessary that the ASXSORs specify that Tax Numbers appear in the same order as the names of Joint Holders appear.	Adoption of ISO 20022 messaging standard which provides for separate recording of holder and account (HIN) details.	Amended ASXSOR 8.19.2	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
Default management					
32.	N/A – New BR	ASX Settlement may remove a Settlement Lock if: • ASX Settlement imposes Restrictions on, suspends or terminates the participation of a Participant under ASXSOR 12.19.1; or • ASX Clear notifies ASX Settlement that it considers an event of default in respect of a Clearing Participant has occurred and the defaulting Clearing Participant is also a Settlement Participant, Settlement Locks may be removed from CHESS Holdings controlled by that participant. In the event a Settlement Participant acts as Settlement Agent for the defaulting Clearing Participant, Settlement Locks may be removed from CHESS Holdings controlled by the Settlement Agent in respect of the defaulting Clearing Participant.	Settlements Locks are not intended to apply in the circumstances of a default in respect of the relevant participant.	New ASXSOR 8.16.9, 8.16.10. Amended ASXSOR 8.16.11 (also contains Tranche 1 changes in highlight). Amended ASXSOR Procedure 8.16.11 (also contains Tranche 1 changes in highlight).	New BR Settlement Lock for CHESS Holdings (CP reference 2.2.5) Reengineer
33.	Where there is Payment Shortfall, each CCP Net Batch Instruction and CCP Gross Batch Instruction that is Failed due to that shortfall is subject to an	Under the new system, the second leg of an Offsetting Transaction Arrangement in respect of Failed CCP Batch Instructions for a Participant's	Efficiency for Settlement Participants by accounting for Failure due to a Payment Shortfall on a net basis with one CCP	New ASXSOR 2.13.1 (new definition of "*CCP Offsetting Transaction*	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
	Offsetting Transaction Arrangement, under which the second leg of the offsetting transaction arrangement is scheduled for settlement the next day as a CCP Net Batch Instruction or CCP Gross Batch Instruction (as applicable) notified by ASX Clear to ASX Settlement.	PID and class of financial product is scheduled for settlement as a "CCP Offsetting Transaction Arrangement Batch Instruction". In the case of a Failed Market Trade CCP Batch Instruction, the CCP Offsetting Transaction Arrangement Batch Instruction is generated to reflect the performance on a net basis of the second legs of each of the Offsetting Transactions Arrangements (representing the net delivery and payment obligations for a participant across all CCP Market Trade Batch Instructions for a Participant's PID and class of financial product that were Failed and are subject to an Offsetting Transaction Arrangement). Where a participant operates multiple settlement accounts for the settlement of CCP Batch Instructions in respect of a PID of the participant, and CCP Market Trade Batch Instructions in a class of financial products failed on a settlement date relate to more than one of those settlement accounts, separate CCP Offsetting Transaction Arrangement Batch Instructions will be generated in respect of each settlement account	Offsetting Transaction Arrangement Instruction across the CCP Market Trade Batch Instructions in a class of Financial Products Failed on a Business Day (rather than multiple instructions). The generation of a separate CCP Offsetting Transaction Arrangement Batch Instruction in respect of each day allows the algorithm to prioritise these instructions for settlement based on the duration of the failure.	*Arrangement Batch Instruction*"). Amended ASXSOR 2.13.1 (definition of "*Batch Instruction*", "*CCP Batch Instruction*", "*CCP Gross Batch Instruction*", "*CCP Net Batch Instruction*", introduction to Section 10, 10.9.1A (also contains Tranche 2 changes in highlight), 10.11.7A. New ASXCOR 2.10.1 (new definition of "*CCP Offsetting Transaction Arrangement Batch Instruction*"). Amended ASXCOR 2.10.1 (new definition of "*Settlement Account*"; amended definition of "*Buyer*" (also contains Tranche 2 changes in highlight), "*CCP Batch Instruction*", "*CCP Gross Batch Instruction*", "*CCP Net Batch Instruction*", "*Fail*" (also contains Tranche 2 changes in highlight), "*Instruction*" (also contains Tranche 2	

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
		to which the failed CCP Market Trade Batch Instructions relate. If a CCP Offsetting Transaction Arrangement Batch Instruction is Failed on a subsequent Business Day for a payment shortfall, it will still be subject to the offsetting transaction arrangement process but it will not be netted into any CCP Offsetting Transaction Arrangement Batch Instructions generated on subsequent Settlement Dates. .		changes in highlight), "*Seller*" (also contains tranche 2 changes in highlight), 4.21.1 (also contains Tranche 2 changes in highlight), introduction to Section 12 (also contains Tranche 2 changes in highlight), 12.6.2A, 12.7.9, 12.8.1 (also contains Tranche 2 changes in highlight), 12.8.5 (also contains Tranche 2 changes in highlight), 12.8A.1. New ASXCOR Procedure 12.6.2A.	
System authentication and set up					
34.	CHESS today currently contemplates one type of connectivity channel and therefore one type of message collection facility for ASX Settlement and Facility Users.	New technology and software will be utilised to enable Facility Users to access and interact with the new system using different connectivity channels (i.e. ISO 20022 messaging via AMQP or SWIFT, ledger API (node) or web browser)[6], with a separate Message collection facility to apply for each.	Reflect new technology and software that may be utilised by Facility Users to access and interact with the new system.	Amended ASXSOR 1.10.1, 2.13.1 (definition of "*Transmit*").	Reengineer

[6] The Technical and Connectivity Working Group has described the connectivity options. Past presentation material is available here: https://www.asx.com.au/services/connectivity-and-integration-work.htm.

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
		The definition of "Transmit" in the ASXSORs will be updated to accommodate such different connectivity channels. More technical detail regarding each channel is set out in the User Technical Documentation.			
35.	A Message Authentication Code (MAC) is appended to a Message by ASX Settlement or a Facility User for the purpose of enabling the recipient of the Message to confirm the identity of the Facility User Transmitting the Message.	The concept of a MAC was bespoke to the CHESS system. To reflect the different ways a Facility User may access the CHESS system, the concept of a MAC has been deleted and been replaced with a general requirement for Facility Users to add a digital signature (where applicable) to a Message. The User Technical Documentation will specify when a digital signature is required depending on a user's chosen way of accessing the new system and what form it must take.	Reflect new technology and software that may be utilised by Facility Users to access and interact with the new system.	Amended ASXSOR 2.13.1 (amended definition of "*Valid*", deleted definition of "*MAC*"), 16.11.1 and 16.12.1.	Reengineer
36.	ASX Settlement issues an Access Identification Code (**AIC**) to Facility Users in relation to each Recognised Physical Access Point they may interface with CHESS from.	The concept of an AIC was bespoke to the CHESS system. In the new system, Facility Users may request ASX Settlement to allocate a unique set of authentication credentials in relation to two or more UICs allocated or attributed to a Facility User. This is functionality equivalent to the old AIC concept.	Reflect new technology and software that may be utilised by Facility Users to access and interact with the new system.	Amended ASXSOR 2.13.1 (amended definition of "*Valid*", deleted definition of "AIC" and "*Recognised Physical Access Point*"), 16.11.1 16.14 (heading) and 16.14.1.	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
37.	Security Keys and User Identification Code (**UICs**) are generated by ASX Settlement in respect of Facility Users to ensure secure communications between ASX Settlement and Facility Users.	In the new system, a Security Key may be generated by a third party (eg SWIFT for facility users that choose to access the new system using this technology). The User Technical Documentation will specify: • the types of Security Keys that may be issued or allocated to a Facility User; and • how a UIC will be allocated or attributed by ASX Settlement to a Facility User, depending on the technology they choose to utilise to access the new system.	Reflect new technology and software that may be utilised by Facility Users to access and interact with the new system.	Amended ASXSOR 2.13.1 (definition of "*Security Key*", "*UIC*" (also contains Tranche 2 changes in highlight) and "*Valid*"), 16.11.1, 16.13.1.	Reengineer
Transitional rules including migration					
38.	(*Migration of Holder Records*)N/A	Transitional Rules will apply to support the remediation, conversion and migration of holder records to the new system, including: • Remediation requirements for participants prior to cutover to address outstanding non-compliance of registration details with the ISO 20022 standards specified for Registration Details in the new system.	Give effect to transitional arrangements.	New ASXSOR Introduction Box for Section 19, 19. 1 and 19.2 New ASXSOR Procedures 19. 1 and 19.2.	Other

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
		• ASX Settlement remediation of any remaining non-compliant registration details, conversion of registration details in CHESS to ISO 20022 format, and removal of non-compliant inactive accounts (no holdings or live instructions) during the cutover weekend. • ASX Settlement conversion of existing electronic communication preferences provided prior to the commencement of the new e-statements functionality (i.e. where participant sponsored holders have not opted into receiving CHESS holding statements and notifications electronically after the commencement for the new e-statements functionality) during the cutover weekend so that the communication preference for ASX Settlement communications is identified as postal (reflecting the existing approach for ASX Settlement communications). • ASX Settlement removal of any remaining email details which are not compliant with the ISO 20022 standards specified for			

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
		Registration Details in the new system during the cutover weekend. • Requirements for participants to update uncategorised entity type (referred to as holder type in the technical documentation) in the new system when updating other holder record details post the cutover.			
39.	(*In-flight transactions*) N/A	Transitional Rules will apply to reduce the timeframe for clearing participants and settlement participants to action certain messages received or otherwise allowing ASX Clear to specify a different timeframe to do so in order to minimise complexity and the workflows to be migrated to the new system on the cutover weekend, with those workflows to instead be reinitiated in the new system (subject to the operating rules). This includes: • requests by a controlling participant to withdraw the lodgement of financial products as Cover, where the controlling participant that made the financial products available as	Give effect to transitional arrangements.	New ASXSOR Introduction Box for Section 19, 19.1, 19.3 and 19.5. New ASXSOR Procedures 19.1 and 19.3. New ASXCOR 24.1, 24.2 and 24.3. New ASXCOR Procedures 24.1 and 24.3.	Other

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
		Cover is different to the relevant clearing participant. • Requests to an issuer for an issuer sponsored to CHESS demand transfer or conversion. • the completion of pending takeover acceptance workflows (although in the case of a rejection of an offer accepted sub position by a participant bidder allowing for this to occur post cutover through a different workflow). • The matching of dual entry (bilateral) demand messages to generate a batch instruction. • mFund application and redemption requests.			
40.	(*Batch Instructions*) N/A	Transitional Rules will apply to support the migration of batch instructions that are scheduled prior to the cutover to the new system aligning to the relevant new form of batch instruction that applies in the new system, as well as the linking of those instructions (where applicable).	Give effect to transitional arrangements.	New ASXSOR Introduction Box for Section 19, 19. 1 and 19.4. New ASXSOR Procedure 19.1. New ASXCOR 24.1 and 24.4. New ASXCOR Procedures 24.1 and 24.4.	Other

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
41.	(*Suspended Batch Instructions*) N/A	Transitional Rules will apply to support the ability of ASX Settlement to cancel and remove, at its discretion, batch instructions which remain suspended at the time of the cutover to the new system, earlier than the timeframe for such cancellation ordinarily contemplated under the ASX Settlement Operating Rules (generally 10 business days) in order to minimise complexity and the workflows to be migrated to the new system on the cutover weekend.	Give effect to transitional arrangements.	New ASXSOR Introduction Box for Section 19, 19. 1 and 19.4. New ASXSOR Procedure 19. 1.	Other
42.	(*mFund blackout period*) N/A	Transitional Rules will apply to implement a 4 Business Day blackout period for mFund application and redemption requests immediately prior to Cutover.	Give effect to transitional arrangements.	New ASXSOR Introduction Box for Section 19, 19. 1 and 19.5. New ASXSOR Procedure 19.1.	Other
Miscellaneous changes – Participant identifiers					
43.	Each Participant is allocated a PID by ASX which is a unique identification code used in messages (for sending and receiving instructions) and for other Participant obligations.	Under the new system, Participants may use a business identifier code (BIC) as an alternative (and optional) identification code that can be used in Messages. A BIC is used to identify financial services institutions, with SWIFT being the designated registration authority for BICs.	To allow Participants to be identified using a code provided by a person other than ASX Clear or ASX Settlement.	New ASXSOR 6.13.2. Amended ASXSOR 2.13 (new definition of "*BIC*", amended definition of "*PID*" and "*UIC*" (also contains Tranche 2 changes in highlight)); 6.13 (heading), 6.13.1, 6.15.1 (also contains	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
		Participants can request that a BIC is used as one of its PIDs. Participants will need to nominate the PID to which the BIC relates to, and any message which refers to a BIC will be treated as a message referring to the nominated PID. A BIC will not be included in calculating the allowed number of PIDs under the operating rules. Rule changes have also been made to accommodate the attribution of such a code.		Tranche 2 changes in highlight), 16.13.1. Amended ASXSOR Procedure Section 2 (definition of "*PID*"), 6.3.4. New ASXCOR 6.7.2. Amended ASXCOR 2.10 (new definition of "*BIC*" , amended definition of "*PID*"), 12.17.3. Amended ASXCOR Procedure Section 2 (definition of "*PID*").	
Miscellaneous changes – Excess cash instructions					
44.	Participants can maintain an Excess Cash balance in respect of their Cash Market Accounts for the purpose of providing necessary Cover. A standing settlement instruction is lodged by way of CHESS message for the purpose of ASX Clear determining Excess Cash to be retained or returned.	Under the new system, the standing settlement instruction used to determine Excess Cash to be retained or returned will not be facilitated by way of message. Participants will need to notify ASX Clear Operations of its standing settlement instruction where they intend to maintain an Excess Cash balance.	Given the infrequent use of Excess Cash instructions by CHESS message, the technical build for users will be simplified to remove this message.	Amended ASXCOR Procedure 14.6.2 and 14.6.6.	Other
Miscellaneous changes – Data governance					
45.	(*Use or disclosure of Personal Information received under CHESS)*	Issuers will provide an indemnity in favour of ASX Settlement in respect of any use or disclosure of Personal	Additional measure for the protection of Personal	New ASXSOR 5.27 Amended ASXSOR Section 2.13 (Definition	Other

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
	Issuers and their share registries receive personal information in connection with Holders under the ASXSORs.	Information provided by ASX Settlement under the ASXSORs that is not for an Approved Purpose. An Approved Purpose will include performing obligations or taking action under the ASXSORs, maintaining the accuracy of the Issuer's register, sending information to the Holder that is connected to their Holding with the Issuer, or any other purpose permitted by law. In accordance with existing ASXSORs 2.4.2 and 5.1.1, the use or disclosure of personal information by a third party provider retained by the issuer to perform functions or obligations on its behalf is deemed to be use or disclosure by the issuer for the purposes of this rule.	Information disclosed by ASX Settlement under the ASXSORs.	of '*Approved Purpose*' and '*Personal Information*').	
46.	(*Correction of Registration Details*) Participants are required to notify ASX Settlement of any changes to the Registration Details recorded in a Holder Record within 2 Business Days of receiving written authority from the Holder.	If a Participant becomes aware that the Registration Details for a Holder are incorrect as a result of a returned or undelivered Holding statement or other Notice sent or given to a Participant Sponsored Holder, the Participant will be required, as soon as reasonably practicable, to take all reasonable steps to obtain the correct Holder Record details. The Participant must notify ASX Settlement of the corrected details	Additional measure to ensure that correct Registration Details are maintained in a Holder Record and to support ASX Settlement's obligations with the Privacy Act 1988 (Cth).	Amended ASXSOR 8.18.2.	Other

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
		within 2 Business Days of receiving written authority from the Holder.			
47.	(*Provision of unauthorised or incorrect details in a Message)* Participants indemnify ASX Settlement and the Issuer from and against losses suffered by reason of the provision of unauthorised or incorrect details in relation to a Holder.	Include the words "or as a result of" after "by reason of".	Amendments to clarify indemnities.	Amended ASXSORs 8.7.4, 8.18.5 (also contains Tranche 1 changes in highlight), 8.18.11 and 8.18.14 (also contains Tranche 1 changes in highlight).	Other
48.	(*Access to TFNs by ASX Settlement*) The ASXSORs restrict ASX Settlement from disclosing a TFN to any person other than the Issuer nominated by the Participant, or using a TFN for any other purpose. ASX Settlement has controls in place today to limit the circumstances in which ASX Settlement may view or access a TFN specified in a Message.	The rules will expressly require ASX Settlement to take all reasonable technical and organisational measures to ensure that it does not view or access a TFN specified in a Message Transmitted under ASXSOR 8.19.1 except in specified circumstances.	To formalise in the ASXSORs restrictions on the circumstances in which ASX Settlement may view or access a TFN in accordance with laws regulating TFNs (being the Taxation Administration Act 1953 (Cth), the Income Tax Assessment Act 1936 (Cth), Privacy Act 1988 (Cth), and Privacy (Tax File Number) Rule 2015).	New ASXSOR 8.19.5A. Amended ASXSOR 8.19.5.	Other
49.	*(TFN, ABN or Exemption Code details notified by ASX Settlement to an Issuer)* If ASX Settlement notifies TFN, ABN or Exemption Code details to an Issuer within the time specified in the Rules, ASX Settlement will not be liable for loss arising from the details not being recorded by an Issuer on or before a Record Date.	ASX Settlement will not be liable for losses arising from the Participant providing incorrect or unauthorised TFN, ABN or Exemption Code details (consistent with ASXSOR 8.19.12 in relation to bank account details notified by ASX Settlement).	To clarify liability of ASX Settlement with respect to incorrect or unauthorised TFN, ABN or Exemption Code details provided by a Participant.	Amended ASXSOR 8.19.6.	Other

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
Miscellaneous change – Suppression of holding statements					
50.	A participant can request that ASX Settlement suppress the production of holding statements for participant sponsored holdings (or otherwise request to reinstate the production of holding statements that have been previously suppressed). The request can only be made in respect of specified entities (as referenced in the ASX Settlement Operating Rule Procedures), e.g. a participant sponsored holder that is a related body corporate of the participant, a bank or a superannuation fund with net assets of not less than $5 million.	Participants will no longer be able to request that ASX Settlement suppress the production of holding statements.	There is currently very low usage of this feature. In the case of a holding controlled by a participant on behalf of a related body corporate, the holding can also be established as a direct holding (rather than as a participant sponsored holding) so that the relevant holding statements would not apply. Following the commencement of the ASX e-statements functionality, participant sponsored holders will also have the option to elect (via their sponsoring participant) to receive their statements electronically (rather than by post).	Amended ASXSOR 8.20.1 Deleted ASXSOR 8.20.2 and 8.20.3. Deleted ASXSOR Procedure 8.20.2.	Other
Miscellaneous change – Removal of opt-out ability for trade registration					
51.	Clearing participants can opt-out from the registration with ASX Clear of trades reported to ASX Clear by an AMO which are crossings, i.e. where the clearing participant acts on the buy side and the sell side of the trade, as these are excluded from novation performed by ASX Clear.	The new system will no longer support such opt-out functionality. For the new system, if an AMO does not want trades executed or reported on its market that are crossings to be registered with ASX Clear, it will need to prevent that trade being reported to ASX Clear, rather than relying on	To reflect that currently, AMO systems (other than ASX) do not send through their crossing trades to ASX Clear.	Amended ASXCOR 12.2.1. Amended ASXCOR Procedure 12.1.1. Deleted ASXCOR Procedure 12.2.1.	Reengineer Other

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
		CHESS to have functionality to support this outcome.			
Miscellaneous Change – Further changes to tranche 1 and tranche 2 rule amendments					
52.	*(Change of Controlling Participant & Enquiry)* Under the Tranche 1 rule amendments it was proposed that if the outgoing participant (i.e. Participant relinquishing control) or the incoming participant (i.e. Participant assuming control) sent a message to cancel the change of Controlling Participant before such change has been effected by ASX Settlement, ASX Settlement will not effect that change.	ASX Settlement will not give effect to a change of Controlling Participant if the incoming Participant sends a message to cancel the change of Controlling Participant before such change has been given effect to by ASX Settlement.	To reflect that only the incoming participant can cancel a change request.	Amended ASXSOR 8.17.1.	Reengineer Oher
53.	(*Transfers and conversions*) The baseline version of the ASXSORs for the Tranche 1 rule amendments relating to the process for transfers to the CHESS subregister shown in the Tranche 1 Consultation Paper reflected the rules at the time of the release of that consultation paper in November 2019. Accordingly these did not show the proposed changes against BAU rule amendments introduced on 18	The changes being made in respect of the transfers and conversions functionality were outlined in the Tranche 1 Consultation Paper (and also referred to in Part 2 of this Summary (refer to rows 43 to 48). As referenced in the tranche 1 response to consultation feedback[7], the process for transfers under the tranche 1 rule amendments (applicable across all settlement	To show the Tranche 1 rule changes against the current version of the ASXSORs, inclusive of BAU rule amendments introduced in December 2019.	Amended ASXSOR 2.13 (amended definition of '*Registrable Transfer Document*', deleted definition of '*Custodial Settlement Participant*', '*Transfer Request Document*');9.8.6; 9.12.1; 9.12.2; 9.12.3 and 9.12.4.	Other

[7] Refer to row 31 of Attachment A to the tranche 1 response to consultation feedback available here: https://www2.asx.com.au/content/dam/asx/about/regulations/public-consultations/2020/tranche-1-response-to-cp-may-2020-full-910959v1.PDF

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
	December 2019 (which no longer required paper transfer documents for transfers to the CHESS subregister for a sub-class of settlement only participants – referred to as 'custodial settlement participants').	participants) will replace the process under the BAU rule amendments, including removing specific pre and post transfer manual processes introduced as part of the BAU rule amendments for custodial settlement participants. The version of the rule amendments attached to this consultation paper are marked up against the current version of the ASXSORs, inclusive of those BAU rule amendments.		Deleted ASXSOR 4.19; 4.19.1; 4.19.2; 4.19.3; 9.8.4; 9.12.5A. Amended ASXSOR Procedure 2.13 (deleted definition of '*Guarantor*'). Deleted ASXSOR Procedure 4.19.1 .	
54.	*(Changes to holder details)* No time is currently specified in the ASXSORs for notification by ASX Settlement to holders of a change of registration details for a CHESS holding. Under the tranche 1 rule amendments, it was proposed that this period be identified as within two business days of the change (re-using an existing reference in the relevant rule to the period currently specified for ASX Settlement to effect the change of participant, i.e. within two business days of receiving from the controlling participant the documentation to process the change). Similar timing was also proposed for a new equivalent rule dealing with	The period for notification to holders will be amended to within five business days of the change.	Clarification to better reflect the timing for notification to holders of such a change and align with other timeframes in the ASXSORs for provision to holders of holding statements at the end of each month where there was an addition or deduction to the holding or for other notifications relating to their holdings.	Amended ASXSOR Appendix 1 as it relates to 8.18.3 and 8.18.13.	Other

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
	notifications to holders of other changes to holder record details for a CHESS holding.				
55.	*(Security State & Settlement Instructions)* Under the Tranche 1 rule amendments it was proposed that if a batch instruction or message was suspended or rejected due to the suspension of the underlying financial product that ASX Settlement would provide notification of that suspension or rejection to the relevant issuer (of the suspended class of financial product) and the approved market operator.	ASX Settlement will not provide notification to issuers or AMOs of the suspension or rejection of batch instructions or messages pursuant to the suspension of an underlying financial product. ASX Settlement will however continue to provide notification to the relevant issuer (of the suspended class of financial product) and to the approved listing market operator in relation to the suspension of the financial product.	Clarification of notifications provided by ASX Settlement.	Amended ASXSOR 8.5.1	Other
56.	*(Demand & Settlement Instructions/Settlement Link ID)* Under the Tranche 1 rule amendments, various updates were made in the rules to reflect changes in naming convention for messages and instructions from “single entry” to “unilateral” and “dual entry” to “bilateral”. As part of a rule amendment dealing with the application of a settlement link ID to a “single entry” i.e. “unilateral” message, a reference was incorrectly made to “bilateral” message.	Correcting the reference to refer to “unilateral” message.	Tidy up change	Amended ASXSOR Procedure 10.9.11.	Other

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
57.	*(Demand & Settlement Instructions)* Under the Tranche 1 rule amendments, the ASXSORs were amended to remove provisions that accommodated "Dual Entry Payment Batch Instructions", with payments (free of delivery) not being supported in the new system.	Removing references to "Dual Entry Payment Batch Instructions" in certain provisions that were not captured in the tranche 1 rule amendments.	Tidy up changes	Amended ASXSOR Appendix 1 as it relates to 10.9.3(c), 10.9.3(d), 10.9.3(d)(ii) and 10.9.7.	
58.	*(Security State & Settlement Instructions)* Under the Tranche 1 rule amendments it was proposed to prescribe the location for the publication of the User Technical Documentation[8] within the Rules (as part of the definition of such documentation).	The location for the publication of the User Technical Documentation will be prescribed within the Procedures to the Rules rather than being embedded within the Rules themselves. The location for the publication of the User Technical Documentation has also been incorporated within the new Procedure.	Allows for any changes to the location of the publication of such documentation to be updated and reflected in the rulebooks more expeditiously	Amended ASXSOR 2.13.1 (amended proposed definition of "*User Technical Documentation*". Amended ASXSOR Procedure 2.13 (new definition of "*User Technical Documentation*").	Other
59.	*(mFund)* CHESS currently facilitates the communication of "Australian ADI Account" details from a Participant to an Issuer. The provision of foreign bank account details where payments are made in currencies other than AUD	Updating the tranche 2 rule amendments to reflect the change to enable an investor to include a foreign bank account where payments are made in currencies other than AUD (refer row 30 above)	Tidy up changes	Amended ASXSOR 18.13.1.	Other

[8] Further information on the constituent documents of the User Technical Documentation is also contained in row 50 of Attachment A to the tranche 1 response to consultation available here: https://www2.asx.com.au/content/dam/asx/about/regulations/public-consultations/2020/tranche-1-response-to-cp-may-2020-full-910959v1.PDF

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
	is not currently facilitated by the Rules (refer row 30 above).				
60.	*(Real time gross settlement)* Existing RTGS service provided for in the ASXSORs (including for switching of instructions between batch settlement and RTGS) is not currently used however will be repurposed to support the new non-batch DvP bilateral settlement functionality, with the associated rules framework supporting the existing RTGS service to be simplified given that it is only required to support payments in respect of non-batch DvP bilateral settlement.	A number of minor tidy up changes have been made in relation to rules applicable to Real Time Gross Settlement, including some additional deletions to reflect the removal from the ASXSORs of the ability for switching of batch instructions to RTGS.	Tidy up changes	Amended ASXSOR 10.5.2, 10.9.15, 11.6.3 (heading), 11.27 (heading) and 11.27.1. Amended ASXSOR Procedure 11.4.3.	Other
61.	*(Takeovers and buybacks)* The baseline version of the ASXSORs for the Tranche 2 rule amendments relating to takeovers and buybacks (relevantly, non-takeover offer processing) which were consulted on in the Tranche 2 consultation paper released in February 2020 did not show changes which were made in December 2019 in relation to Specialist Settlement Participants.	The version of the rule amendments attached to this consultation paper relating to takeovers and buybacks (relevantly, non-takeover offer processing) are marked up against the current version of the ASXSORs, including in relation to Specialist Settlement Participants.	To reflect the Tranche 2 rule changes against the current version of the ASXSOR, inclusive of December 2019 changes in relation to Specialist Settlement Participants.	Amended ASXSOR Introduction Box to Section 4. Amended ASXSOR Procedure 4.18.1.	Other
Miscellaneous changes - Other					

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
62.	(*Removal of references to Client Bank Deed*) The ASXSORs include references to the "Client Bank Deed" which was the predecessor to current Payments Provider Deed.	References to the "Client Bank Deed" are being removed, as these have been replaced by the term "Payments Provider Deed". Several references to scheduled times set out in Appendix 1 applicable under the old Client Bank Deed have also been updated to refer to the applicable time under the new Payments Provider Deed.	Tidy up change.	Amended ASXSOR 2.13.1 (amended definition of "*DvP Notification*" and "*Standard Payments Provider Deed*", deleted definition of "*Standard Client Bank Deed*"), Appendix 1 (as it relates to 10.10.4(a), 10.10.4(b), 10.11.2(b), 10.11.3(d), 10.12.1, 10.15.1(a), 10.15.1(b)).	Other
63.	(*User Technical Documentation*) The components of Valid Messages under the ASXSORs are typically defined by reference to the External Interface Specifications (**EIS**). The components of messages under the new system will be specified in User Technical Documentation.	The EIS will be replaced with "User Technical Documentation" for the purpose of identifying the framework for message requirements and validity. This includes for users accessing the new system through messaging (ISO 20022 standard via AMQP or SWIFTNet) or through a distributed ledger API or "node" connection). The definition of "EIS" was deleted and replaced with "User Technical Documentation" as part of Tranche 1.	The EIS is bespoke to the existing CHESS system and will be replaced by technical documentation covering ISO 20022 messaging, distributed ledger API or "node" connection and web browser.	Amended ASXSOR 2.13.1 (definition of "*Message*", "*Procedures*", "*Valid*"), 16.1.1, 16.2.1, 16.3.1, 16.9.2, 16.12.1, 16.15.1, 16.20.1. Amended ASXCOR Procedures 1.17.1 and 6.2.	Reengineer
64.	(*Residency Indicator codes*) The ASXSORs expressly identify the codes relevant to the Residency Indicator in CHESS, being "F", "D" or "M", as well as the code to indicate a	Removing from the ASXSORs the system specific references for the codes relevant to the Residency Indicator or for a foreign to foreign allocation, to instead refer to the	Adoption of ISO 20022 messaging.	Amended ASXSOR 2.13.1 (definition of "*Confirmed FOR Financial Products*", "*Excess Financial Products*", "*Foreign*	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
	foreign to foreign allocation in CHESS, being "OR".	User Technical Documentation for such code reference. The relevant updated codes for the new system, e.g. in the case of residency indicators - "FRGN", "DMST" and "MIXD" in respect of foreign, domestic or mixed respectively, are identified in the User Technical Documentation.		*Person*", "*Foreign to Foreign Allocation*", "*Residency Indicator*"), 6.3.4, 6.9.1, 8.7.3, 9.4.2 (also contains Tranche 1 changes in highlight), 9.5.3 (also contains Tranche 1 changes in highlight), 9.7.4, 9.8.7, 9.10.1, 10.11.5, 10.13.2, 11.25.3. Amended ASXSOR Procedure 6.3.4, 8.7.2, 9.4.1 (also contains Tranche 1 changes in highlight), 9.5.1 (also contains Tranche 1 changes in highlight), 9.7.1 (also contains Tranche 1 changes in highlight), 9.8.1 (also contains Tranche 1 changes in highlight), 10.4.5B, 10.9.2 (also contains Tranche 1 changes in highlight), 10.9.11 (also contains Tranche 1 changes in highlight). Amended ASXOR Procedure [3500].	

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
65.	(Accrued Batch Instructions) Accrued Batch Instructions which are generated in respect of failed Batch Instructions in order to effect a distribution of financial products arising from a corporate action, are not specifically identified within two rules in the ASXSORS which apply to such Batch Instructions.	Update several ASXSORs to expressly recognise Accrued Batch Instructions as a type of Batch Instruction to which the rule applies.	Clarification	Amended ASXSOR 2.13.1 (definition of "*Batch Instruction*"), Section 10 – Introduction; 10.4.1.	
66.	(*Settlement cycle*) The ASXCORs and ASXORs provide that Cash Market Transactions settle on the second Business Day following the date that the transaction was created on or reported to the market, unless otherwise permitted in the Procedures.	There are three examples of transactions that will not settle on the second Business Day following the date the transaction was created on or reported to the market, that are not currently reflected in the procedures to the ASXCORs or ASXORs. • Transactions with an "As At" Date that is one Business Day prior to the date the transaction was reported to the Market. These transactions will settle one Business Day after the trade is reported to the market (being two business days after the "As At" date of the transaction). • Transactions with an "As At Date" that is more than one Business Day prior to the date the transaction was reported to	Tidy up change to clearly identify exceptions to existing rules regarding the length of the standard settlement cycle. The transactions covered by these exceptions are very limited in application.	Amended ASXOR Procedure [3600]. Amended ASXCOR Procedure 4.20.1.	Other

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
		the Market. These transactions will settle one Business Day after the trade is reported to the market (being at least two business days after the "As At" date of the transaction). • Special market transactions where trading is available on the ex-date. Transactions during a special market could be executed on a cum basis during the ex-period. These transactions have a T+1 settlement cycle.			
67.	*(Settlement Processing Phase)* The ASXSORs do not expressly address restrictions in CHESS on the processing of settlement transfers in connection with Instructions generated by RTGS Messages during the Settlement Processing Phase.	Expressly address in the ASXSORs restrictions on the processing of settlement transfers in connection with RTGS Messages during the Settlement Processing Phase in the new system.	Update the ASXSORs to better reflect processing in respect of RTGS Messages during the Settlement Processing Phase.	Amended ASXSOR 16.22.1	Other
68.	(*Reconstructions*) The definition of a Reconstruction expressly includes a merger. Processing of mergers however occurs in the same way as for other Holding Adjustments or Financial Product Transformations (and is not subject to the exceptions processing that applies in respect of Reconstructions).	The definition of Reconstruction is being amended to remove an express reference to merger. This change has been made to reflect that the ASXSORs that relate to Reconstructions (typically being a reorganisation of capital within one entity) do not apply in the same way in relation to a merger event (which involves at least two entities).	Update the ASXSORs to better reflect processing of Reconstructions (being an organisation of capital within one entity) as distinct from a merger.	Amended ASXSOR 2.13.1 (definition of "*Reconstruction*"), 5.26.1.	Other

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
		The only exception to this is ASXSOR 5.26.1, which has been amended to expressly include a merger.			
69.	(*Old Transitional rules*) Section 17 of the ASXSORs dealt with transitional arrangements governing the transition from the SCH Business Rules to the ASX Settlement Operating Rules.	These rules are deleted as they are no longer required.	Tidy up change to the ASXSORs.	Deleted ASXSOR Chapter 17. Amended ASXSOR 2.13 (deleted "*Transition Period*").	Other
70.	(*Insolvency Events*) Insolvency events in the ASXSORs applicable to Participants and Payments Providers include "externally administered body corporate" as defined in the Corporations Act 2001 (Cth). However, in 2017 the term "externally administered body corporate" in the Corporations Act was replaced with the term "Chapter 5 body corporate". The ASXSORs do not reflect this new terminology.	Replace "externally administered body corporate" with "Chapter 5 body corporate as defined in the Corporations Act".	This change will align insolvency events for bodies corporate in the ASXSORs with the amended definition in the Corporations Act.	Amended ASXSORs 4.10.1, 5.17.1 and 12.18.1.	Other
71.	(*Cancellation of batch settlement*) ASX Settlement is required under ASXSOR 10.12.8 to settle batch instructions included in batch settlement on that day. ASX Settlement is however also permitted under ASXSOR 10.14.1 to	Expressly recognise that ASX Settlement's obligations to settle batch instructions on a day are subject to the ASXSOR which allows ASX Settlement to cancel batch settlement on a day.	Clarification	Amended ASXSOR 10.12.8.	

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
	cancel batch settlement on a day in certain circumstances.				
Ad hoc changes					
72.	Tidy up changes	Include the words "Transfer or Conversion" after "CHESS to Issuer Sponsored" and remove the word "a" in the phrase "a TFN, ABN or Exemption Code details"	Tidy up changes.	Amended ASXSORs 8.19.1, 8.19.3 and 8.19.5	Other
73.	Tidy up changes	The ASXSORs will be updated to reflect the provision of notifications to Issuers and Participants relating to TFN, ABN or Exemption Code details by way of electronic messaging, rather than by "Notice" (which contemplates the provision of a written document).	Reflect automated notification of TFN, ABN or Exemption Code provision.	Amended ASXSOR 8.19.3 Amended ASXSOR Procedure 8.19.3.	
74.	Tidy up changes	ASXSOR 5.22.1 has been updated to replace the word "form" with "document" to more closely align with related definitions in ASXSOR 2.13.1. This change was also part of the tranche 2 rule changes, however the rationale for that change was tied to rules for the entitlement acceptance functionality (which have now been removed as that functionality has been de-scoped from Day 1).	Tidy-up change	Amended ASXSOR 5.22.1	Other

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[1]
75.	Tidy up changes			Amended ASXSOR 2.13.1 (definition of "*Payments Provider*" "*Settlement Processing Phase*" and deleted definition of "Routine Reporting" and "Surveillance Report"[9]), 8.11.3, 9.8.3, 10.10A.2, 16.4.1[10]. Amended ASXSOR Appendix 1 as it relates to 8.19.9, 8.19.10 and 8.19.11 Amended ASXSOR Procedure 8.18.3 and 8.20.2 (heading). Amended ASXCOR 2.10.1 (definition of "*Buyer*" and "*Seller*") Amended ASXCOR Procedure 12.1.5.	Other

[9] This change addresses the deletion of ASX Settlement Operating Rule 10.9.4 made as part of Tranche 1 Rule Amendments.

[10] The change to ASXSOR 16.4.1(d) addresses an existing cross referencing error given the deletion of ASXSOR 16.7 and reliance on the ASX Enforcement and Appeals Rulebook processes as referred to in ASXSOR 16.5.

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Part 2: Tranche 1

31 August 2021

This part covers the first of the three tranches of rule amendments, which relate to the following functional elements of the new system:

- account and holder creation;
- changes to holder details;
- locking and unlocking;
- change of controlling participant & enquiry;
- security state & settlement instructions;
- trade capture;
- novation;
- netting;
- collateral management;
- SRN enquiry;
- transfers and conversions;
- demand & settlement instructions; and
- settlement locks for CHESS holdings.

The changes summarised in this part ~~document~~ fall within one of the categories listed below:

- Changes required to implement new business requirements;
- Changes required to reflect re-engineering of existing functionality;
- Changes made to decommission existing CHESS functionality; and
- Other miscellaneous changes.

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[11]
Account and holder creation[12]					
1.	Registration Details are currently recorded as a 180 character free text field separated by delimiters (e.g. a comma or "< >"). This data is recorded in an unstructured format.	The new system will facilitate the recording of structured data about a Holder.	See rationale as set out in section 2.2.4 of the CP released in 2018. Adoption of ISO 20022 messaging (replacing current EIS messages).	ASXSOR Procedure 8.7.2.	New BR Standardised registration details (CP reference 2.2.4). Reengineer
2.	Holders are not able to be separately identified, but are identified in the Registration Details 180 character free text field.	The new system will allow each joint Holder to be separately identified in a "Holder" object.	See rationale as set out in section 2.2.4 of the CP released in 2018. Adoption of ISO 20022 messaging (replacing current EIS messages).	ASXSOR 8.19.2. ASXSOR 2.13 (amended definition of "Holder Record" and "Registration Details")	New BR Standardised registration details (CP reference 2.2.4). Reengineer

[11] The following key is used to indicate the type of change:

- Changes required to implement new business requirements identified in the CHESS Replacement Consultation Paper, *CHESS Replacement: New Scope and Implementation Plan (April 2018)* (**CP**) (**New BR**)
- Changes required to reflect re-engineering of existing functionality (**Reengineer**)
- Changes made to decommission existing CHESS functionality (**Decommission**)
- Other changes (**Other**)

[12] As part of its response to the tranche 1 consultation feedback, ASX also provided stakeholders with a diagram (Attachment C to that paper) explaining how the account and holder terminology and account structure referred to in the User Technical Documentation aligns to the terminology and account structure used in the rulebooks. To assist stakeholders consider these rule amendments, the above diagram is also republished in this paper as Attachment K.

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[11]
3.	N/A	As each Holder will be separately identified, the new system will allocate a "UUID" to each named Holder of a Holder Record.	To identify each Holder of a Holder Record. Adoption of ISO 20022 messaging (replacing current EIS messages).	ASXSOR 2.13 (new definition of "UUID"); 8.7.2; 8.11.1; 8.11.2; 8.15.11.	Reengineer
4.	From a system perspective, the number of joint Holders that can be recorded is limited by the 180 character Registration Details field.	The new system can record up to four joint Holders per HIN. However, settlement participants may only establish a Holder Record with more than 3 holders if permitted under the Issuer's constitution.	See rationale as set out in section 2.2.4 of the CP released in 2018. Adoption of ISO 20022 messaging (replacing current EIS messages).	ASXSOR 15.17.1.	New BR Standardised registration details (CP reference 2.2.4). Reengineer
5.	N/A	The new system can record additional Holder information. Participants will be required to populate new data fields in respect of a Holder. These are summarised below: • "Entity Type", being a code that indicates whether a Holder is a natural person or not. • "Ownership Type", being a code which indicates whether a Holding is held jointly or by one person only. Settlement Participants may also choose to populate additional	See rationale as set out in section 2.2.3 of the CP released in 2018. Adoption of ISO 20022 messaging (replacing current EIS messages).	ASXSOR 2.13 (new definition of "Entity Type" and "Ownership Type" and amended definition of "Holder Record").	New BR Centralise data capture and storage (CP reference 2.2.3). Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[11]
		non-mandatory fields, which are described in the Technical Documentation. To reflect this in the ASXSORs, the definition of "Holder Record" has been drafted inclusively to contemplate that additional information may be provided. Further information about the data that may be received under the CHESS replacement system is outlined in the Data Governance Paper released by ASX in December 2020.[13]			
6.	ASX Settlement is required to administer the CHESS Subregister as agent of an Issuer. The information that ASX Settlement must record and maintain on that register is set out in the ASXSORs (see part 8.6).	The ASXSORs have been amended to clarify what information ASX Settlement considers forms part of the register of members, including having regard to additional information about a Holder that may be captured.	Ensure consistency with section 169 of the Corporations Act.	ASXSOR 8.6.2, 8.6.3. New ASXSOR 8.6.3A.	New BR Centralise data capture and storage (CP reference 2.2.3)
7.	If a Holder elects to receive communications electronically, they must also provide an "Email Purpose", indicating whether they wish to receive electronic communications from: • ASX Settlement only;	~~An "Email Purpose" will no longer be collected. If a Holder elects to receive notices electronically, that Holder will be electing to receive notices electronically from both ASX Settlement and an Issuer.~~ In	~~The Email Purpose was not being utilised. The reengineered solution simplifies account collection.~~Re-engineered solution design.	ASXSOR 2.13 (new definition of "Communication Preference"~~, deleted definition of "Email Purpose" and amended~~	

[13] The Data Governance Paper is available at https://www2.asx.com.au/markets/clearing-and-settlement-services/chess-replacement/chess-replacement-resources/stakeholder-communications.

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[11]
	• Issuers only; or • both ASX Settlement and Issuers.	the new system, Holders will also need to indicate whether they wish to receive communications electronically or by post.		~~definition of "Email Details").~~ ~~ASXSOR Procedure 2.13 (deleted definition of "Email Purpose").~~	
8.	N/A	As additional information may be recorded in a Holder Record, only persons that are party to a transaction or business process will be eligible to receive the information.	Privacy and data governance purposes.	ASXSOR 5.3.2; 8.8.1; 15.28.1.	Reengineer
9.	N/A	A "Registration Identifier" is a temporary object containing information of the kind recorded in the Registration Details that is required in order to facilitate Transfers between the CHESS Subregister and Issuer Operated Subregister and SRN enquiries. A Registration Identifier will automatically be removed if there are no pending transactions as at End of Day. A numeric identifier "RGID" will be created to be able to link the relevant Registration Identifier (or information derived from it) with messages to effect Transfers between the CHESS Subregister	The Registration Identifier and RGID are required in order for the new system to process Transfers between the registers and SRN enquiries. Adoption of ISO 20022 messaging (replacing current EIS messages), which contemplates separate messages for holder details (static data) and transfers / enquiries (transaction data).	ASXSOR 2.13 (new definition of "Registration Identifier" and "RGID"); 8.30 (heading); 8.30.1 and 8.30.2. ASXSOR Procedure 8.30.1.	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[11]
		and Issuer Operated Subregister and SRN enquiries.			
Changes to Holder details					
10.	ASX Settlement must process changes to Registration Details effected by a settlement participant within 2 Business Days of receiving the documentation requested to process the change.	Requests to change Registration Details will be electronically processed by ASX Settlement. A settlement participant is still required to maintain documentation to support the request, and provide this to ASX Settlement on request.	Changes to Registration Details will be more quickly processed by ASX Settlement.	ASXSOR 8.18.3; 8.18.4; Appendix 1 as it relates to 8.18.3.	Reengineer
11.	A settlement participant may **manually** request ASX Settlement to change the Holder Type or remove a Holder Record from CHESS by providing ASX Settlement with documentation that supports the requested change.	The new system will enable a settlement participant to send a Message to request these changes, rather than requesting this manually. If ASX Settlement receives a Valid Originating Message, the system will electronically process the requested change (it will no longer be a manual process). A settlement participant must maintain supporting documentation and be able to produce this to ASX Settlement on request. Please note that only certain changes to Holder Type are permitted. The changes permitted	Removes a manual process.	ASXSOR 8.18.6; 8.18.7; 8.18.8; Appendix 1 as it relates to 8.18.7 and 8.18.8. ASXSOR Procedure 8.18.6.	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[11]
		are set out in the Technical Documentation.			
12.	N/A	As the new system will facilitate additional information being maintained in a Holder Record, a Participant may request other changes to Holder Record details (provided those changes are permitted under the Technical Documentation). For example, this rule will permit settlement participants to request changes to the designation.	To reflect new system functionality.	New ASXSOR 8.18.12 to 8.18.14 (inclusive). Amended Appendix 1 as it relates to 8.18.13. New ASXSOR Procedure 8.18.12; 8.18.13.	New BR Centralise data capture and storage (CP reference 2.2.3)
Locking and unlocking					
13.	ASX Settlement may apply, or an Issuer may request ASX Settlement to apply, a Holding Lock in response to a court order served on either party.	The ASXSORs are expanded to provide that if a court order is served on a Controlling Participant or ASX Settlement applicable across all CHESS Holdings under a HIN, ASX Settlement may apply, or the Controlling Participant -may request ASX Settlement to apply, a Holder Record Lock.	To enable a Controlling Participant and ASX Settlement to apply a Holder Record Lock in the event they are served with a court order.	ASXSOR 8.15.1(b). Consequential changes to ASXSOR 8.15.5; 8.15.19; 8.16.2.	Reengineer
14.	If a Holding Lock only applies to part of a CHESS Holding, a Controlling Participant is required to establish a separate Holder Record and transfer the Financial Products	A Holding Lock can apply to all or part of a CHESS Holding in a Holder Record. A Controlling Participant will no longer need to establish a separate Holder	Same objective can be achieved in a more efficient way utilising new system technology.	ASXSOR 8.15.5. Deletion of ASXSOR 8.15.6.	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[11]
	that are not subject to the Holding Lock to a separate HIN.	Record to apply a partial Holding Lock.			
15.	A Controlling Participant requesting the application of a Holder Record Lock due to death or bankruptcy of a Holder must, if requested by ASX Settlement, provide supporting documentation at the time the request is made. ASX Settlement must apply the Holder Record Lock within 2 Business Days of receiving documentation requesting application of the Holder Record Lock.	On receipt of a Valid Originating Message from a Controlling Participant requesting application of a Holder Record Lock due to death or bankruptcy of a Holder, ASX Settlement will automatically process the request (it will no longer be a manual process that takes up to 2 Business Days or longer). Controlling Participants must maintain documentation to support the application of a Holder Record Lock to a Holder Record, and must be able to produce this to ASX Settlement on request.	This change removes a manual process.	ASXSOR 8.15.11; 8.15.12; 8.15.13; Appendix 1 as it relates to 8.15.12.	Reengineer
16.	A Controlling Participant may request ASX Settlement to apply a Holding Lock if the settlement participant has an obligation to freeze assets under the legislation or regulations set out in the Procedures (these specifically relate to sanctions legislation only).	This rule has been broadened, so that a Controlling Participant may request ASX Settlement to apply a Holder Record Lock to Holdings if the Controlling Participant has an obligation to freeze assets under *any* legislation or regulations (including as specified in the Procedures).	A Controlling Participant may have an obligation to freeze assets under legislation that is broader than sanctions laws only (eg freezing orders issued under proceeds of crime legislation). The amendments to this rule ensure a Controlling Participant can request a Holder Record Lock whenever they are required to freeze assets at law.	ASXSOR 8.15.14. ASXSOR Procedure 8.15.14.	Other

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[11]
17.	ASX Settlement may apply a Holder Record Lock if it has an obligation to freeze assets under the legislation or regulation specified in the procedures (being sanctions laws only).	ASX Settlement may apply either a Holder Record Lock or Holding Lock if it has the obligation to freeze assets under *any* legislation or regulations (including as specified in the Procedures).	See above	ASXSOR 8.15.15. ASXSOR Procedure 8.15.15.	Reengineer
18.	To remove: • a Holding Lock, an Issuer must request ASX Settlement to remove it; • a Holder Record Lock, a Controlling Participant must request ASX Settlement to remove it. It is not possible for an Issuer or Controlling Participant to specify that the Holder Record Lock or Holding Lock (as relevant) should expire after a specified period of time.	At the time an Issuer requests ASX Settlement to apply a Holding Lock or a Controlling Participant requests ASX Settlement to apply a Holder Record Lock, they may specify the period of time for which the Holding Lock or Holder Record Lock (as relevant) should apply, by subsequent written notice to ASX Settlement. ASX Settlement will automatically remove the Holding Lock or Holder Record Lock (as applicable) following expiry of that period.	New system technology enables a Holding Lock or Holder Record Lock to apply for a specified period of time.	Amended ASXSOR 8.16.1. New ASXSOR 8.15.11A, 8.16.3A.	Reengineer
19.	A Controlling Participant requesting removal of a Holder Record Lock must provide supporting documentation to ASX Settlement before ASX Settlement will remove the Holder Record Lock.	ASX Settlement will automatically process removal of a Holder Record Lock (either on expiry of the period of time specified by a Controlling Participant (see above), or on request). Although Controlling Participants are not required to provide ASX	Removes a manual process.	New ASXSOR 8.16.3A. Amended ASXSOR 8.16.3; Appendix 1 as it relates to 8.16.3.	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[11]
		Settlement with documentation to support the removal request prior to ASX Settlement processing the removal, they must maintain supporting documentation and be able to produce this to ASX Settlement on request.			
20.	N/A	Where a Holder has died or is bankrupt, the CHESS replacement system will place a "Named Holder Indicator" on that Holder to identify that they relate to the death or bankruptcy.	This indicator will allow the system to identify the Holder that has died or is bankrupt.	ASXSOR 2.13 (new definition of "Named Holder Indicator"); 8.15.8(d); 8.15.10; 8.15.12; 8.15.16; 8.16.4; 8.16.5. ASXSOR Procedure 8.16.4.	Reengineer
Change of Controlling Participant & Enquiry					
21.	Under CHESS today, ASX will only give effect to a change of Controlling Participant once it receives messages from both the outgoing Participant (ie Participant relinquishing control) and incoming Participant (ie Participant assuming control). Under the existing ASX Settlement Operating Rules, this is also subject to the prior processing of Transfers and Conversions initiated by the relinquishing Participant.	ASX Settlement rejects a change of Controlling Participant if there are outstanding Transfers and Conversions in respect of a Holding under the relevant Holder Record for which the change of Controlling Participant is sought to be effected. ASX Settlement will not give effect to a change of Controlling	The ASX Settlement Operating Rules will be amended to more expressly reflect the non-processing of a change of Controlling Participant if there are outstanding Transfers and Conversions. In addition, the proposed rules expressly address the impact on processing by ASX Settlement if a cancellation of change of	ASXSOR 7.4.1; 8.17.1; Appendix 1 as it relates to Rule 8.17.	Reengineer Other

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[11]
		Participant if ~~either~~ the ~~outgoing or~~ incoming Participant sends a message to cancel the change of Controlling Participant before such change has been given effect to by ASX Settlement. The ASXSORs will also be updated to reflect the provision of such change of Controlling Participant notification by way of electronic messaging, rather than by "Notice" (which contemplates the provision of a written document).	Controlling Participant request is received. Reflect automated notification of change of Controlling Participant.		
Security State & Settlement Instructions					
22.	*(Giving notice)* Under the existing ASXSORs, certain communications relating to sub-register state changes and the cessation of quotation of financial products subject to a Subposition are to be given by ASX Settlement by way of a "*Notice*"[14], which contemplates the provision of a written document.	To facilitate ASX Settlement giving automatic electronic notice of changes to subregister states (i.e. in relation to the closure, suspension, archiving and re-opening of sub-registers) and of the date of cessation of quotation of financial products subject to a Subposition, the ASXSORs will be amended so that ASX Settlement	Automated notification of sub-register state changes and cessation of quotation by way of electronic messaging (expected to simplify existing manual operational processes).	Amended ASXSOR 8.5.1; 8.5.3; 8.14.1; 8.26.1 and 14.3.1. New ASXSOR 8.26.2	Reengineer

[14] ASXSOR 1.10.1 provides that a reference to "notifying" a person of any matters includes a reference to (a) giving "*Notice*" of; or (b) "*Transmitting*" a Message containing, those matters to the person. The defined term "*Notice*" is described in ASXSOR 1.10.1 and contemplates a written document. Procedures 1.10.1 and 1.10.2 provide further details in relation to the giving of Notice under the Rules.

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[11]
	The new system will provide for the relevant notifications to be provided via system generated messages.	must give "*notice*" of the change to the relevant parties. ASXSOR 1.10.1(b) expressly recognises the "*Transmission*" of a Message as a means of "*notifying*" a person of a particular matter.			
23.	*(Replacement of EIS)* Under the current state, the components of Valid Messages under the ASXSORs are typically defined by reference to the External Interface Specification (**EIS**). The components of messages under the new system will be specified in User Technical Documentation.	The EIS will be replaced with "User Technical Documentation" for the purpose of identifying the framework for message requirements and validity. This includes for users accessing the new system through messaging (ISO 20022 standard via AMQP or SWIFTNet) or through a distributed ledger API or "node" connection. Further changes to the rulebooks will be provided in the Tranche 3 rule amendment pack to reflect the replacement of the EIS with the User Technical Documentation, across the rulebooks.	The EIS is bespoke to the existing CHESS system and will be replaced by technical documentation covering both ISO 20022 messaging and distributed ledger API or "node" connection.	ASXSOR 2.13 (deleted definition of "EIS" and new definition of "User Technical Documentation").	Reengineer
24.	*(New notice – closed sub-register)* ASX Settlement is currently required to give "Notice" to Issuers and Participants if a Subregister is closed other than for lapse,	The ASXSORs will be amended so that there is an express requirement on ASX Settlement to give "notice" to Issuers of the closure of a subregister in the	Automated notification of the closure of a subregister in the event of lapse, expiry, maturity, etc, by way of electronic messaging (enhancing existing	ASXSOR 8.14.2	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[11]
	expiry, maturity, etc.: see ASXSOR 8.14.1(c) and (e). There is currently no express notice requirement in relation to the closure of a Subregister in the event of lapse, expiry, maturity, etc. The new system will automatically generate messages to give "notice" to Issuers of the closure of a subregister in the event of lapse, expiry, maturity, etc.	event of lapse, expiry, maturity, etc.	notices provided for other subregister state changes).		
25.	*(New notice – suspended sub-register)* ASX Settlement may suspend the processing of transactions on a CHESS subregister if: • it receives notice of a Reconstruction from an Approved Listing Market Operator: ASXSOR 8.26; or • ASX Settlement suspends the approval of a class of an Issuers financial products under ASXSOR 8.4.1: see ASXSOR 8.5.1(a). Currently, there are no express notice requirements in relation to the determination to suspend the subregister (as distinct from the circumstances that may give rise to the suspension). The current notice obligations on ASX Settlement require notification be given to the relevant person of the circumstances that will trigger the suspension of the	The ASXSORs will be amended so that there is an express requirement on ASX Settlement to give notice to the relevant parties of the suspension of a sub-register.	Automated notification of suspension of subregister, by way of electronic messaging (enhancing existing notices provided for other subregister state changes).	ASXSOR 8.5.1 and 8.26.1	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[11]
	subregister but not the closure of the subregister itself.[15] The new system will automatically generate messages to relevant parties if a subregister is suspended.				
26.	*(New notice – re-opened sub-register)* A CHESS subregister is "re-opened" in circumstances where a prevailing "suspension" has been removed. ASX Settlement currently gives written "*Notice*" of the removal of a suspension: ASXSOR 8.5.3(b). The new system will automatically generate messages to relevant parties if the suspension of a subregister is removed.	To facilitate ASX Settlement giving automatic electronic notice of the removal of a suspension of a subregister, the ASXSORs will be amended so that ASX Settlement must give "*notice*" of the change to the relevant parties. ASXSOR 1.10.1(b) expressly recognises the "*Transmission*" of a Message as a means of "*notifying*" a person of a particular matter.	Automated notification of removal of suspension of subregister (expected to simplify existing manual operational processes).	Amended ASXSOR 8.5.3(b). New ASXSOR 8.26.2.	Reengineer
27.	*(Automated security closure)* ASXSOR 8.13.1 provides that ASX Settlement must not close a CHESS subregister unless otherwise provided in the ASXSORs. Under the current rules, mandatory closure of a subregister is currently expressly contemplated under ASXSOR	ASXSOR 8.14.2 will be amended so that it expressly contemplates the closure of the relevant subregister in relation to a lapse, expiry or maturity of the relevant Approved Financial Product, or	To more expressly align the automatic closure functionality in the new CHESS system with ASXSOR 8.13.1. To support the orderly closure of the affected subregister.	ASXSOR 8.14.2	Reengineer

15 For completeness, ASX Settlement must give certain other notices:
- of the suspension of approval under ASXSOR 8.4: see ASXSORs 8.4.2 and 8.4.3;
- in relation to determinations to allow Instructions despite a suspension under ASXSOR 8.4.1: see 8.5.2; and
- the removal of a suspension under ASXSOR 8.4.1: see ASXSOR 8.5.3(b).

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[11]
	8.14.1 but not under ASXSOR 8.14.2 in the event of a lapse, expiry, maturity or other relevant product lifecycle events (with ASXSOR 8.14.2 expressly addressing archiving).	other relevant product lifecycle events. ASX Settlement and Issuers will also be required to take steps to effect the orderly closure of the affected CHESS Subregister in a similar manner to ASXSOR 8.14.1.			
28.	*(Cancellation of suspended instructions)* The ASXSORs currently specify circumstances where suspended Instructions must be cancelled or removed either by the relevant Participant or ASXS. In particular: • if ASX Settlement suspends approval of a class of an Issuer's Financial Products, ASX Settlement must: … *cancel any Instruction that remains suspended on the 10th Business Day after suspension of approval:* ASXSOR 8.5.1(c) • If quotation of Financial Products by the Approved Listing Market Operator ceases (other than because quotation is suspended) for certain elective corporate actions, ASX Settlement must *suspend an Instruction or Message that would Transfer or Convert those Financial Products after End of Day on the Business Day on which the CHESS Subregister closes and remove the Instruction or*	The ASXSORs will be amended to reflect the new automated cancellation timeline for suspended Instructions. ASX Settlement will retain a discretion not to cancel or remove a particular Instruction where required for particular circumstances (e.g. for the performance of CCP Batch Instructions) in a similar manner to ASXSOR 8.5.2.	To accommodate the automation of existing operational process for cancellation of suspended Instructions, subject to ASX Settlement discretions.	Amended ASXSOR 8.5.1; 8.14.1; 8.14.2 and 8.25.1. New ASXSOR 8.14.4 and 8.25A	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[11]
	Message on the 10th Business Day after the Subregister closes: ASXSOR 8.25.1(f). Such cancellation and removal currently occurs through manual operational processes. Under the new system, suspended Instructions affecting a holding will be cancelled automatically if they have been suspended for 15 business days, unless ASX Settlement exercises a discretion to facilitate settlement of such Instructions.				
29.	*(Restriction on archiving subregister)* Under the current ASXSORS, there is no express restriction on the archiving of a subregister if there are still holdings on that subregister. Under the new system, ASX Settlement will not automatically archive a subregister if there are still holdings.	The ASXSORs will be amended to include notes to the effect that ASX Settlement will not typically archive a CHESS Subregister if a Holding is recoded on the CHESS Subregister.	The change in archiving functionality is a design decision aimed at reducing instances where a CHESS Subregister is archived, and subsequently requires re-opening.	ASXSOR 8.14.1 and 8.14.2	Reengineer
Trade Capture					
30.	The ASXORs do not currently limit the number of basis of quotation (BOQ) that can be recorded.	A maximum number of three BOQ can be provided on a trade report.	Reflect new system functionality	ASXOR Procedure 2110.	Reengineer
Novation					
31.	ASXCOR 12.2.1 assumes that a clearing participant's PID will be specified in the	It will no longer be mandatory for a clearing participant's PID to be	Reflect new system functionality.	ASXCOR 12.2.1.	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[11]
	particulars of a Cash Market Transaction submitted to ASX Clear by an Approved Market Operator.	included in the particulars of a Cash Market Transaction. If no PID is provided on a Cash Market Transaction, the system will derive the clearing participant's PID based on the relationship between trading and clearing participants.			
Netting					
32.	Currently, there is no mechanism in the rulebooks for a settlement participant that is not also a clearing participant to receive certain notices in connection with CCP Net Batch Instructions (that is, the rulebooks assume a settlement participant will also be a clearing participant). Amendments to the ASXSORs are required so that a settlement participant acting as a Settlement Agent will receive certain notices in connection with CCP Net Batch Instructions.	The ASXSORs will be amended so that a settlement participant acting as a Settlement Agent will receive notices of CCP ~~Net~~ Batch Instructions ~~and CCP Gross Batch Instructions~~ provided to a Clearing Participant under ASXCOR 12.6.2 ~~(in respect of CCP Net Batch Instructions) and 12.7.4 (in respect of CCP Gross Batch Instructions)~~.	To accommodate separation of clearing and settlement functions in the future, and to ensure that settlement participants acting as Settlement Agent receive notices in connection with CCP ~~Net~~ Batch Instructions ~~and CCP Gross Batch Instructions~~.	New ASXSOR 10.9.1A. Amended ASXSOR Appendix 1 as it relates to 10.9.1A.	Reengineer
33.	Currently in CHESS, a Cash CCP Transaction is not netted per "basis of movement". A "basis of movement" is derived from the "basis of quote" reported on a market	Cash CCP Transactions will be netted per basis of movement (in addition to per HIN and security as per existing functionality).	This change will allow netting to occur separately on a "cum" and "ex" basis in the event transactions in a security have	ASXCOR 12.6.1 ~~and 12.6.2.~~ ~~ASXCOR Procedure 12.6.2.~~	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[11]
	transaction from the trading venue (ie "cum" or "ex"). Cash CCP Transactions are currently netted only on a per HIN and security basis.		more than one basis of movement.		
34.	~~The ASXCORs do not currently contemplate that certain transaction types are ineligible for netting.~~ ~~However, the ASX Settlement Procedure Guidelines do provide that certain transaction types will be ineligible for netting (see Part 7.4).~~	~~The ASXCORs will now specify that certain transaction types will be ineligible for netting. These transactions are settled on a gross basis in accordance with ASXCOR 12.7.4.~~ ~~The Technical Documentation sets out the types of transactions that are ineligible for netting. This includes those with a settlement date shorter than 2 business days, and those with certain condition codes (which will be specified in the Terms of the Trade Acceptance Service with each Approved Market Operator).~~	~~To ensure that the ASXCORs reflect the system design and contemplate that certain transaction types are ineligible for netting.~~	~~ASXCOR 12.7.3A with consequential amendments to ASXCOR 12.7.4.~~ ~~ASXCOR Procedure 12.7.3A.~~	~~Reengineer~~
35.	Clearing participants can currently request that certain Cash CCP Transactions are excluded from set off. This functionality has been known as "blocking".	Blocking functionality is not being carried forward.	Blocking functionality has not been carried forward because this functionality was not utilised by clearing participants.	ASXCOR 12.7.3 with consequential amendments to ASXCOR 12.7.4, 12.7.7 and deletion of ASXCOR 12.7.5. ASXCOR Procedure 12.7.3, 12.7.4, 12.7.5 and 12.7.7.	Decommission

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[11]
36.	N/A – new rule	ASX Clear will have the power to remove Cash CCP Transactions from set off if it reasonably considers it appropriate to maintain the orderly operation and integrity of ASX Clear.	This rule will help to ensure that ASX Clear can meet its obligations as a licensed clearing and settlement facility.	ASXCOR 12.7.3 with consequential amendments to ASXCOR 12.7.4.	Other
Collateral Management					
37.	In CHESS today, in order to reserve or release Financial Products in a Subposition which are used for Cover (being Financial Products lodged to fulfil margin obligations for derivatives or cash transactions), a Controlling Participant is required to send a message to CHESS which meets certain criteria. As separate messages apply for derivatives and cash market margin, they do not currently specify the Subposition type the Cover relates to (ie if for derivatives transactions or cash market transactions). In the case of a message seeking the release and transfer of Cover, requirements for the message are specified in the ASX Settlement Operating Rules Procedures, however in the case of a message seeking the release of Cover only, reliance is placed on the general requirements for Valid messages (including as specified in the EIS).	Under the new system: • there will be a message to reserve Cover and a message to release Cover, applying across both derivatives and cash market margin, requiring the relevant Subposition type to be specified in the message; • an ASX Clear lodgement number is not required for reserving Cover, and is only required for a release if the message which reserved the Cover had this included. The ASXSOR Procedures will also be amended to expressly set out requirements for a message to release Cover only.	Reflect new system functionality. Address in the ASXSORs requirements for messages to release Cover only, similar to current specifications for messages to release and transfer Cover.	ASXSOR 14.8.1 ASXSOR Procedure 2.13 (new definition of "ASX Clear Account"); 14.6.1; 14.8.1 and 14.9.1	Reengineer Other (for messages to release Cover only)

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[11]
38.	Where the Controlling Participant that has made Financial Products available as Cover is different to the Clearing Participant with the Cover obligations, the ASXCORs allow the Clearing Participant to veto the withdrawal of that Cover.	The ASXSORs will be amended to similarly reflect that where a Controlling Participant is different to the Clearing Participant with the Cover obligations, ASX Settlement sends a message to this Clearing Participant in connection with the release of Cover, and if the Clearing Participant rejects the request to release, ASX Settlement will not release the Cover.	While the ASXCORs provide for authorisation by such third party Clearing Participants for the release of Cover for derivatives transactions as part of the process for ASX Clear authorisation of a release request (refer Annexure 1 par 3.6), this step is not expressly addressed in the ASX Settlement Operating Rules. The ASXSORs will be amended to expressly address this authorisation step by third party Clearing Participants.	ASXSOR 14.8.2; 14.8.4 and 14.8.5	Other
39.	Annexure 1 to the ASX Clear Operating Rules Procedures specifies the procedure for providing Cover and refers to specific CHESS EIS messages.	Amendments have been made to detail the process for lodgement, release and transfer of Cover, removing specific CHESS messages numbers. The amendments will reference messages as specified in the User Technical Documentation which replace the EIS.	More fully reflect the process for lodgement, release and transfer of Cover. The new CHESS system will use ISO20022 messaging (replacing existing EIS messages), therefore the references in Annexure 1 will become redundant. Given ISO20022 messages are not a 'like for like' with CHESS messages, changes have been made to ensure references are generic. The reference to the User Technical Documentation will cover users accessing the new	New ASXCOR Procedure 2.10 (heading and definition of "User Technical Documentation"). Annexure 1 of the ASXCOR Procedures (paragraph 3.2, 3.3, 3.4; 3.6 and 3.7)	Reengineer Other

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[11]
			system through messaging (ISO 20022 standard via AMQP or SWIFTNet) as well as through distributed ledger API or "node" connection.		
SRN Enquiry					
40.	Although the ASX Settlement Operating Rules contemplate that a Settlement Participant may seek SRN and Holding Balance details of an Issuer Sponsored Holding through CHESS (ASXSOR 6.7), and provide a warranty and indemnity in favour of the Issuer where they do so (ASXSOR 8.11.2), they do not specify the process for a Settlement Participant to request details of a SRN or the Holding Balance of an Issuer Sponsored Holding through CHESS nor require Issuers to respond to a request for such details.	The ASX Settlement Operating Rules will be amended to set out the process for Settlement Participants to request details of a SRN or the Holding Balance of an Issuer Sponsored Holding through CHESS and will require all Issuers to process such requests.	The proposed changes support the new system requirement that messages for the transfer or conversion of financial products must include the SRN and Registration Details for the Issuer Sponsored Holding, with these to be validated by the Issuer against the details on its Issuer Sponsored Subregister (refer to Transfers and Conversions section below).	New ASXSOR 9.14. Amended ASXSOR 6.7.1 and Appendix 1 as it relates to Rule 9.14. New ASXSOR Procedure 9.14.2.	Reengineer
41.	N/A	SRN enquiry requests will be sent in multiple messages which will be linked by a RGID.	Adoption of ISO 20022 messaging (replacing current EIS messages), which contemplates separate messages for holder details (static data) and enquiries (transaction data).	New ASXSOR 9.14.1.	Reengineer
42.	The ASXSORs only allow Sponsoring Participants that have lodged a Sponsorship Bond with ASX to request SRN	Sponsoring Participants that have not lodged a Sponsorship Bond with ASX Settlement but instead rely on an exception from the requirements to lodge a	Allowing for Sponsoring Participants that are market participants of an Approved Market Operator that are subject	ASXSOR 6.7.1; 8.11.2.	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[11]
	and Issuer Sponsored Holding Balance details through CHESS from Issuers.	Sponsorship Bond (i.e. where they are subject to NGF or Division 3 compensation arrangements) will also be allowed to request SRN and Issuer Sponsored Holding Balance details through CHESS.	to the National Guarantee Fund (NGF) or compensation arrangements under Division 3 of Part 7.5 of the Corporations Act (who are not subject to the Sponsorship Bond requirements) to also use CHESS to request SRN and Issuer Sponsored Holding Balance details.		
Issuer Sponsored Subregister to CHESS Subregister Transfers and Conversions					
43.	Under CHESS today, a Settlement Participant is not required to provide Registration Details as part of a message requesting the transfer of holdings from the Issuer Sponsored Subregister to the CHESS Subregister.	Under the new system, the Registration Details will need to accompany a request to transfer holdings. Transfer and conversion requests will be sent in multiple messages which will be linked by a RGID (for transfers) or a HIN (for conversions).	The proposed changes support the new system functionality. Adoption of ISO 20022 messaging (replacing current EIS messages), which contemplates separate messages for holder details (static data) and transfers / conversions (transaction data).	ASXSOR 9.8.1A (new) ASXSOR Procedure 9.8.1	Reengineer
44.	Before authorising a conversion request, Issuers must ensure that the registration details for the target and source holding match.	Issuer will also be required to ensure that registration details for the source holding maintained by the Issuer match those specified in the message, in respect of Transfers.	This ensures that a pre-transfer check is done by the Issuer before authorising a transfer, replacing current post transfer check by Participant.	ASXSOR 9.8.3	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[11]
45.	Under CHESS today, requests to transfer or convert holdings from the Issuer Sponsored Subregister to the CHESS Subregister do not include details of the movement reason or a transaction basis.	Under the new system, details of the movement reason and transaction basis will be included in the request messages.	The proposed changes support the new system functionality and messaging.	ASXSOR Procedure 9.8.1	Reengineer
46.	Settlement-only Participants are currently required to provide a Registrable Transfer Document to Issuers in order for transfers to the CHESS Subregister to be processed.	The ASX Settlement Operating Rules will be amended to remove the requirement for settlement-only Participants to provide a Registrable Transfer Document to Issuers in connection with a transfer from the Issuer Sponsored Subregister to the CHESS Subregister.	Registration Details currently contained in Registrable Transfer Documents will be included in messages requesting transfers to the CHESS Subregister. This will allow Issuers to validate that the registration details for the source holding specified in the message, match those on the Issuer Sponsored Subregister. Replacing the need for settlement-only Participants to provide a Registrable Transfer Document to Issuers separately to transfer request messages, prior to the processing of such messages by Issuers, will also make the transfer process more efficient and align the treatment of all Participants for the processing of transfers.	ASXSOR 9.8.4; 9.8.5; 9.8.6; 9.12.2 (deleted); 9.12.3 (deleted); 9.12.4 (deleted); Appendix 1 as it relates to 9.8.5(b) and 9.8.6.	Reengineer
47.	All Participants are required to warrant to an Issuer that they have the necessary authority of the holder to access the relevant holding, however this is currently	The ASXSORs will be amended to merge the two warranties which are currently found in Rules 9.12.1 and 9.12.5 (which	The changes will consolidate the treatment of participants.	ASXSOR 9.12.1; 9.12.5 and 9.12.6.	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[11]
	addressed separately for settlement-only participants (Rules 9.12.1) and Settlement Participants that are Market Participants or a Recognised Market Operator (Rule 9.12.5). Where Settlement Participants that are Market Participants or a Recognised Market Operator receive a Registrable Transfer Document from a person other than the transferor, they also provide additional warranties to the Issuer and are subject to additional obligations regarding transferor authorisation.	only applies to Transfers), so as to be provided by all Participants.			
48.	Settlement Participants that are Market Participants or a Recognised Market Operator are required to check that the Financial Products specified in the Issuer Sponsored Subregister to CHESS Subregister transfer request have been deducted from the correct Issuer Sponsored Holding, and rectify any errors.	Under the new system, no post-transfer check will be required.	Registration Details will be included in messages requesting transfers to the CHESS Subregister, with Issuers to be required to validate the Registration Details before a transfer is effected.	ASXSOR 9.12.7 (deleted) and 9.12.8 (deleted)	Reengineer
CHESS Subregister to Issuer Sponsored Subregister Transfers and Conversions					
49.	N/A	Transfer and conversion requests will be sent in multiple messages which will be linked by a RGID (for transfers) or a HIN (for conversions).	Adoption of ISO 20022 messaging (replacing current EIS messages), which contemplates separate messages for holder details (static data) and transfers/conversions (transaction data).	New ASXSOR 9.7.1A.	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[11]
50.	Under CHESS today, requests to transfer or convert holdings from the CHESS Subregister to the Issuer Sponsored Subregister do not include details of the movement reason or a transaction basis.	Under the new system, details of the movement reason and transaction basis will be included in the request messages.	The proposed changes support the new system functionality and messaging.	ASXSOR Procedure 9.7.1	Reengineer
Demand & Settlement Instructions					
51.	*(New transaction type – Bilateral Demand Settlement Instruction)* N/A – new BR	The new system will allow Participants to settle bilateral transactions on a DvP basis immediately, in addition to batch.	See rationale as set out in section 2.2.11 of the CP released in 2018.	New ASXSOR 9.5A. New ASXSOR Procedure 9.5A.1 and 9.5A.4. Amended~~ments to~~ ASXSOR 2.13 (new definitions of "Bilateral Demand Settlement Instruction", "Bilateral Demand Settlement Message" and "Bilateral Demand Settlement Transfer" and amended definition of and "Matched Messages").	New BR Non-batch DvP bilateral settlement (CP reference 2.2.11)

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[11]
52.	*(Message and Instruction naming)* The existing rules currently define various message and instructions types using EIS nomenclature, in particular, "*Single Entry*" and "*Dual Entry*". Following CHESS replacement, the relevant message and instruction types will operate under the updated naming convention below: **Current State** / **CHESS replacement** *"Single Entry"* / *"Unilateral"* *"Dual Entry"* / *"Bilateral"*	The ASXSORs will be amended so that the naming of: • "*Single Entry*" messages and instructions are updated to "*Unilateral*" messages and instructions; and • "*Dual Entry*" messages and instructions are updated to "*Bilateral*" messages and instructions. Note that equivalent changes have not been made to existing RTGS references in this Tranche 1 rule amendment pack, as the solution for such payment functionality (and the potential impact on existing message types) requires further definition. This is~~will be~~ addressed in ~~later~~the Tranche 2~~s of~~ rule amendments.	To align the ASXSORs with the updated naming convention for the new CHESS system.	ASXSOR 2.13 (new[16] and deleted[17] definitions) with consequential amendments to ASXSOR 2.13 (amended definition of "Batch Instruction", "Client Trust Account Amount Message", "Matched Messages", "Surveillance Report"); ASXSOR 6.3B.2; 6.3B.3; 6.3B.4; 6.3B.4A; 6.3B.7; 6.18.2; 9.4; 9.5; 9.13; Section 10 – Introduction; 10.4.1; 10.5.3; 10.9.2; 10.9.3; 10.9.5; 10.9.6; 10.9.7; 10.9.8; 10.9.11; 10.9.12; 10.9.13; 10.11.7; 10.16.1; 15.13.1; 15.14.1; 15.18.1; 16.18.1; 16.24.5 and Appendix 1 as it relates to 9.5.8 and 9.5.8(b). Amended ASXSOR Procedure 6.3B.2; 6.3B.3;	Other

[16] "*Unilateral Batch Message*", "*Unilateral Batch Instruction*", "*Unilateral Demand Message*", "*Unilateral Transfer Request*", "*Bilateral Batch Instruction*", "*Bilateral Batch Message*", "*Bilateral Demand Message*", "*Bilateral Demand Transfer*" and "*Bilateral Settlement Message*"

[17] "*Single Entry Batch Message*", "*Single Entry Batch Instruction*", "*Single Entry Demand Message*", "*Single Entry Transfer Request*", "*Dual Entry Batch Instruction*", "*Dual Entry Batch Message*", "*Dual Entry Demand Message*", "*Dual Entry Demand Transfer*", "*Dual Entry Payment Batch Instruction*" and "*Dual Entry Payment Batch Message*"

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[11]
				6.3B.4; 9.4.1; 9.5.1; 9.5.2; 10.9.2; 10.9.3; 10.9.11.	
53.	In the case of a Foreign to Foreign Allocation, a Valid Originating Message and Batch Instruction for a Single Entry Demand Transfer must include a Confirmed FOR Indicator.	A Confirmed FOR Indicator will not need to be included for unilateral transfers.	As the relevant participant controls both HINs in relation to messages for unilateral transfers and is aware of the foreign status of both sides to the relevant message, the FOR field is redundant in such unilateral context.	Amended ASXSOR Procedure 9.4.1 and 10.9.11.	Reengineer
~~53.~~54	*(Settlement Link ID)* N/A – new BR	Participants will have the ability to include a new unique identifier code which can link unilateral and bilateral settlement instructions (other than where involving delivery or receipt of financial products into a Participant's entrepot accounts). This will allow performance of those linked instructions in batch settlement to be contingent on each other.	To avoid other client financial products in an omnibus account (e.g. where Participant is custodian) being used for delivery in batch settlement in respect of a sale by a client who is scheduled to receive the relevant financial products into that omnibus account during batch to facilitate that settlement (but does not).	Amended ASXSOR 2.13 (new definition of "Linked Instructions" and "Settlement Link ID"); Section 10 – Introduction and 10.11.6. Amended ASXSOR Procedure 10.9.2 and 10.9.11. New ASXSOR 10.9.18.	New BR Linking bilateral settlements (CP reference 2.5.5 and Response to CP pages 8 and 9)
~~54.~~55	*(Trust Amount provision - consolidated Unilateral Batch Instruction)* Under the current ASXSORs, particular messages require the provision of a trust amount in relation to a Unilateral Batch Message. As a consequence of the consolidation of messages, under the new CHESS System,	Remove express references to message types that must be used for the purposes of ASXSOR 6.3B and reference the User Technical Documentation (which replace the EIS) to define the messages.	To align ASXSORs with new consolidated message functionality. The reference to the User Technical Documentation will cover users accessing the new system through messaging (ISO	ASXSOR Procedure 6.3B.2; 6.3B.3 and 6.3B.4	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[11]
	the requirement to include a trust amount in a Unilateral Batch Message will no longer be determined by the relevant message type. Rather, the provision of a trust amount in the new Message type will be determined by the relevant Participant role, rather than message type.	Settlement Participants that are either (i) a Clearing Participant, or (ii) acting as Settlement Agent for a Clearing Participant will be required to include a trust amount in a Unilateral Batch Message.	20022 standard via AMQP or SWIFTNet) as well as through distributed ledger API or "node" connection.		
~~55.~~56	*(Demand Locks)* N/A. For Bilateral Demand Transfers, validation that there are sufficient Available Financial Products for the transfer occurs at the time of matching of messages from the receiving and delivering Participants.	The new CHESS system will automatically apply a Demand Lock upon receipt of a Valid Bilateral Demand Message from the delivering Participant if there are sufficient Available Financial Products at that time, preventing financial products for a Bilateral Demand Transfer being transferred or converted between the time that the message is submitted by the delivering Participant and performance of that Bilateral Demand Transfer. This functionality will also be available for new Bilateral Demand Settlement Instructions (referred to below). The Demand Lock will be removed if the relevant Message or Transfer is rejected or cancelled.	Enhance the relevant workflow to protect against the relevant financial products ceasing to be available for transfer.	New ASXSOR 8.15.20; 8.16.8; 9.5.1A; 9.5.1B; 9.5.9; 9.5A.2; 9.5A.3 and 9.5A.9. Amended ASXSOR 2.13 (new definition of "Demand Lock" and amended definition of "Locked"); 3.6.11, 8.5.1, 8.15 (heading) and 8.15.19.	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[11]
		If Financial Products are subject to a Demand Lock and ASX Settlement receives a request from an Issuer to initiate a Holding Adjustment or Financial Products Transformation, ASX Settlement will not give effect to that message unless it is a Reconstruction. ASX Settlement will remove a Demand Lock if an Issuer initiates a Reconstruction.			
~~56.~~57	*(Settlement Tolerance Override Amount)* N/A – new BR	Participants will have the ability to override the ASX default tolerance amount for Bilateral Batch Instructions with a higher value on a per transaction value basis ("**Override Tolerance Amount**"). A Participant cannot set a limit that is less than the prevailing ASX default tolerance level. This functionality will also be available for new Bilateral Demand Settlement Instructions (referred to below).	See rationale as set out in section 2.2.7 of the CP released in 2018.	Amended ASXSOR 2.13 (new definition of "Override Tolerance Amount") and 10.9.3. New ASXSOR 9.5A.4 and 9.5A.6.	New BR Bilateral transaction matching (CP reference 2.2.7)
~~57.~~58	*(Changes to daily housekeeping of unmatched instructions)* Under the current rules, housekeeping of unmatched instructions occurs either: (i) after two days, or (ii) after one day if there is an applicable Corporate Action.	Under the new CHESS system, housekeeping of unmatched instructions will occur at the end of day each day.	The change reflects the new timeframes within which housekeeping will occur under the new CHESS system. The functionality is being implemented to simplify	ASXSOR Appendix 1 as it relates to Rule 9.5.8.	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[11]
			housekeeping workflows and system logic.		
~~58.~~59	*(Matching Reference)* Under the current system, it is possible to include an additional reference field with a matching identifier reference for Bilateral Demand Transfers. Under the new CHESS system it will be possible to include an additional matching identifier reference for Bilateral Batch Instructions.	Participants will be able to include a mandatory matching identifier in a Bilateral Batch Message. If a Participant does so, an identical value must be submitted by the counterparty Participant for the messages to be Matched. The ASXSORs will also be amended to expressly specify this existing functionality for Bilateral Demand Transfers (CHESS currently relies on ASX Settlement Procedure Guidelines and EIS to specify this).	See rationale as set out in section 2.2.7 of the CP. For consistency with new functionality, ASXSORs for Bilateral Demand Transfers will also expressly deal with mandatory matching identifier.	Amended ASXSOR 2.13 (new definitions of "*Matching Reference*", *"Secondary Matching Flag"*); 9.5.2 and 10.9.3. New ASXSOR 9.5A.4	New BR Bilateral transaction matching (CP reference 2.2.7) Other (for Bilateral Demand Transfers)
~~59.~~60	*(Changes to Instructions after Match)* Under the existing ASXSORs, updates to Bilateral Batch Instructions can be initiated by both parties. Under the new system, updates to Bilateral Batch Instructions are now only supported for a Participant updating individual data fields relevant to it, i.e.: • Account (HIN) • Settlement Link ID • Part Settlement Indicator • Contact details for relevant Holder • Underlying Reference	The ASXSORs will be amended to reflect the narrower set of changes that Participants will be permitted to make to Bilateral Batch Instructions.	Simplification to the workflow and minimised messages.	ASXSOR 10.9.5; Appendix 1 as it relates to 10.9.4. Deleted ASXSOR 10.9.4.	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[11]
	If a Participant wishes to change any other fields, they must cancel and re-submit the relevant transaction messages.				
~~60.~~61	*(Removal of payment (FoD) functionality)* Under the existing rules, payments (free of delivery) are supported, i.e. where money can be transferred through the batch without corresponding delivery of financial products. Under the new system, payments (free of delivery) will no longer be supported for a Bilateral Batch Instruction.	The ASXSORs will be amended to remove the current provisions under the rules that accommodate "*Dual Entry Payment Batch Instructions*".	Participants will no longer be able to utilise batch settlement to make payments (free of delivery).	ASXSOR 2.13 (delete definition of "Dual Entry Payment Batch Instruction" and consequential amendments to definition of "Batch Instruction", "CCP Gross Batch Instruction", "CCP Net Batch Instruction" and "Payment Batch Instruction"); 6.3B.7; Section 10 – Introduction; 10.9.3; 10.9.4; 10.9.6; 10.9.7; 10.9.9 (deleted) and 16.18.1.	Decommission

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[11]
Settlement locks for CHESS Holdings[18]					
~~61.~~62	N/A – New BR	A Settlement Lock applies to Financial Products and Entitlements and will prevent them from being deducted from a Holding unless pursuant to a Settlement Transfer.	See rationale as set out in section 2.2.5 of the CP released in 2018. The Settlement Lock will also support Settlement Transfers beyond delivery by the settlement participant of client CHESS holdings into its settlement entrepot HIN.	ASXSOR 2.13 (new definition of "Settlement Lock" and amended definition of "Locked").	New BR Settlement Lock for CHESS Holdings (CP reference 2.2.5). Reengineer.
~~62.~~63	N/A – New BR	A delivering settlement participant may request ASX Settlement to apply a Settlement Lock in connection with a **Bilateral Batch Message** Transmitted under Rule 10.9.2, to apply either: • promptly after ASX Settlement has received the Messages. If there are insufficient units to apply the	See above	New ASXSOR 10.9.3A. Amended ASXSOR 10.9.3. Amended ASXSOR Procedure 10.9.2.	See above

[18] Settlement Locks may be applied in the following circumstances:

- A mandatory Settlement Lock will apply on a Unilateral Batch Instruction transferring securities from an accumulation entrepot HIN to a settlement entrepot HIN
- An optional Settlement Lock may apply on request to a Unilateral Batch Instruction transferring securities from a sponsored HIN or direct HIN (other than an entrepot HIN). This lock can be requested either in the Unilateral Batch Message, or separately after the Unilateral Batch Message has been sent.
- An optional Settlement Lock may apply on request to a Bilateral Batch Instruction transferring securities from a sponsored HIN or direct HIN (other than an entrepot HIN). This lock can be requested by the delivering participant either in the Bilateral Batch Message to apply either immediately or on Match, or separately after the Bilateral Batch Message has been sent.

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[11]
		Settlement Lock, ASX Settlement **will cancel** the Bilateral Batch Messages; or • when those messages are Matched under Rule 10.9.3. If there are insufficient units to apply the Settlement Lock, ASX Settlement **will not cancel** the Bilateral Batch Message or Bilateral Batch Instruction but the settlement lock will not proceed.			
~~63.~~64	N/A – New BR	A delivering settlement participant may request ASX Settlement to apply a Settlement Lock in connection with a **Unilateral Batch Message** Transmitted under Rule 10.9.11. If there are there are insufficient units to apply the Settlement Lock, ASX Settlement will cancel the Unilateral Batch Message.	See above	Amended ASXSOR 10.9.11. New ASXSOR 10.9.12A.	See above
~~64.~~65	N/A – New BR	A mandatory Settlement Lock will apply in connection with a **Unilateral Batch Instruction** transferring securities from an accumulation entrepot HIN to a settlement entrepot HIN. This will apply where a settlement participant continues to utilise	See above	ASXSOR 6.3B.2.	See above

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[11]
		the accumulation account staging process for client CHESS holdings in the lead up to settlement.			
~~65.~~66	N/A – New BR	A delivering settlement participant may request ASX Settlement to apply a Settlement Lock in connection with a **Unilateral Batch Instruction or Bilateral Batch Instruction** at any time up until cut off on the Settlement Date. ASX Settlement will apply the Settlement Lock if there are sufficient Available Financial Products, or otherwise reject the message and notify the settlement participant accordingly.	See above	New ASXSOR 8.15.21; 8.15.22; 8.15.23; 8.15.24; Appendix 1 as it relates to 8.15.21. Amended ASXSOR 8.15 (heading). New ASXSOR Procedure 8.15.21.	See above
~~66.~~67	N/A – New BR	A Settlement Lock may be removed in the following circumstances: • If the Participant that requested ASX Settlement to apply the Settlement Lock requests that it be removed. • If the Settlement Instruction the Settlement Lock relates to is cancelled under the ASXSORs. • If ASX Settlement determines it is appropriate to remove	See above	New ASXSOR 8.16.6; 8.16.7; 8.16.8; 8.16.11~~9~~. Amended ASXSOR 8.5.1, 8.16 (heading); 10.9.5; Appendix 1 as it relates to 8.16.6). New ASXSOR Procedure 8.16.6; 8.16.11~~9~~.	See above

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[11]
		the Settlement Lock to maintain the orderly operation and integrity of the Settlement Facility. One example where this discretion may be exercised is in the event a participant or issuer requests ASX Settlement to apply a Holding Lock or Holder Record Lock due to a court order to securities subject to a Settlement Lock. • Where that class of issuer's financial products are suspended by ASX Settlement. • If the Source Holding subject to a Batch Instruction is changed.			
~~67.~~68	N/A – New BR	If Financial Products are subject to a Settlement Lock and ASX Settlement receives a request from an Issuer to initiate a Holding Adjustment or Financial Products Transformation, ASX Settlement will not give effect to that message unless it is a Reconstruction. ASX Settlement will remove a Settlement Lock if	See above	New ASXSOR 8.15.20. Amended ASXSOR 8.15.19.	See above

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[11]
		an Issuer initiates a Reconstruction.			
Ad hoc changes					
~~68.~~69.	No existing rule which expressly permits ASX Settlement to provide emergency assistance to settlement participants on a reasonable endeavours basis.	A new rule has been added (reflecting an existing rule in ASXCOR 6.9 to 6.12) which provides that ASX Settlement may act as the settlement participant's agent to send and receive messages on behalf of that participant when communicating with ASX Settlement on a reasonable endeavours basis.	To provide a mechanism for ASX Settlement to provide assistance to settlement participants if such assistance is requested. For example, if a settlement participant is unable to transmit messages due to an outage affecting that settlement participant.	New ASXSOR 16.25; 16.26; 16.27 and 16.28. ASXSOR Procedure 16.25.1.	Other
~~69.~~70.	Tidy up changes to correct errors			ASXSOR 2.13 (new definition of "Available Financial Products" and "Bilateral Settlement Message" and amended definition of "Holder Record Lock" and "Matched Messages"); 3.6.7; 3.6.11; 5.3.4(b); 8.5.2; 8.14.1, 8.18.5; 8.19.2; 8.21.1; 8.21.2; Section 9 (heading), 9.5.4; 9.7.6; 9.8 (heading); 9.8.2; 9.8.3; 14.9.2; 14.17.2 and 16.18.1.	Other

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[11]
				ASXSOR Procedure 2.13; 6.3B.3; ~~, 8.15.7;~~ 8.15.14; 8.15.15; 8.18.2; 8.19.3; 9.5.1, 9.5.2, 9.7.1; 9.8.1 (heading); 10.9.2 and 10.9.3. ASXCOR Procedure 12.7.7.	
~~70.~~71.	ASXCOR 12.1.2 allows for market transactions that are not eligible for registration to nevertheless be notified by ASX Clear to the settlement facility.	Reference such notification ability within ASXCOR 12.1.1 which deals with registration prerequisites.	Clarification.	ASXCOR 12.1.1	Other

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Part 3: Tranche 2

31 August 2021

This part covers the second of the three tranches of rule amendments, which relates to the following functional elements of the new system:

- dividend and distribution reinvestment plan (**DRP**) and bonus share plan (**BSP**) elections;
- ~~entitlement acceptances;~~
- real time gross settlement;
- takeovers and buybacks;
- diary adjustments;
- holding adjustments; and
- mFund.

The changes summarised in this part fall within one of the categories listed below:

- Changes required to implement new business requirements;
- Changes required to reflect re-engineering of existing functionality;
- Changes made to decommission existing CHESS functionality; and
- Other miscellaneous changes.

Note that the entitlement acceptances functionality (which formed part of the Tranche 2 rule amendments) is no longer proceeding for Day 1 of the new system and has been removed from these rule amendments.

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[19]
Corporate Actions: DRP and BSP Elections					
1.	CHESS does not currently support the transmission of electronic elections in connection with offers under dividend or distribution reinvestment plans (**DRPs**) (except in the case of managed funds settled through the mFund settlement service) or bonus share plans (**BSPs**). New ASXSORs are required to support this new functionality.	The new system will permit Participants and Issuers to transmit electronic notifications of elections (and cancellations of elections) for DRPs and BSPs in relation to CHESS Holdings. Pursuant to the new functionality for the electronic transmission of elections for a DRP or BSP: • Participants may use CHESS to provide, or cancel, an investor election. ~~• Issuers are required to notify Controlling Participants through CHESS of:~~ ~~– Updates to (including cancellations of) investor elections made directly to the Issuer by investors for CHESS Holdings.~~	Provide framework for the electronic transmission and processing of DRP and BSP elections through CHESS, including for elections and cancellations of elections notified by Participants and Issuers.	New ASXSOR 5.19A Amended ASXSOR 2.1, 2.13 (new definition of "*Corporate Action Election Status Advice Message*", ~~"*Corporate Action Record*",~~ "*Election Cancellation Message*", "*Election Participant Notification Message*", ~~"*Election Issuer Notification Message*",~~ "*Election Option Type*", "*Plan Record*" and "*Plan Election Date*" and amended definition of "*Acceptance Form*"), Section 5 (Purpose)~~ and 18.13.1(c)~~; Appendix 1 as it relates to Rules 5.19A.2(a), 5.19A.2(a), 5.19A.2(c), ~~5.19A.3(a),~~	New BR Centralised data capture and storage (CP reference 2.2.3) and Electronic elections for DRPs and BSPs (CP reference 2.2.16)

[19] The following key is used to indicate the type of change:

- Changes required to implement new business requirements identified in the CHESS Replacement Consultation Paper, *CHESS Replacement: New Scope and Implementation Plan (April 2018)* (**CP**) (**New BR**)
- Changes required to reflect re-engineering of existing functionality (**Reengineer**)
- Changes made to decommission existing CHESS functionality (**Decommission**)
- Other changes (**Other**)

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[19]
		~~Other cancellation of a prior investor election for CHESS Holdings e.g. due to zero balance, plan suspended or plan eligibility rules.~~ • CHESS will check that a plan is in operation at the issuer level on receipt of an election message (disclosed by the Issuer to the Approved Listing Market Operator). To support this process, issuers will be required to notify ASX of a DRP or BSP notified to and publicly released by the listing market. • For each notification of an election or of a cancellation of an election received through CHESS, the issuer will be required to either acknowledge receipt or reject the notification by the End of Day on which the notification is received (unless an earlier time is specified in the plan rules)~~The Issuer will be responsible for accepting or rejecting elections having regard to the relevant plan rules for the DRP or BSP~~.		5.19A.4~~5~~(a), 5.19A.~~5~~4(c), 5.19A.4(e), 5.19A.5~~6~~ and 5.19A.9~~10~~(c). New ASXSOR Procedures 5.19A.2, ~~5.19A.3,~~ 5.19A.~~5~~4 and 5.19A.9~~10~~	

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[19]
		• Issuers will be required to notify controlling participants through CHESS, for HINs with an existing CHESS notified election (only), of a cancellation of that election instigated by the issuer, e.g. due to zero balance, plan suspended or plan eligibility rules. • ~~ASX will retain a record of the most recent investor elections with the aim of ensuring consistency of message workflows - such as supporting concurrent DRP/BSP partial election.~~ • The issuer will continue to be responsible for processing, accepting or rejecting elections and cancellations of elections notified through CHESS having regard to the relevant plan rules. • ~~Issuer records for DRP and BSP will prevail.~~ • A new enquiry functionality will be provided via CHESS for controlling participants to request details of existing DRP or BSP elections, with issuer's			

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[19]
		to be required to process such requests. This will support for existing DRPs or BSPs (whether established~~in place~~ prior to or post Day 1 implementation of the new system), identification by controlling participants of whether an election is in place. As part of that functionality, controlling participants will warrant that they are legally entitled or authorised to request such details and issuers will warrant that election details provided accurately represent those recorded by the Issuer and indemnify each other, the holder and ASX Settlement if this is not the case. • Issuers will be required to warrant that, under the terms and conditions of the plan, holders can apply to participate and to cancel their participation in the relevant DRP or BSP by their Controlling Participant notifying the issuer through CHESS~~incorporate in plan documents certain core representations and warranties from holders who instruct their~~			

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[19]
		~~controlling participant to use CHESS to notify DRP or BSP elections, including that they agree to be bound by the terms and conditions of the relevant plan. This is to support the extension to the new electronic election process of representations in existing election notification processes~~. The warranty will be accompanied by an indemnity in favour of holders, controlling participants and ASX. • ~~Additionally, issuers will be required to incorporate in plan documents an authority from holders for elections or cancellation of elections made directly to the issuer to be notified to their controlling participant. This is to support the ability of issuers to provide that information to controlling participants in connection with the new electronic election process.~~ • Controlling participants and issuers submitting election or election cancellation notifications via CHESS will warrant that they are legally			

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[19]
		entitled or authorised to do so (e.g. pursuant to an instruction by the holder or the plan terms) and indemnify each other, the holder and ASX Settlement if this is not the case. In the case of a the warranty and indemnity from the issuer, this will be limited to a cancellation instigated by the issuer given that issuers will not be required to notify CHESS of elections or cancellations of elections directly to the issuer from holders.			
Corporate Actions: Entitlement Acceptances (Rights Offers and Securities Purchase Plans)					
2.	As indicated in ASX's response to consultation feedback on the revised implementation timetable that was released in October 2020[20], the functionality for electronic acceptance and payment for entitlement offers will not form part of Day 1 scope of the new system, and will be included in a future release. Accordingly, the rules supporting electronic acceptance and payment for				

[20] Available at: http://www2.asx.com.au/content/dam/asx/documents/unlinked-docs/chess-replacement-project-response-to-consultation-revised-implementation-timeline.pdf

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[19]
	entitlement offers and the accompanying descriptions have been removed from the rules package and consultation paper. Revised timing for these rules will be considered following Day 1 of the new system.				
Real time gross settlement					
3.	(*Participant types*) There are currently four types of Participants in the ASX Settlement facility: Account Participant, Specialist Settlement Participant, General Settlement Participant and a Product Issuer Settlement Participant, with the last three Participant types also being classified as a Settlement Participant. In relation to the RTGS service, an RTGS Participant is a Settlement Participant who meets additional criteria, has an active Net Position Record and has been accredited.	~~ASX Settlement has introduced a new type of participant called a Corporate Action Payments Participant for the purpose of settling Corporate Action RTGS Instructions.~~ Under the new system, ~~A~~a General Settlement Participant ~~and a Corporate Action Payments Participant~~ will qualify as an RTGS Participant and can settle RTGS Instructions if they: • have an RTGS Payments Provider, at least one Payment Facility with that RTGS Payments Provider, and a bank account referrable to that Payment Facility; and • have been accredited for RTGS.	~~Issuers will need to appoint an RTGS Participant (e.g. a Corporate Action Payments Participant) or be an RTGS Participant to facilitate payments in RTGS in respect of entitlement acceptances.~~ ~~A Corporate Action Payments Participant will have limited functionality, including facilitating Corporate Action RTGS Instructions in RTGS.~~ ~~This type of Participant cannot establish or maintain sponsored holdings and cannot participate in batch settlement. A performance bond will not be required.~~ Clarify the requirements to participate in the RTGS service.	ASXSOR 2.13.1 (Definition of ~~Corporate Action Payments Participant, Participant~~, RTGS Participant), Section 4 (purpose), ~~4.1.3 (new), 4.4B (new),~~ Section 11 (purpose), 11.5 (heading), 11.5.1, 11.5.2. Deleted ASXSOR 2.13.1 (Definition of RTGS Participation Requirements)	~~New BR~~ ~~Electronic payment for entitlement offers (CP reference 2.2.18)~~ Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[19]
		See also row 6 below regarding removal of Net Position Record.			
4.	(*Eligible Instructions*) The existing RTGS functionality contemplates a range of eligible classes of Instructions to be settled. Participants can appeal a decision of ASX Settlement not to admit or remove a class of Instructions into RTGS, and ASX Settlement may determine certain classes of Instructions must be settled in RTGS. Participants also have the ability to use an Alternative Settlement Facility to settle these Instructions.	The revised RTGS service will be limited to ~~two~~ one ~~classes~~ class of eligible Instructions to be settled, being Bilateral Demand Settlement Instructions (settled on a DvP basis) ~~and Corporate Action RTGS Instructions~~. Additional rules specific to and supporting the treatment of Bilateral Demand Settlement Instructions ~~and Corporate Action RTGS Instructions~~ as RTGS Instructions and their processing for Real Time Gross Settlement on the Business Day generated have also been included. There will be no appeals process with respect to classes of Instructions and ASX Settlement will not mandate that Instructions must be settled in RTGS.	Reflect the change in scope of use of RTGS. Namely: • decommission of existing RTGS Instructions (e.g. CCP Gross RTGS Instruction and Dual Entry RTGS Instruction); and • new Bilateral Demand Settlement Instructions (ie for bilateral DvP settlements) ~~and Corporate Action RTGS Instructions (ie for entitlement acceptances)~~.	ASXSOR 2.13.1 (Definition of Accrued RTGS Instruction, CCP Gross RTGS Instruction, Delivery Obligation, DvP RTGS Instruction, Matched Messages (also contains Tranche 1 changes in highlight), Parent DvP RTGS Instruction, Parent RTGS Instruction, Real Time Gross Settlement, RTGS Eligible, RTGS Instruction, RTGS Mandatory, RTGS Message, Settlement Adjustment), 6.17.2, 9.5A.6 (also contains Tranche 1 changes in highlight), Section 11 (purpose), 11.1.1, 11.1.2, 11.1.3, 11.2 (heading), 11.2.1, 11.3 (heading), 11.3.1, 11.3.2, 11.3.3, 11.13.1, 11.13.2, 11.13.3, 11.13.4, 11.13.5, 11.17.4, 11.18.1, 11.25.1, 11.31.1 (heading), 11.31.2, 11.31.3, 11.31.4, 11.31.5,	Decommission New BR Non-batch DvP bilateral settlement (CP reference 2.2.11) ~~Electronic payment for entitlement offers (CP reference 2.2.18)~~

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[19]
				11.31.6, 11.31.7, Section 15 (section heading and purpose), 15.1.1, 15.2 (heading), 15.2.1, 15.3 (heading), 15.3.1, 15.4.1, 15.5.1, 15.6.1, 15.9.1, 15.10.1, 15.11 (heading), 15.11.1, 15.12 (heading), 15.12.1, 15.13.1, 15.14.1, 15.15.1, 15.18.1, 15.21.1, 15.30.1[21] ASXSOR Procedure 11.1.1 (new) ASXSOR Appendix 1 as it relates to ASXSOR 11.31.1 ASXCOR 2.10.1 (Definition of Buyer, CCP RTGS Instruction, Fail, Instruction, Real Time Gross Settlement, RTGS, Seller), 4.21.1, Section 12, 12.7.4 (also contains Tranche 1 changes in highlight), 12.8.1, 12.8.5 ASXCOR Procedure 12.7.4 (also contains	

[21] Note that this reference to earlier tranche 1 rule amendments being shown in highlight relates to the tranche 2 consultation documentation released in 2020, and was for the purpose of identifying the iterative changes made to the tranche 1 rule amendments by the tranche 2 rule amendments. These are not shown in highlight in the consolidated rule amendments in attachments G to J of this consultation document.

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[19]
				Tranche 1 changes in highlight) ASXEAR 3.1.2	
5.	(*Testing of Financial Products and debit caps*) In CHESS today, an RTGS Instruction is tested in the Feeder System Queue to determine if: • there are sufficient Financial Products available to be delivered, and Financial Products are then reserved; and • there are available credit and debit balances in relation to a Net Position Record. If these tests are satisfied, the RTGS Instruction will be sent to RITS. ASX Settlement will cancel the reservation of the relevant Financial Products if the RTGS Instruction is Failed, cancelled or suspended or if the Financial Products are no longer available.	In the new system: • ASX Settlement will apply a Demand Lock upon receipt of a Bilateral Demand Settlement Message from the delivering Participant if there are sufficient Available Financial Products at this time; and • an RTGS Payments Provider must authorise an RTGS Instruction in respect of which it is required to perform a Payment Obligation (namely for RTGS Instructions sent to the Feeder System Queue). CHESS will not test credit and debit balances in relation to a Net Position Record. If these requirements are satisfied, the RTGS Instruction will be sent to RITS. ASX Settlement will cancel the Demand Lock applied to the Financial Products if the Bilateral Demand Settlement Instruction is	Locking functionality is to be available for new bilateral DvP settlements at the time of the receipt of a Bilateral Demand Settlement Message from the delivering participant. Replacing existing credit management processes (currently occurring through the Net Position Record) with approval by RTGS Payment Providers prior to progressing RTGS Instructions to the settling phase in RTGS (referred to further in row 6 below) will simplify the RTGS service for its new scope of facilitating bilateral DvP settlements~~, and payments for entitlement acceptances.~~	ASXSOR (Definition of Accrued RTGS Instruction, Feeder System Queue, Net Position Record, Reserve, RTGS Delivery Shortfall, RTGS Pre-commencement Testing), 3.6.18, 9.5A.6 (also contains Tranche 1 changes in highlight), Section 11 (purpose), 11.17A (new), 11.18.5, 11.18.6, 11.18.8, 11.19 (heading), 11.19.1, 11.19.2, 11.19.3, 11.20 (heading), 11.20.1, 11.20.2, 11.20.3, 11.20.4, 11.21 (heading), 11.21.1, 11.22.1 ASXSOR Appendix 1 as it relates to ASXSOR 9.5A.8 (also contains Tranche 1 changes in highlight), 11.13.3, 11.13.4,	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[19]
		Failed, suspended or if the Financial Products are no longer available or are subject to a Reconstruction (in which case the Bilateral Demand Settlement Instruction will be cancelled). See also row 6 below regarding removal of Net Position Record.		11.13.4(c)(ii), 11.19.1, 11.19.1(e) and 11.20.4[22]	
6.	(*Credit Management*) In CHESS today, a Participant can set up and maintain a Net Position Record and a Cash Subrecord for its Payment Facility for the purposes of credit management. Net Position Records are used to record RTGS Instructions due for settlement that relate to a specific Payment Facility. Participants can set up a Debit Cap within the Net Position Record which, if activated, allows the Participant's Net Position Record to go into debit up to an amount. Cash Subrecords are used to track amounts to be debited or credited from the Participant's account	There will be no Net Position Record, Debit Cap or Cash Subrecord functionality offered under the new system. This will be replaced by the requirement for authorisation by RTGS Payments Providers of RTGS Instructions prior to progressing to the settling phase in RTGS. Existing credit management processes outside of CHESS in respect of RITS payments, for example, in AIF will continue to apply.	Simplify the RTGS service for its new scope of facilitating bilateral DvP settlements ~~and payments for entitlement acceptances~~.	ASXSOR 2.13.1 (Definition of Cash Sub-record, Debit Cap, Debit Cap Compliant, Debit Cap Status, Debit Limit, Excluded Cash Sub-record, Net Position Record, Net Position Record Status, Participant Managed, Payments Provider Managed, RTGS Account Identifier, RTGS Participant, Standing Buy Account Identifier, Standing Sell Account Identifier), 11.5.3, 11.5.4, 11.9 (heading), 11.9.1, 11.9.2, 11.9.3, 11.9.4, 11.9.5, 11.9.6, 11.9.7,	Reengineer

[22] Note that this reference to earlier tranche 1 rule amendments being shown in highlight relates to the tranche 2 consultation documentation released in 2020, and was for the purpose of identifying the iterative changes made to the tranche 1 rule amendments by the tranche 2 rule amendments. These are not shown in highlight in the consolidated rule amendments in attachments G to J of this consultation document.

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[19]
				11.9.8, 11.9.9, 11.9.10, 11.9.11, 11.9.12, 11.9.13, 11.9.14, 11.9.15, 11.9.16, 11.18.7, 11.18.8, 11.23 (heading), 11.23.1, 11.23.2, 11.23.3, 11.24 (heading), 11.24.1, 11.24.2, 11.25.1 ASXSOR Appendix 1 as it relates to ASXSOR 11.9.3(b)(ii), 11.9.6(b), 11.9.12(b) and 11.23.1(b)	
7.	(*Switching*) Under CHESS today, a Participant can request to switch a scheduled batch settlement with a RTGS settlement (and vice versa).	Under the new system, a Participant cannot switch between batch and RTGS.	Decommissioning of existing RTGS service which is not currently used.	ASXSOR 2.13.1 (Definition of Dual Entry RTGS Instruction, Dual Entry RTGS Message, Dual Entry Switch to Batch Settlement Message, Dual Entry Switch to RTGS Message, Matched Messages (also contains Tranche 1 changes in highlight), Switch to Batch Settlement Message), 10.6 (heading), 10.6.1, 10.6.2, 10.6.3, 10.11.8, Section 11 (purpose), 11.11 (heading), 11.11.1, 11.11.2, 11.12 (heading), 11.12.1, 11.12.2, 11.12.3,	Decommission

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[19]
				11.12.4, 11.12.5, 11.12.6, 11.12.7, 16.18.1 (also contains Tranche 1 changes in highlight), 16.19.1[23] ASXSOR Appendix 1 as it relates to ASXSOR 10.6.1, 10.11.8, 11.11.2(b), 11.12.1(a)(i), 11.12.1(c), 11.12.3(a)(i), 11.12.5, 11.12.6, 11.12.6(b) and 11.28.2(a)	
8.	(*Scheduled / standing instructions*) Participants can create standing RTGS Instructions to be scheduled to settle on a future date.	RTGS Instructions cannot be scheduled for a future date. In the new system, a Bilateral Demand Settlement Instruction ~~and a Corporate Action RTGS Instruction~~ can only be created and settled on the same Business Day. An RTGS Payments Provider needs to authorise an RTGS Instruction before it is sent to RITS.	Simplify the RTGS service for its new scope of facilitating bilateral DvP settlements ~~and payments for entitlement acceptances~~.	ASXSOR 2.13.1 (Definition of RTGS Settlement Date), 11.13.1, 11.14 (heading), 11.14.1, 11.14.2, 11.14.3, 11.14.4, 11.15.1, 11.18.4 ASXSOR Appendix 1 as it relates to ASXSOR 11.18.4	Decommission
9.	(*Failed instructions*) RTGS Instructions which are not settled and have not been sent to the Feeder System Queue at RTGS	Under the new system, the RTGS End of Day will be 5.15pm. RTGS Instructions which remain on the	Simplify the RTGS service for its new scope of facilitating bilateral	ASXSOR 2.13.1 (Definition of RTGS End of Day), 11.28.1, 11.28.2,	Reengineer

[23] Note that this reference to earlier tranche 1 rule amendments being shown in highlight relates to the tranche 2 consultation documentation released in 2020, and was for the purpose of identifying the iterative changes made to the tranche 1 rule amendments by the tranche 2 rule amendments. These are not shown in highlight in the consolidated rule amendments in attachments G to J of this consultation document.

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[19]
	End of Day will be Failed and rescheduled for the next RTGS Business Day. The RTGS End of Day is 5.00pm. If settlement does not occur for RTGS Instructions which means that the recipient of Financial Products to have been transferred under the RTGS Instruction does not receive or become subject to Entitlements or other benefits or obligations in respect of a Corporate Action, which otherwise would have accrued to the recipient if settlement had occurred on the scheduled date, redress is facilitated between the relevant participants to achieve an outcome comparable to settlement having occurred on the scheduled date.	Feeder System at this time will be failed. ASX Settlement will cancel the RTGS Instruction. If an RTGS Instruction has not settled by 5.15pm, the counterparties to the RTGS Instruction will be notified and will need to create a new RTGS Instruction for the next Business Day. Redress will not be provided for RTGS Instructions that do not settle on the scheduled date.	DvP settlements ~~and payments for entitlement acceptances~~.	11.29, 11.31 (heading), 11.31.1 , 11.31.2, 11.31.3, 11.31.4, 11.31.5, 11.31.6, 11.31.7 ASXSOR Appendix 1 as it relates to ASXSOR 11.28.1(c), 11.28.2(a) and 11.31.1	
10.	(*Changing and cancelling instructions*) Under CHESS today, Participants can send a message to ASX Settlement requesting it to change the RTGS Instruction. ASX Settlement will only change the details of the RTGS Instruction if the Messages have been Matched. In addition, ASX Settlement can (for any RTGS Instructions which are suspended), Record the RTGS Instruction on the next RTGS Business Day and can cancel an RTGS Instruction that remains suspended after 10 RTGS Business Days.	Under the new system, ASX Settlement will not change any details recorded for an RTGS Instruction. Any RTGS Instructions that remain suspended at the RTGS End of Day will be cancelled by ASX Settlement. Once an RTGS Instruction enters the settling phase, it is set to occur in real time and cannot be cancelled by a Participant within CHESS (it can only be cancelled if	Simplify the RTGS service for its new scope of facilitating bilateral DvP settlements ~~and payments for entitlement acceptances~~.	ASXSOR 6.20.1, 6.20.2, Section 11 (purpose), 11.15.1, 11.16.1, 11.16.2, 11.16.3, 11.16.4, 11.17.3, 11.17.4, 11.17.5, 11.17.6, 11.17.7, 16.19.1 Appendix 1 as it relates to ASXSOR 6.20.2, 11.16.1(a)(i), 11.16.1(b), 11.16.3(a), 11.16.4, 11.16.4(d) and 11.17.5(a)	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[19]
		the RTGS Payments Provider rejects the RTGS Instruction outside of CHESS). ~~If a Participant wants to change an RTGS Instruction, such instruction will need to be cancelled and re-entered as a new RTGS Instruction. Cancellation is not permitted for Bilateral Demand settlement Instructions.~~			
11.	(*RTGS Payments Providers and Payment Facilities*) RTGS Participants must have an RTGS Payments Provider to participate in RTGS and at least 1 Payment Facility. RTGS Payment Providers are required to authorise the activation of a Net Position Record, Cash Sub record and Payment Facility linked to the activated Net Position Record. RTGS Payments Providers can appeal to an independent tribunal if its participation in RTGS has been suspended or terminated, or conditions have been imposed on its participation, by ASX Settlement.	In addition to having a Payment Facility, an RTGS Participant must provide ASX Settlement with details of a bank account (connected to its Payment Facility) with its RTGS Payments Provider and notify ASX Settlement of any changes to this bank account. An RTGS Payments Provider must also be a Payments Provider for Batch Settlement. The same RTGS Payment Facility may be used for Batch Settlement. RTGS Payments Providers will not be required to authorise the activation of a Net Position Record, Cash Sub record and Payment Facility linked to the activated Net Position Record.	Simplify the RTGS service for its new scope of facilitating bilateral DvP settlements ~~and payments for entitlement acceptances~~. Support identification of bank account referable to a Payment Facility to support straight through processing of RTGS payments into and out of that account. Align appeal processes for RTGS Payment Providers with appeal processes for Participants and Issuers across each of the ASX rulebooks.	ASXSOR 2.13.1 (Definition of Payment Facility, RTGS Bank Account), 4.13.1, 6.15.1, 6.15.3, 11.4.3, 11.5.3, 11.5.4, 11.7.4, 11.8.6, 11.8.7, 11.8.8. 11.8.9, 11.8.10, 11.8.11, 11.8.12, 11.8.13, 11.8.14, 11.27.1. ASXSOR Procedure 11.4.3, 4.13.1 ASXEAR 1.12.1 (Definition of RTGS Payments Provider), 3.1.2, 4.1.1, 4.1.2 ASXEAR Procedure 3.1	Reengineer Other

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[19]
		RTGS Payments Providers may appeal a decision of ASX Settlement to suspend, impose conditions on or terminate its participation to an Appeal Tribunal in accordance the provisions of the ASX Enforcement and Appeals Rulebook.			
12.	(*RTGS settlement reporting*) ASX Settlement makes available to each RTGS Payments Provider an RTGS Settlement Report for each RTGS Participant for which it maintains a Payment Facility linked to an active Net Position Record. ASX Settlement notifies a Participant of the net movement of funds for each active Net Position Record and Cash Sub record.	In addition to making available an RTGS Settlement Report to each RTGS Payments Provider for which it maintains a Payment Facility, RTGS Payments Providers will be notified of each settled RTGS Instruction which required the RTGS Payments Provider to make or receive a payment. ASX Settlement to notify Participant of net movement of funds with respect to each bank account connected to a payment facility referable to that Participant's settled RTGS Instructions.	Enhance information available to RTGS Payment Providers in respect of RTGS processing of bilateral DvP settlements ~~and payments for entitlement acceptances~~. Provide Participants with information for payments with respect to bank accounts connected to settled RTGS Instructions, replacing information for Net Position Record and Cash Sub record which will no longer apply.	ASXSOR 11.30.1,11.30.2 Appendix 1 as it relates to ASXSOR 11.30.1(a) (new) and 11.30.1(b)	Reengineer
13.	(*Dual Entry/Bilateral references*) The existing rules currently define instruction types using EIS nomenclature, in particular 'Dual Entry'.	As foreshadowed in Row 52 of the Tranche 1 Summary, the ASXSOR will be amended so that references to 'Dual Entry' are updated to 'Bilateral'.	To align the ASXSOR with the updated naming convention for the new CHESS system.	ASXSOR 11.13.3, 11.17.2, 11.17.5, 12.19.8, 15.13.1, 15.14.1, 15.18 (heading), 15.18.1, 16.18.1 (also	Other

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[19]
				contains Tranche 1 changes in highlight)[24], ASXSOR Appendix 1 Rule 11.17.5(a)	
14.	(*RITS Regulations*) The existing ASXSOR refer to specific sections of the RITS Regulations	The ASXSOR have been amended to remove specific sections of the RITS Regulations. The references to these sections are no longer current.	To refer to the RITS Regulations generally	ASXSOR 3.6.17	Other
15.	(*Replacement of EIS*) Under CHESS today, the components of Messages under the ASXSOR are typically defined by reference to the External Interface Specifications (**EIS**). The components of messages under the new system will be specified in User Technical Documentation	The EIS will be replaced with User Technical Documentation for the purpose of identifying the framework for message requirements and validity. This includes for users accessing the new system through messaging (ISO 20022 standard via AMQP or SWIFTNet) or through a distributed ledger API or 'node' connection. Further changes to the rulebooks ~~will be~~are provided in the Tranche 3 rule amendments package to reflect the replacement of the EIS with the User Technical Documentation, across the rulebooks.	The EIS is bespoke to the existing CHESS system and will be replaced by technical documentation covering both ISO 20022 messaging and distributed ledger API or 'node' connection.	ASXSOR 2.13.1 (definition of RTGS Message), 4.7.1, 11.6.4, 11.6.5	Reengineer

[24] Note that this reference to earlier tranche 1 rule amendments being shown in highlight relates to the tranche 2 consultation documentation released in 2020, and was for the purpose of identifying the iterative changes made to the tranche 1 rule amendments by the tranche 2 rule amendments. These are not shown in highlight in the consolidated rule amendments in attachments G to J of this consultation document.

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16.	Ad hoc change	Tidy up changes		ASXSOR 2.13.1 (Definition of Payment Facility), 3.6.18, 11.6.5, 11.8.3, 11.17.2, 11.17.4, 11.23.2, 11.23.3, 11.24.2, 11.27 (heading) 11.27.1, 11.30.1 (heading) and Appendix 1 as it relates to ASXSOR 11.8.9(b) and 11.24.2(a)(ii)	Other
Corporate Actions: Takeovers & Buybacks					
17.	*Non-Takeover Offer Events* The ASXSORs currently expressly provide for the processing of acceptances into takeover bids, which is supported by the Corporations Act and regulations[25]. Certain other types of bids to acquire financial products that are not strictly "takeover bids" have been processed using the takeovers facility in CHESS, supported by ASXSOR 14.12.1[26]. These include bids under buybacks and~~,~~ reinvestment offers~~ and schemes of arrangement~~. It is preferred that an express ASXSOR framework be in place to expressly	In addition to takeover bids currently provided for in the ASXSORs, the ASXSORs will be amended to specifically provide for the processing of acceptances under buyback offers or reinvestment offers~~ as well as elections under schemes of arrangement which allow for elections as to alternate forms of consideration~~. These events are to be specifically distinguished in the message by an event type code (TEND, BIDS, OTHR respectively).	To provide an express ASXSOR framework supporting certain non-takeover bid events and any differences in their operation to takeover bids.	New ASXSORs 14.22, 14.23, 14.24, 14.25, 14.26, 14.27, 14.28, 14.29 and 14.30. New ASXSOR Procedure 14.23.3. Amended ASXSOR 2.13 (new definition of "*Non-Takeover Offer Event Consideration Code*", "*Non-Takeover Offer Event*", "*Non-Takeover Offer Event Transfer*", "*Non-Takeover Offer Event Transferee*	Other

[25] See section 653A of the *Corporations Act 2001* (Cth) and regulation 6.8.01 of the *Corporations Regulations 2001* (Cth).

[26] ASXSOR 14.12.1 permits ASXS to treat certain types of bid to acquire financial products as "takeover bids" for the purposes of the ASXSORs.

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[19]
	support such non-takeover offer events and any differences in their operation.			*Holding*" and "*Participant Offeror*" and amended definition of "*Offer Accepted Subposition*"), 4 (purpose), 4.4.2, 4.9.1, 4.16.4A and 14 (purpose); Appendix 1 as it relates to ASXSOR 14.24.1, 14.24.5, 14.24.9, 14.24.10, 14.26.3 and 14.29.1.	
18.	*Processing of late acceptances* Under the current state, an offer is sometimes required to be re-opened manually by ASX to facilitate processing of late acceptances or re-arranging of sub-positions. Re-opening is typically used in response to late acceptances for administrative requirements (e.g. to move financial products between codes).	Under the new system ASX will no longer be able to re-open takeover offers after the offer close date. The availability of re-opening functionality for the new system will be limited to non-takeover events (i.e. buybacks and~~,~~ reinvestment offers~~ and schemes of arrangement~~) ("**Non-Takeover Offer Events**"). The new CHESS system will recognise the different message and event types, and apply corresponding permissions to each, i.e.: • (**TEND events**) The new CHESS system will prohibit takeover offers (TEND) from being reopened after the relevant close date. This change does not prevent a takeover event from being extended in the	Support the continued reopening of Non-Takeover Offer Events (i.e. buy-backs and~~,~~ reinvestment offers~~, and schemes of arrangement~~) in certain circumstances prescribed under the ASXSORs, providing flexibility to complete the processing of acceptances of non-takeover events after the close date.	New ASXSOR 14.24.7, 14.25.6 and 14.25.7.	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[19]
		usual course (i.e. by way of market announcement); • (**BIDS and OTHR events**) The new CHESS system will continue to permit the participant offeror to initiate changes but without input from ASX Post-Trade Operations.			
Diary adjustments					
19.	If settlement does not occur for Batch Instructions which means that the recipient of Financial Products to have been transferred under the Batch Instruction does not receive or become subject to Entitlements or other benefits or obligations in respect of a Corporate Action, which otherwise would have accrued to the recipient if settlement had occurred on the scheduled date, redress is facilitated between the relevant participants to achieve an outcome comparable to settlement having occurred on the scheduled date under ASXSORs 10.17 to 10.23. The current definition of Parent Batch Instruction contemplates such redress where an Accrued Batch Instruction is generated in connection with a Corporate Action relating to the issue of rights to Financial Products and does not	The existing definition of Parent Batch Instruction will be amended to extend to the different types of redress accommodated under ASXSORs 10.17 to 10.23 e.g. in respect of a failed settlement involving Financial Products subject to a Corporate Action for the issue of dividends or the return of capital. This definition has been expressly extended to incorporate such other redress mechanisms, including Settlement Adjustments, transfers and payments applicable in the context of ASXSORs 10.17 to 10.23.	To reflect the different types of redress and mechanisms for effecting such redress that apply to Batch Instructions that do not settle on the scheduled date under ASXSORs 10.17 to 10.23.	ASXSOR Section 2.13 (Definition of 'Parent Batch Instruction')	Other

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[19]
	contemplate other redress currently facilitated in connection with other Corporate Actions under ASXSORs 10.17 to 10.23.				
20.	ASX Settlement calculates a Settlement Amount for an Accrued DvP Batch Instruction generated to provide redress in connection with a failed settlement involving Financial Products subject to Corporate Action relating to the issue of rights to Financial Products under ASXSOR 10.17. The Parent DvP Batch Instruction is reduced by this Settlement Amount.	The Settlement Amount to be applied to an Accrued DvP Batch Instruction generated to provide redress in the circumstances under ASXSOR 10.17 will be zero. Accordingly, there will no longer be a corresponding reduction to the Settlement Amount to the Parent DvP Batch Instruction.	The calculation and inclusion of a Settlement Amount (generally 1 cent per Financial Product to be transferred under the Accrued DvP Batch Instruction) is a legacy initiative introduced before fail fees and is no longer considered necessary to discourage such failed settlements.	ASXSOR 10.17.5 and 10.17.6	Reengineer
21.	Settlement Participants are required to Transmit a Valid Message to ASX Settlement to request a change to a Parent Batch Instruction.	In order to change a Parent Batch Instruction, Settlement Participants will be required to cancel the Parent Batch Instruction and submit Messages to generate a new Batch Instruction in its place with the revised settlement details.	Manual updates to Parent Batch Instructions will not be supported under the new system.	ASXSOR 10.21.1	Reengineer
22.	Ad hoc change	Tidy up changes		ASXSOR 10.18.1	Other
Holding Adjustments					
23.	If a Corporate Action requires an Issuer to initiate an adjustment to more than one class of the Issuer's Financial Products, the Issuer must initiate a Financial Products Transformation. A Holding Adjustment message cannot be used to give effect to	Issuers will be able to give effect to an adjustment to more than one class of financial products by way of a Holding Adjustment.	Reflect new system functionality to remove limitations in processing of Holding Adjustments involving multiple classes of financial products.	Amended ASXSOR 5.22.2.	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[19]
	an adjustment to a CHESS Holding of more than one class of financial products.				
24.	N/A – new rule	Issuers will be required to initiate a Holding Adjustment or Financial Products Transformation to give effect to a Reconstruction by Transmitting a Valid Message to ASX Settlement. One of the existing requirements for a "Valid" Message is that it is formatted in accordance with the User Technical Documentation. The User Technical Documentation will include a requirement that Reconstructions be given effect to via one Message that accounts for an adjustment to a CHESS Message rather than multiple messages.	Reflect new system functionality and support the preservation under ASXSOR 14.2 of Subpositions over Financial Products affected by a Reconstruction which requires that a Reconstruction be given effect to via a single Message.	New ASXSOR 5.26.1. Amended ASXSOR 14.2.1 and 14.2.2.	Reengineer
25.	Subject to the terms of any court order, if ASX Settlement receives a message from an Issuer initiating a Holding Adjustment or Financial Products Transformation in relation to Financial Products held in a Locked Holding, ASX Settlement must give effect to that message.	If Financial Products are held in a Locked Holding, ASX Settlement will only give effect to a Holding Adjustment or Financial Products Transformation if: • it relates to a Reconstruction; • it results in an increase to the number of financial products in the holding; or	Reflect new system functionality to support the preservation of holding locks restricting the movement of Financial Products. Remove manual process. As a Reconstruction generally preserves the value of Financial Products, it is not expected to impact the original purpose for imposing a Holder Record Lock or	Amended ASXSOR 8.15.19 and 8.26.1. New ASXSOR 8.15.20. Deleted new ASXSOR 8.15.20 which was proposed as part of the Tranche 1 rule amendments highlighted (this rule is no longer required as the substance of this rule can	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[19]
		• the holding is subject to a holder record lock due to the death or bankruptcy of the holder. Holder Record Locks and Holding Locks are maintained following a Reconstruction. Where some (but not all) financial products in a Holding are subject to a Holding Lock, ASX Settlement will maintain the ratio between the number of Financial Products subject to a Holding Lock before and after the Reconstruction. This is not necessary for Holder Record Locks as these locks apply to the entire holding. Please note that once an Issuer has initiated a Reconstruction, ASX Settlement will remove all Settlement Locks and Demand Locks (as applicable) from all Holdings in the relevant financial product. This occurs prior to the issuer initiating a Holding Adjustment or Financial Products Transformation to give effect to the Reconstruction. Settlement	Holding Lock (including those imposed due to a court order). Facilitating a Holding Adjustment or Financial Products Transformation in respect of a holding subject to a holder record lock due to the death or bankruptcy of the holder is consistent with the operation of CHESS today.	now be addressed in ASXSOR 8.15.19 and 8.26.1)[27].	

[27] Note that this reference to earlier tranche 1 rule amendments being shown in highlight relates to the tranche 2 consultation documentation released in 2020, and was for the purpose of identifying the iterative changes made to the tranche 1 rule amendments by the tranche 2 rule amendments. These are not shown in highlight in the consolidated rule amendments in attachments G to J of this consultation document.

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[19]
		Locks and Demand Locks are not reapplied by ASX Settlement post the Reconstruction.			
26.	If ASX Settlement receives a Message from an Issuer initiating a Holding Adjustment or Financial Products Transformation in relation to Financial Products in a Subposition, ASX Settlement gives effect to that Message which can mean the release of Financial Products from the Subposition.	A new rule has been introduced to provide that ASX Settlement will not give effect to an Issuer initiated Holding Adjustment or Financial Products Transformation unless it ~~that~~ is ~~not~~ a Reconstruction or results in an increase to the number of financial products in the holding, in relation to Financial Products reserved in a Subposition.	Reflect new system functionality to support the preservation of Subpositions restricting the movement of Financial Products.	New ASXSOR 14.1.7. Deletion of ASXSOR 14.2.3.	Reengineer
27.	An Issuer initiated Holding Adjustment for AQUA products message must contain the identification number for the originating request transaction.	A message from an Issuer initiating a Holding Adjustment for AQUA products does not need to contain the identification number for the originating request transaction.	Reflect new system functionality.	Amended ASXSOR Procedure 18.10.1.	Reengineer
28.	ASX Settlement will not process Issuer initiated Holding Adjustments or Financial Products Transformations received between Start of Day and Settlement Cut-off until after Settlement Processing Phase has been completed.	This processing restriction is being removed. ASX Settlement will process Issuer initiated Holding Adjustments or Financial Products Transformations received between Start of Day and Settlement Cut-off.	Reflect new system functionality to remove restrictions on the processing of Issuer initiated Holding Adjustments or Financial Products Transformations prior to completion of the Settlement Processing Phase.	Amended ASXSOR 16.22.1.	Reengineer
29.	Ad hoc change	Tidy up changes.		Amended ASXSOR 5.3.6; 5.22.2.	Other

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[19]
mFund					
30.	*(Locked Holdings cannot request redemption)* In the current system, an mFund request for redemption can be submitted or accepted for a locked account. In the new system, a mFund request for redemption will not be able to be submitted or accepted for a locked account Under the current ASXSORs, if the relevant message complies with ASXSOR 18.3.1, then ASXS must Transmit the details of the relevant application for redemption to the Product Issuer Settlement Participant (**PISP**) under ASXSOR 18.3.3. IT is preferred that the ASXSORs contain an express basis to generate an error message when the account is locked, and not require the Message to be Transmitted.	The new system will require an account not to be locked for the purposes of submitting a Valid Originating Message requesting the redemption (see adjacent column) of mFund Units. If the message does not satisfy the relevant validation requirements the new system will generate an error message. For completeness, Unit Allotment is still allowed on a locked account provided that the Account was active when the Order was submitted, accepted and cash-settled.	To expressly provide the criteria for a valid message to reflect the new functionality and enable an error message to be generated if the new validation criteria are not satisfied.	Amended ASXSOR Procedure 18.3.1 (under "Applications for issue or redemption")	Reengineer
31.	*(Validation of requests against Fund Status)* The new system will validate a mFund request for against the Fund Status of the Security. In the current system, this validation is not performed. Under the current ASXSORs, if the relevant message complies with ASXSOR 18.3.1, then ASXS is subject to	The new system will require the fund status of the particular mFund product to be Open in respect of the relevant type of application for issue and/or redemption (as applicable) for the resulting message to be transmitted by ASXS. If the message does not satisfy the relevant validation requirements the new	To expressly provide the criteria for a valid message to reflect the new functionality and enable an error message to be generated if the new validation criteria are not satisfied.	New ASXSOR Procedure 18.3.1 (under "Applications for issue or redemption")	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[19]
	an obligation to Transmit the details of the relevant application for redemption to the PISP under ASXSOR 18.3.3. The ASXSOR Procedures are being amended to provide an express basis to generate an error message, and not require the Message to be Transmitted.	system will generate an error message.			
32.	*(Removal of Order Type)* In the new system, the Order Type field for applications for issue and redemption and status update messages and will be removed. This field is currently specified in the ASXSOR Procedures.	ASXSOR Procedure 18.3.6A requires the order type to be specified in this message: refer to paragraph (h) under each of the "Issue" and "Redemption" subheadings. These references will need to be removed to facilitate the functionality change in the new system	The Order Type field is not available on the ISO message to be used for mFund applications status updates used by Australian and International Market Practice Guidelines. In the new system, the order type will be defined by the message type on Application Submission and Confirmation and so the order type will be an inherent aspect of the relevant Message. The Transaction Id (Order Reference) on the status update message will reference the order submitted.	Amended ASXSOR Procedure 18.3.6A (Issue and Redemption sections) Procedure 18.5 and 18.6.1 (Cancellations) and Procedure 18.7.1 (change of details notified by the PISP).	Reengineer
33.	*(Message field population changes)* Under the current system, Unit Price, Number of Units (i.e., Unit Quantity), Fees are optional fields in the relevant Application Acceptance message. In the these fields will be populated at Order Confirmation.	The relevant data fields are not available on the ISO message to be used for mFund issue or redemption acceptance. Consequently, the message content requirements for ASXSOR 18.3.6A will be updated to reflect the relevant fields that will be	The Proposed change involves the automated population of data fields that are currently optional in an Acceptance message sent under ASXSOR 18.3.3.	Amended ASXSOR Procedure 18.3.6A.	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[19]
		populated in this message going forward.			
34.	*(Investor cancellation prior to acceptance)* The current system does not allow cancellation of an application by an Investor prior to its acceptance - a Participant may request the Cancellation of an Order only the order has been deferred (i.e. is in an "On-Hold" status). The new system will allow cancellation of an application for issue or redemption by an Investor prior to its Acceptance. The PISP must approve the cancellation request prior to the order being cancelled	Under ASXSOR 18.6.1 an Investor may only request a cancellation to a request to redeem units. A new ASXSOR 18.6.1A and Scheduled time be included to reflect the new procedure, under which the investor may request cancellation prior to the acceptance of the redemption request by the PISP.	To expressly permit a cancellation of a request for issue of units by the investor prior to acceptance of the request.	New ASXSOR 18.6.1A, and Appendix 1 Scheduled Times as they relate to ASXSOR 18.6.1A and 18.6.1A(a) New ASXSOR Procedure 18.6.1A Appendix 1 Scheduled Times as they relate to ASXSOR procedure 18.6.1A and 18.6.1A(a) Amendment to ASXSOR Procedure 18.6.1 (heading).	Reengineer
35.	*(New cancellation codes)* The new system will include new reason codes for cancellation messages. The provision of a reason code will be mandatory in the new system.	For the CHESS replacement system, PISP Order Cancellation Reason codes have been added for: • PDS Issue Date supplied is not the latest issued PDS • Investor has requested the order for an incorrect fund • Investor has submitted incorrect details on the order • Participant Request	To expressly require a reason code to be provided in a cancellation message	Amendment to ASXSOR Procedure 18.5.1	Reengineer
36.	*(mFund Housekeeping)* The new system will cancel orders that have not yet received an Accept/Reject response	A new paragraph will be added to ASXSOR 18.3.3 to include a deeming provision to the effect that the	New functionality to ensure that orders do not remain un-actioned	New ASXSOR 18.3.5 and amendments to Appendix 1 of the	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[19]
	from the relevant PISP after 31 days. The current system does not perform this housekeeping function.	application is treated as being rejected, and that the relevant order request will be Cancelled if the PISP does not respond within 31 days.	in the CHESS System for longer than is required.	ASXSOR and ASXSOR Procedures as they relate to ASXSOR 18.3.5.	
37.	*(Validation against holding balance)* The current system does not validate the Number of Units on a Full Redemption against the Holding Balance. The new system will validate: • when requesting a full redemption order, that the Total Holding Balance is equal to the Available Balance and the number of units requested for redemption; and • otherwise, that the Available Balance is greater than or equal to the number of units requested for redemption.	Amendment to ASXSOR Procedures to include these express validation requirements. If the message does not satisfy the relevant validation requirements the new system will generate an error message.	To ensure that (i) an Investor cannot redeem locked units (see also row 30 and (ii) the PISP redeems all units on the Account Identifier (HIN) when processing a full redemption for an Investor. To expressly provide the criteria for a valid message to reflect the new functionality and enable an error message to be generated if the new validation criteria are not satisfied.	New ASXSOR Procedure 18.3.1 (under Applications for issue or redemption)	Reengineer
38.	*(Removal of "On-Hold" status)* The current system allows a PISP to place a redemption order on an "On-Hold" Status prior to Acceptance. The new system will not provide the PISP the capability to place a redemption order on an "On-Hold" Status prior to Acceptance	Under the current ASXSORs, a PISP has the ability to "defer" a redemption request (ie place the request "on-hold"). This functionality will be removed from the ASXSORs.	To remove "on-hold" status functionality on the basis that there currently is low usage of this feature today. On-hold functionality will not be included in the new system following stakeholder input via consultation with the market	Amended ASXSORs 18.3.3, 18.3.4, 18.5.1, and 18.6.1 (including related Appendix 1 Scheduled Times); and Amended ASXSOR Procedure 18.3.3.	Decommission
39.	*(Redemption Request Reason mandatory)* In the current system it is optional to supply the Redemption	Amendment to redemption request content requirements under ASXSOR Procedures to include Redemption	To expressly require a reason code to be provided in a redemption request message	Amendment to include ASXSOR Procedure 18.3.1	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[19]
	Type in the relevant CHESS Message. The new system will mandate the provision Redemption Request Reason (called "Redemption Type") as either relating to cooling-off rights or otherwise.	Type information in a redemption request message.		(under Application for redemption)	
40.	*(Removal of gross redemption amount)* The mFund Redemption Order Request in the new system will not have the capability for a Participant to redeem a Gross Amount.	The ability to specify net or gross amount will be removed in the new system. This will be reflected in changes to the ASXSOR Procedures.	To remove gross redemption amount (i.e., before including any relevant fees or transaction costs) from a redemption request message on the basis (i) that there has been very low usage of this function in the current system and (ii) ASX understands from stakeholder feedback that Investors expect that the net amount requested (i.e., the amount after applying any applicable fees or transaction costs) will be returned to them.	Deletion to ASXSOR Procedure 18.3.1 (under Application for redemption)	Reengineer
41.	*(Validation changes – active payment facility)* Under the current system, CHESS validates that an "Active" Payment Facility exists for the PISP and the Settlement Participant when: • the Redemption Order Is requested by the relevant Participant; • the Redemption Order Is accepted by the PISP; and	Amendment to ASXSOR Procedures to include certain validation requirements regarding the relevant payment facility. If the message does not satisfy the relevant validation requirements the new system will generate an error message.	To expressly require a valid redemption message to be transmitted when there is an Active payment facility for the PISP and relevant Settlement Participant at the time the redemption is requested.	New ASXSOR Procedure 18.3.1(under Applications for issue or redemption)	Reengineer

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[19]
	• the subsequent message by the PISP to update the Acceptance is sent. The new system will only validate that an "Active" Payment Facility exists for the PISP and the Settlement Participant when the Redemption Order is Requested by the Participant.				
42.	*(Removal of mFund switch functionality)* The new system will not support switching between mFunds.	Following consultation with the market through the mFund Focus Group session, ASX has determined that that the new system will not include functionality for switches on the basis that it is currently the subject of very low usage and that this functionality only has a limited use case.	To remove references to switch functionality under the ASXSORs and related Procedures	Amended ASXSOR 2.13 (Amend "*Fund Request Cut-Off*", delete "*Switch*") Amended Section 18 purpose Amended ASXSORs 18.6.1, 18.8.1, 18.12.1, 18.12.2, 18.14.1, 18.14.2 and 18.14.3 Amended ASXSOR Appendix 1 Scheduled Times as they relate to 18.6.1, 18.6.1(c), 18.6.1(d), 18.7.1 Amended ASXSOR Procedures 18.5, 18.7.1 and 18.11.1 Amended ASXSOR Procedures Appendix 1 Scheduled Times as they	Decommission

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[19]
				relate to 18.6.1(c), 18.6.1(d) and 18.7.1 Deleted ASXSORs 18.4.1 to 18.4.4, 18.4.6, 18.5.2, 18.6.1(b) and 18.7.1(b) Deleted ASXSOR Appendix 1 Scheduled Times as they relate to 18.4.3(a), 18.4.3(b), 18.4.4(b) and 18.5.2 Deleted ASXSOR Procedures 18.4.1, 18.4.3 and 18.4.4 Deleted ASXSOR Procedures Appendix 1 Appendix 1 Scheduled Times as they relate to 18.4.3(a), 18.4.3(b) and 18.4.4(b)	
43.	*(Removal of request income advice functionality)* The new system will not support requests for income advice.	Following consultation with the market through the mFund Focus Group session, ASX has determined that that the new system will not include functionality for mFund income statements on the basis that it is currently the subject of very low usage.	To remove references to income advice functionality under the ASXSORs and related Procedures	Amended Section 18 purpose Deleted ASXSORs 18.9.1 to 18.9.6 Deleted ASXSOR Appendix 1 Scheduled Times as they relate to 18.9.2(a), 18.9.2(b), 18.9.4, 18.9.6(a) and 18.9.6(b)	Decommission

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[19]
				Deleted ASXSOR Procedures 18.9.1, 18.9.2 and 18.9.4 Deleted ASXSOR Procedures Appendix 1 Scheduled Times as they relate to 18.9.2(a), 18.9.2(b), 18.9.4, 18.9.6(a) and 18.9.6(b)	
44.	*(mFund Controlling Participants)* Under ASXSOR 18.3.2, only a Controlling Participant may initiate a request for redemption. Under the new system, only a Controlling Participant may initiate a request for issue or redemption.	A Controlling Participant must initiate a request for issue of an mFund product. Additionally, ASX understands that, in practice, a Controlling Participant may sometimes appoint a Third Party Provider to perform settlement functions on behalf of the Controlling Participant. Additional commentary will be included in the ASXSORs to clarify liability for batch settlement obligations under ASXSOR 18.3.8.	To expressly state that a Controlling Participant must submit requests for issue of mFund Products. To clarify the operation of ASXSOR 18.3.8 in relation to current practice.	Amended ASXSOR 18.3.2 and ASXSOR 18.3.8	Reengineer
45.	*(Initial applications)* Initial application messages for mFund products are not subject to sequencing requirements.	The mFund initial application/investor data workflow will be amended such that the application will be required first followed by the investor data.	To reflect process change in new system, which requires investor data to be provided after an initial application message.	Amend ASXSOR Procedure 18.3.1	Reengineer
Ad hoc changes					

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No.	Effect of the existing rules (incl why there is a need to amend the rules)	Summary of change	Purpose of change	Rules amended/added	Type of change[19]
~~45.~~46	Tidy up changes			ASXSORs 14.12.4, 14.13.4, 14.14.7, 14.15.5 and 18.7.1. ASXSOR Procedures 18.5, 18.9A.1, 18.9A.2	Other

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Attachment B: Overview of changes to descriptions in the tranche 1 and tranche 2 consultation papers

The table below sets out the changes ASX has made to certain descriptions previously provided in the tranche 1 and tranche 2 consultation papers as a result of:

- amendments arising through previous stakeholder feedback on public consultations on those rule amendments as set out in ASX's response to consultation feedback on those rule amendment consultations (tranches 1 and 2).
- amendments to reflect changes to netting and settlement workflows as consulted on in 2021 (tranche 1).
- functionality which no longer forms part of Day 1 scope of the new system (tranche 2).

These changes are reflected in the consultation paper.

Tranche & original section	Revised CP description
Tranche 1 Section 1.2	**Account and Holder creation (including changes to Holder details)** New business requirements This functionality relates to the following two new business requirements: ***Centralised data capture and storage*** (described in section 2.2.3 of the 2018 consultation paper) - providing for the new system to capture and store additional information linked to a CHESS holding which can be used in connection with corporate actions, compliance with regulatory obligations and new investor services as requested by stakeholders. This business requirement was identified by the Data Storage, Delivery and Reporting Working Group which requested ASX to investigate the feasibility of a centralised depository for the capture and storage of static end investor data and to distribute certain data to permissioned users to assist in reducing the costs associated with duplicating capture and storage of data and operational costs of on-boarding. ***Standardised registration details*** (described in section 2.2.4 of the 2018 consultation paper) - providing for the new system to support the standardisation of the format for holder details, accommodate changes to requirements specified by regulators (e.g. ATO specifications for SMSFs for the holding of assets) and adhere to industry global messaging standards, i.e. ISO 20022. This business requirement was identified by the Transfers and Conversions Working Group which requested that there be a standardised format for the recording of holder registration details to assist in reducing operational inefficiency and cost associated with managing the holdings of a client that has different holding registration details entered for their respective CHESS holdings and/or issuer sponsored holdings. The proposed account and holder creation structure impacts controlling participants, issuers and their share registries. Such parties will need to consider systems and operational processes to support the proposed holder and account information structure, including in relation to initial client on-boarding processes. Please refer below for further information on rule impacts. Overview of new/changed functionality Changes are being made in respect of account and holder functionality, including: • Transitioning from recording Holder Record details in an unstructured 180 character free text field currently in CHESS, to recording this data in a structured format against certain data elements that aligns with ISO 202022 standards. • Allowing, from a system perspective, for up to four joint Holders per HIN to be recorded in the new system, although settlement participants will continue to be subject to existing rules based restrictions on establishing a Holder Record with more than three Holders unless permitted under the Issuer's constitution (reflecting restrictions in most Issuer constitutions).

- Introducing two new data fields that are required to be completed in connection with the creation of a Holder Record, being "Ownership Type" (i.e. single or joint holding) and "Entity Type" for each named Holder (being individual or company[1]). Although these are new fields, the information is not new as it is inherent in existing CHESS data.

- Creating the framework for additional non-mandatory data fields to be populated in a Holder Record, by amending the definition of Holder Record to contemplate that additional data fields may be populated in a Holder Record. Further information about the data that may be received under the CHESS replacement system is outlined in the Data Governance Paper released by ASX in December 2020.[2]~~ASX is continuing to identify the additional non-mandatory data fields that may be populated in a Holder Record. The results of this work are to be detailed in future Focus Group and/or Technical Committee sessions and disclosed in Technical Documentation and/or associated documentation on the ASX CHESS replacement website. Further detail regarding any non-mandatory data elements will be disclosed following ASXs review of feedback to its Investor Data Focus Group held in October 2019, however, the types of non-mandatory data fields under consideration include:~~

  ~~– Tax and residency details for mFund (to assist issuers to comply with their CRS and FATCA reporting obligations).~~
  ~~– Email addresses and mobile phone numbers to enable ASX to distribute CHESS holding statements electronically. It is proposed that an email address and mobile phone number will only be required where a Holder's Communication Preference is electronic.~~

- As part of the adoption of ISO 20022 messaging which requires separate messages for static data (e.g. holder details) and transaction data (e.g. transfer/enquiry requests), introducing a temporary "Registration Identifier" object containing information of the kind recorded in registration details in order to facilitate transfers between CHESS and issuer sponsored subregisters and SRN enquiries (referred to in 2~~1~~.9 and 2~~1~~.10 below).

- Automating processing of requests for change of registration details, changes of Holder Type and removal of Holder Record.

- As a result of feedback received on the original tranche 1 rules released for consultation, ASX amended the definitions of "Holder Record" and "Registration Details" to provide further clarification as to the way the rulebooks align with the account and holder functionality as expressed in the user technical documentation. As part of its response to the tranche 1 consultation feedback, ASX also provided stakeholders with a diagram (Attachment C to that paper) explaining how the account and holder terminology and account structure referred to in the User Technical Documentation aligns to the terminology and account structure used in the rulebooks. To assist stakeholders consider these rule amendments, the above diagram is also republished in this paper as **Attachment J**.

ASX has adopted two key principles in relation to privacy and data protection in the CHESS replacement solution, which the proposed rule amendments are consistent with:

- Users not being compelled to provide additional investor data, nor will changes be made to the rulebooks that would compel certain stakeholders to provide additional information unrelated to clearing, settlement and other equity post trade services.

- Users only receiving information if they are party to a transaction or business purpose which the information relates to.

These changes and the impact on the rulebooks are described in further detail in points 1 to 12 of Part 2 of the Summary in **Attachment A**.

[1] Please note that company is intended to be a generic term to refer to entity types that are not a natural person.
[2] The Data Governance Paper is available at https://www2.asx.com.au/markets/clearing-and-settlement-services/chess-replacement/chess-replacement-resources/stakeholder-communications.

	Consultation on solution design The solution design for account and holder creation (including changes to holder details) has been the subject of consultation through the following stakeholder forums: • Focus Group session on 31 October 2018. • Further Focus Group sessions on 19 March 2019 with participants and registries, and on 26 March 2019 with vendors. • Technical Committee meetings on 22 May 2018, 27 November 2018 and 26 March 2019. ASX has made available on its website a summary of the feedback it has received from stakeholders from the relevant Focus Groups and ISO 20022 Technical Committee meetings on the solution design of the account and holder functionality.[3] The account and holder functionality solution design has been communicated publicly in Technical Documentation made available as part of Document Release 1 in December 2018 (and updated in Document Release 3 in May 2019) on the ASX CHESS Replacement website.[4]
Tranche 1 Section 1.3	**Locking and unlocking of accounts and holdings** These changes impact controlling participants, issuers and their share registries. Such parties will need to consider systems and operational processes to support revised locking and unlocking functionality. Please refer below for further information on rule impacts. Overview of new/changed functionality Currently in CHESS, Issuers may request ASX to impose a Holding Lock (being a lock that applies to specific holdings under a HIN) and Controlling Participants may request ASX to impose a Holder Record Lock (being a lock that applies to all holdings under a HIN). Changes are being made in respect of the existing locking functionality in the CHESS replacement system, including: • Settlement Participants will be able to request that a Holder Record Lock is applied to a Holder Record in the event that they are served with a court order requiring all Holdings in a Holder Record to be frozen. ASX Settlement will also be able to apply a Holder Record Lock to a Holder Record if the court order is served on ASX Settlement. • A Holding Lock will be able to be applied to part of a holding only. Currently in CHESS, if an Issuer requests ASX Settlement to apply a Holding Lock to part of a Holding due to a court order or lien, or if ASX Settlement is required to apply a Holding Lock due to a court order, ASX Settlement must request the Controlling Participant to establish a new Holder Record and transfer the financial products that are not subject to the Holding Lock to a new HIN. This new functionality will avoid the need for ASX Settlement to request Controlling Participants to establish a separate Holder Record so that a Holding Lock can be applied to only part of a Holding. • Automating the processing of applications to apply a Holder Record Lock due to a Holder's death or bankruptcy, and applications to remove a Holder Record Lock from Controlling Participants. This reflects the removal of the need for supporting documentation to be provided prior to the application or removal being processed, however Controlling Participants must continue to maintain supporting documents and provide them to ASX Settlement if requested. • Introducing an ability for Holding Locks and Holder Record Locks to be time limited (e.g. to reflect the terms of a court order) by way of a written notice to ASX Settlement, removing the

[3] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/82183674/Stakeholder+Feedback+and+ASX+Response+Standardised+Registration+Details+Account+and+Holder+creation+modification.

[4] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/23233289/Accounts.

need for a further message from Issuers or ~~settlement participants~~ Controlling Participants to request its release at the expiry of that period.

- Where there has been a death or bankruptcy of a Participant Sponsored Holder, the replacement system will place a "Named Holder Indicator" on that Holder, being an indicator that the relevant Holder relates to the death or bankruptcy (e.g. for joint holdings, this indicator will identify which Holder has died or is bankrupt). The "Named Holder Indicator" is an identifier only. Other than for automating the processing of the Holder Record Lock as indicated above, the existing process for the imposition of a Holder Record Lock by a Controlling Participant in response to a death or bankruptcy remains unchanged.

These changes and the impact on the rulebooks are described in further detail in points 13 to 20 of Part 2 of the Summary in **Attachment A**.

Consultation on solution design

The solution design for locking and unlocking functionality has been the subject of consultation through the following stakeholder forums (that also related to account and holder creation):

- Focus Group session on 31 October 2018.
- Further Focus Group sessions on 19 March 2019 with participants and registries, and on 26 March with vendors.
- Technical Committee meeting on 4 September 2018.

The locking and unlocking functionality solution design has been communicated publicly in Technical Documentation made available as part of Document Release 1 in December 2018 (and updated in Document Release 3 in May 2019 and Document Release 4 in July 2019) on the ASX CHESS Replacement website.[5]

Tranche 1 Section 1.4

Change of Controlling Participant & Enquiry

These changes impact controlling participants. Such parties will need to consider system and operational processes to support the relevant changes. Please refer below for further information on rule impacts.

Overview of new/changed functionality

Under the new system, ASX Settlement will reject a change of controlling participant message if there are outstanding transfers and conversions which had been initiated by the relinquishing participant. The incoming ~~or outgoing~~ participant will ~~also~~ be able to cancel a requested change of controlling participant prior to the change being effected by ASX Settlement.

The ASX Settlement Operating Rules will also be updated to reflect that a change of controlling participant occurs via electronic messaging.

These changes and the impact on the rulebooks are described in further detail in point 21 of Part 2 of the Summary in **Attachment A**.

Consultation on solution design

The solution design for change of controlling participant & enquiry has been the subject of consultation in the Technical Committee meeting on 28 May 2019.

[5] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/67830657/Account+and+Holding+Locking+and+Unlocking+Overview

The change of controlling participant & enquiry solution design has been communicated publicly in Technical Documentation made available as part of Document Release 4 in July 2019 on the ASX CHESS Replacement website.[6]

Tranche 1 Section 1.5

Security state and settlement instructions

These changes impact all CHESS users. Such parties will need to consider system and operational processes to support the relevant changes. Please refer below for further information on rule impacts.

Overview of new/changed functionality

Changes are being made in respect of security state and settlement instruction functionality in the new system, including:

- The new system will provide automatic electronic notifications in relation to a wider range of subregister state changes. Under the new system, automatic notifications will be sent in relation to the suspension, closure, reopening and archiving of a subregister.
- The ASXSORs will be amended to expressly contemplate the closure of the relevant subregister in relation to a lapse, expiry or maturity of the relevant Approved Financial Product, or other relevant product lifecycle events. As noted above, the new system will provide automatic notifications on the closure of a subregister, and so the changes update the ASXSORs to provide an express framework for these notifications.
- The ASXSORs will be amended to reflect the new automated cancellation timeline for suspended Instructions, subject to a discretion for ASX Settlement to continue to facilitate settlement of such Instructions where required for particular circumstances. Under the new system, ASX Settlement will automatically cancel Instructions that have been suspended for 15 business days (currently in CHESS the cancellation occurs manually on the 10th business day after the relevant suspension). There may be certain circumstances where a suspended instruction should not be cancelled, and so ASX retains a discretion not to cancel or remove particular instructions (e.g. in relation to CCP Batch Instructions).
- Under the new system, ASX Settlement will not automatically archive a subregister if there are still holdings. This change aims to avoid situations occurring under the new system, where rights or entitlements arise in relation to subregisters that still had holdings, but had already been archived.

These changes and the impact on the rulebooks are described in further detail in points 22 to 29 of Part 2 of the Summary in **Attachment A**.

Consultation on solution design

The solution design for security state and settlement instructions functionality has been the subject of consultation through the following stakeholder forums:

- Focus Group Session on 18 June 2019.
- Technical Committee meeting on 25 June 2019.

The security state and settlement instruction functionality solution design has been communicated publicly in Technical Documentation as part of Document Release 4 in July 2019 made available on the ASX CHESS Replacement website.[7]

[6] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/85886086/Change+of+Controlling+Participant+Overview

[7] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/86376579/Security+Sub-register+Status+Notification+Overview

Tranche 1 Section 1.6	**Trade registration and novation** These changes impact AMOs, who will need to consider how these rule amendments impact their operational processes. Please refer below for further information on rule impacts. Overview of new/changed functionality Changes are being made in respect of trade registration and novation functionality to reflect that: • A maximum number of three BOQ can be provided on a trade report. • It will no longer be mandatory for a clearing participant's PID to be included in particulars of Cash Market Transactions notified to ASX by AMOs, as the system can derive the PID from information provided by approved market operators to ASX Clear. This functionality will apply across all approved market operators. These changes and the impact on the rulebooks are described in further detail in points 30 and 31 of Part 2 of the Summary in **Attachment A**. Consultation on solution design The solution design for trade registration and novation functionality has been the subject of consultation in the Focus Group with approved market operators on 29 January 2019. The trade registration and novation functionality solution design has also been communicated publicly in Technical Documentation made available as part of Document Release 2 in March 2019 on the ASX CHESS replacement website.[8]
Tranche 1 Section 1.7	**Netting and unnetting** These changes impact clearing participants and settlement participants in relation to processing between trade registration and batch settlement. Such participants will need to consider changes to their systems and operational processes to support these changes. Please refer below for further information on rule impacts. Overview of new/changed functionality Changes are being made in respect of the netting and unnetting functionality in the CHESS replacement system, including: • Cash CCP Transactions will be netted per basis of movement (in addition to per HIN and security as per existing functionality). This is to be reflected through a note clarifying that for the purpose of determining net delivery or payment obligations and entitlements in respect of a class of financial products due to be delivered in an ex period, regard will be had as to whether a financial product is to be transferred with or without the relevant entitlement. • All novated market trades will be eligible for netting without exception, and so existing netting eligibility criteria will be removed. Refer to section 1.2 of this paper (dealing with the tranche 3 rule amendments for the redesign of netting and settlement workflows) for further information on this change and related aspects. ~~The ASX Clear Operating Rules will provide a framework for certain transaction types being ineligible for netting (these transactions are settled on a gross basis). Under CHESS today, the types of transactions ineligible for netting are specified in Part 7.4 of the ASX Procedure Guidelines but not contemplated under the rulebooks. The transaction types ineligible for netting include Cash Market Transactions with a settlement date less than two business days after notification to ASX Clear, and transactions with the following condition~~

[8] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/46989605/Market+Trade

~~codes (which ASX proposes to set out in the terms of the agreements between ASX Clear, ASX Settlement and each market operator):~~

- ~~OR – Overseas Resident (Foreign to Foreign).~~
- ~~P1 - Put through trade report ($1 million).~~
- ~~P2 – Put through trade report ($0.5 million).~~
- ~~PR – Prompt re-booking.~~
- Blocking indicator functionality (being the ability for a clearing participant to request that certain Cash CCP Transactions are excluded from set off) is being decommissioned, although ASX Clear will have the power to remove Cash CCP Transactions from netting if it considers it appropriate to maintain the orderly operation and integrity of ASX Clear.
- Accommodating separation of clearing and settlement functions post Day 1 by providing for ASX Settlement to notify settlement participants acting as a settlement agent for a clearing participant of the CCP ~~Net~~ Batch Instructions ~~and CCP Gross Batch Instructions~~ generated by ASX Clear in respect of, and notified to, that clearing participant. As set out in the 2018 consultation paper, the potential additional clearing and settlement participant structures that this change relates to raise various risk and regulatory implications which will need to be addressed prior to such additional participant structures being allowed.

These changes and the impact on the rulebooks are described in further detail in points 32 to 36 of Part 2 of the Summary in **Attachment A**.

Consultation on solution design

The solution design for netting and unnetting functionality has been the subject of consultation in the Technical Committee meetings on 17 April 2018, 22 May 2018 and 26 June 2018.

The netting and un-netting functionality solution design has been publicly communicated in Technical Documentation made available as part of Document Release 3 in May 2019 on the ASX CHESS Replacement website.[9]

Tranche 1 Section 1.8

Collateral Management

These changes impact clearing participants in relation to their management of collateral. Such parties will need to consider system and operational processes to support the relevant changes. Please refer below for further information on rule impacts.

Overview of new/changed functionality

Changes are being made in respect of the collateral management functionality, including:

- Consolidating messages used for requests to reserve or release financial products lodged to fulfil a participant's margin obligations for derivatives or cash transactions, with the new system requiring the message to specify the relevant subposition type (either derivatives or cash market transactions).
- Define within the ASX Settlement Operating Rules the role of a Clearing Participant in authorising the withdrawal of Cover provided by a Controlling Participant that is a different entity.
- More fully reflect the process for a replacement of cover, with participants being required to contact ASX Operations in relation to a request for an intraday exchange of collateral, reflecting the need for manual processing steps to facilitate such intraday exchange while ensuring the relevant margin exposure remain covered at all times.

[9] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/66062745/Netting

- Replacing existing CHESS EIS message descriptions by reference to the process in accordance with the User Technical Documentation. The User Technical Documentation covers users accessing the new system through messaging (ISO 20022 standard via AMQP or SWIFTNet) as well as through a distributed ledger API or "node" connection.

These changes and the impact on the rulebooks are described in further detail in points 37 to 39 of Part 2 of the Summary in **Attachment A**.

Consultation on solution design

The solution design for collateral management functionality has been the subject of consultation through the following stakeholder forums:

- Focus Group sessions on 9 July 2019 and 13 August 2019.
- Technical Committee meetings on 23 July 2019 and 27 August 2019.

The collateral management solution design has been communicated publicly in Technical Documentation made available as part of Document Release 5 in September 2019 on the ASX CHESS Replacement website.[10]

Tranche 1 Section 1.9

SRN Enquiry

These changes impact settlement participants, issuers and their share registries in relation to requests for details of an SRN or holding balance of an issuer sponsored holding. Such parties will need to consider system and operational processes to support the relevant changes. Please refer below for further information on rule impacts.

Overview of new/changed functionality

Changes are being made in respect of the SRN enquiry functionality, including:

- Formalising the operation of existing CHESS functionality for settlement participants requesting details of an SRN or obtaining the holding balance of an issuer sponsored holding, and issuer obligations to process such requests. This supports the new system requirement that messages for transfers or conversions must include SRN and registration details for validation by the issuer (see Section ~~1~~2.10 below).
- Extending the availability of SRN enquiry functionality to market participants of an Approved Market Operator that are subject to the National Guarantee Fund (NGF) or compensation arrangements under Division 3 of Part 7.5 of the Corporations Act.

These changes and the impact on the rulebooks are described in further detail in points 40 to 42 of Part 2 of the Summary in **Attachment A**.

Consultation on solution design

The solution design for SRN enquiry functionality has been the subject of consultation through the following stakeholder forums:

- Focus Group on 10 April 2019.
- Technical Committee meeting on 7 May 2019.

[10] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/101810501/Collateral+Management

ASX has made available on its website a summary of the feedback it has received from stakeholders from the relevant Focus Groups and Technical Committee meetings on the solution design of the SRN enquiry functionality.[11]

The SRN enquiry solution design has been communicated publicly in Technical Documentation made available as part of Document Release 3 in June 2019 on the ASX CHESS Replacement website.[12]

Tranche 1 Section 1.10

Transfers and Conversions

These changes impact settlement participants, issuers and their registries in relation to transfers and conversions of holdings between issuer sponsored registers and CHESS. Such parties will need to consider system and operational processes to support the relevant changes. Please refer below for further information on rule impacts.

Overview of new/changed functionality

Changes are being made in respect of the transfers and conversions functionality, including:

- Under the new system, all settlement participants will be required to provide registration details in messages requesting a transfer from the Issuer Sponsored Subregister to the CHESS Subregister, with issuers to be required to conduct a pre-transfer validation of such registration details against those maintained by the issuer for that holding before authorising a transfer. This aligns the processing of transfers with existing processing for conversions.
- The above new requirements will replace existing requirements in respect of transfers from the Issuer Sponsored Subregister to the CHESS Subregister for a post-transfer check to be completed by settlement participants that are market participants and the provision by settlement-only participants of Registrable Transfer Documents to an issuer for validation by the issuer of registration details in that transfer document against those maintained by the issuer for that holding prior to authorising the transfer. This aligns the treatment of all settlement participants for the processing of transfers.
- Taking a consistent approach to warranties provided by settlement participants that are market participants and those that are settlement-only participants in respect of transfer processing from the Issuer Sponsored Subregister to the CHESS Subregister.
- A request to transfer or convert holdings between CHESS and issuer sponsored subregisters will be sent in multiple messages, reflecting the separation under ISO 20022 of messages containing holder data and transfer/enquiry requests.

These changes and the impact on the rulebooks are described in further detail in points 43 to 50~~48~~ (Issuer to CHESS subregister) and points 49 to 50 (CHESS to Issuer subregister) of Part 2 of the Summary in **Attachment A**.

Consultation on solution design

The solution design for transfers and conversions has been the subject of consultation through the following stakeholder forums:

- Focus Group sessions on 14 February 2019 and 10 April 2019.
- Technical Committee meetings on 8 February (CHESS to issuer subregister) and 7 May 2019 (both issuer to CHESS subregister and CHESS to issuer subregister).

[11] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/82216212/Stakeholder+Feedback+and+ASX+Response+Transfers+and+Conversions+SRN+Enquiry

[12] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/79757880/SRN+Enquiry+Overview

	ASX has made available on its website a summary of the feedback it has received from stakeholders from the relevant Focus Groups and Technical Committee meetings on the solution design of the transfers and conversions functionality.[13] The transfers and conversions solution design has been communicated publicly in Technical Documentation made available as part of Document Release 3 in June 2019 on the ASX CHESS Replacement website.[14]
Tranche 1 Section 1.11	**Demand and Settlement Instructions** New business requirements The changes to demand and settlement instruction functionality described below relate to the following new business requirements: ***Bilateral transaction matching – increased settlement tolerance*** (described in section 2.2.7 of the 2018 consultation paper) - ASX has reviewed the tolerance models for settlement value matching criteria for bilateral transactions with interested stakeholders. Consequently, ASX will be providing settlement participants the opportunity to specify bespoke larger tolerance levels (which will be masked from the other party). This business requirement was identified by the Settlement Enhancements Working Group, which requested ASX to review the existing three-tiered model for settlement tolerance to accommodate additional flexibility for matching including to allow for the ability for settlement participants to nominate tolerance thresholds in messages. ***Bilateral transaction matching – additional matching reference field*** (described in section 2.2.7 of the 2018 consultation paper) - providing an additional reference field with mandatory matching criteria to better facilitate settlement of stock borrowing and lending transactions. This business requirement was identified by the Settlement Enhancements Working Group, which requested ASX to introduce the optional additional matching criteria on the basis that it would allow for errors to be identified and corrected. ***Non-batch DvP bilateral settlement*** (described in section 2.2.11 of the 2018 consultation paper) – providing for the new system to allow settlement participants to settle bilateral transactions outside the daily batch process on a delivery vs. payment (DvP) basis using a real time payment facility. This business requirement was supported by the Settlement Enhancements Working Group, which sought a more efficient settlement mechanism for large bilateral transactions being settled outside of batch and to reduce counterparty and settlement risk. ***Linking bilateral settlements*** (described in section 2.5.5 of the 2018 consultation paper & pages 8, 9 of the *response to consultation feedback* released by ASX in September 2018) – providing for the new system to allow for the settlement of instructions to be linked, with the performance of each contingent on the other. This business requirement, which was identified by the Settlement Enhancements Working Group, was flagged in the 2018 consultation paper as not being progressed by ASX (including having regard to the new bilateral DvP settlement service offering and the impact on prioritisation of linked bilateral instructions in the settlement batch). However given the strong support from a number of respondents to the CP, ASX's 2018 response to consultation feedback indicated that ASX would

[13] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/82216212/Stakeholder+Feedback+and+ASX+Response+Transfers+and+Conversions+SRN+Enquiry

[14] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/80841006/Transfer+Conversions+Between+Subregisters

include this functionality in the new system. On the basis of the feedback received, ASX was also able to better define this business requirement.

As indicated in the 2018 response to consultation feedback, the availability to users of such functionality on Day 1 remains dependant on addressing any associated risk and regulatory implications from the potential impacts on existing prioritisation of CCP Batch Instructions and settlement certainty for novated transactions.

These changes impact settlement participants. Such parties will need to consider system and operational processes to support the relevant changes. Please refer below for further information on rule impacts.

Overview of new/changed functionality

Changes are being made in respect of transfer and settlement functionality, including:

- New transaction type: Bilateral Demand Settlement Instruction - allowing Participants to transfer units and cash, and to settle the transaction on a DvP basis immediately, rather than in batch. By allowing for such DvP settlement outside of batch, this can reduce counterparty and settlement risk on transactions where currently delivery occurs in CHESS and payment occurs outside of CHESS. The implementation of this functionality is dependent on the establishment of RTGS payment functionality, including implementation of appropriate arrangements with the RBA. Additional rules to support the operation of the RTGS payment facility in respect of such transfers are-included~~anticipated to occur~~ as part of the tranche~~s~~ 2 ~~and 3 of the~~ rule amendments. ~~This may also require further tailoring of these tranche 1 rule amendments (supporting messaging to initiate such transfers) to the operation of that RTGS payment functionality~~.
- Message and Instruction naming - updating the naming conventions of transaction types to reflect new system nomenclature. In particular, the ASXSORs will be amended so that the naming of:
  - "*Single Entry*" messages and instructions (i.e. messages and instructions submitted by one Participant) are updated to "*Unilateral*" messages and instructions.
  - "*Dual Entry*" messages and instructions (i.e. messages and instructions with a different Participant on each side) are updated to "*Bilateral*" messages and instructions.
- Settlement Link ID - allowing settlement participants to link unilateral and bilateral settlement instructions (other than where involving delivery or receipt of financial products from / into a Participant's entrepot accounts) by including an optional, unique "*Settlement Link ID*". The performance of 'linked' instructions in batch settlement will be contingent on each other.
- Trust Amount provision - consolidated Unilateral Batch Instruction - consolidating Unilateral Batch Messages, and updating message requirements so that the provision of a trust amount in the new Message will be determined by the relevant Participant role. In the new system, a single message type will be used for Unilateral Batch Instructions, whereas under CHESS, there are two distinct message types (one which includes a trust amount field, and another which does not). The new consolidated message is designed to only require the provision of a trust amount if the ASXSORs require the relevant Participant to do so.
- Demand Locks - automatically applying a Demand Lock upon receipt of a Valid Bilateral Demand Message from the delivering settlement participant if there are sufficient Available Financial Products at that time. This aims to prevent financial products for a Bilateral Demand Transfer being transferred or converted between the time that the message is submitted by the delivering Participant and performance of that Bilateral Demand Transfer.
- Settlement Tolerance Override Amount - giving settlement participants the ability to override the ASX default tolerance amount for Bilateral Batch Instructions with a higher value on a per transaction value basis. This change will allow greater flexibility by allowing one or both bilateral counterparties to specify a higher override tolerance amount, and so have the ability to achieve

a match without one or both Participants having to cancel messages, seek revised instructions, re-book client trades and resubmit messages.

- Changes to daily housekeeping of unmatched instructions - updating ASX's daily housekeeping processes so that housekeeping of unmatched instructions occurs at the end of day each day.
- Matching Reference - allowing settlement participants to include an additional matching identifier reference for Bilateral Batch Messages, in which case an identical matching identifier must be included by the counterparty participant in order for those messages to be matched.
- Changes to Instructions after Match - narrowing the changes to Bilateral Batch Instructions that can be made by a settlement participant in the new system to certain individual data fields relevant to it, with changes to other fields requiring the settlement participants to cancel and re-submit the relevant transaction messages.
- Removal of payment (Free of Delivery) functionality - removing current provisions under the rules that accommodate "Dual Entry Payment Batch Instructions" to reflect that settlement participants will no longer be able to utilise batch settlement to make payments (free of delivery). This is being removed on the basis that the functionality is not being used in CHESS today.

These changes and the impact of each on the rulebooks are described in further detail in points 51 to 61~~0~~ of Part 2 of the Summary in **Attachment A**.

Consultation on solution design

The solution design for demand and settlement instructions, including in relation to the new Bilateral Demand Settlement Instruction, has been the subject of consultation through the following stakeholder forums:

- Focus Group Session on 7 November 2018.
- Technical Committee meeting on 27 November 2018.

ASX has made available on its website a summary of the feedback it has received from stakeholders from the relevant Focus Group and ISO 20022 Technical Committee meeting on the solution design of the demand and settlement instructions functionality[15].

The solution design for demand and settlement instructions, including in relation to the new Bilateral Demand Settlement Instruction transaction, has been communicated publicly in Technical Documentation as part of Document Release 1 in December 2018 made available on the ASX CHESS Replacement website.[16]

Tranche 1 Section 1.12	**Settlement locks for CHESS holdings** New business requirement This functionality relates to the following new business requirement: ***Settlement lock for CHESS holdings*** (described in section 2.2.5 of the 2018 consultation paper) – providing for the new system to give settlement participants the option to place a 'lock' on, or commit, financial products held in a client CHESS holding for delivery into its settlement account on the settlement day the financial products are due, with ASX to validate that the relevant securities are available and locked for settlement. This new business requirement was supported by the Settlement Enhancements Working Group on the basis that it would provide for increased settlement certainty and process efficiency, reduce

[15] Available at: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/82249140/Stakeholder+Feedback+and+ASX+Response+Demand+and+Settlement+Instructions

[16] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/23233188/Holding+Transfers

accumulation entrepot account reconciliation and improve investor protection against a participant default.

The provision of this new functionality impacts controlling participants, issuers and their share registries, who will need to consider systems and operational processes to support this new functionality. Please refer below for further information on rule impacts.

Overview of new/changed functionality

ASX is introducing settlement locks for CHESS holdings which give settlement participants the option to "lock" or commit securities for settlement from a CHESS holding they control for delivery into their settlement account as part of batch settlement on the settlement date for those financial products.

A mandatory settlement lock will also automatically apply on all securities scheduled to be transferred in batch settlement from a participant's accumulation account to its settlement account.

ASX Settlement will have the power to remove a settlement lock if it reasonably considers it necessary in order to maintain the orderly operation and integrity of the settlement facility. An example of a situation where ASX Settlement may seek to exercise this discretion is if an issuer or settlement participant requests ASX Settlement to apply a Holding Lock or Holder Record Lock to financial products in a Holding due to a court order.

These changes and the impact on the rulebooks are described in further detail in points 62~~1~~ to 68~~7~~ of Part 2 of the Summary in **Attachment A**.

Consultation on solution design

The solution design for settlement locks for CHESS Holdings has been the subject of consultation through the following stakeholder forums:

- Focus Group session on 7 November 2018.
- Technical Committee meetings on 4 September 2018, 9 October 2018 and 27 November 2018.

ASX has made available on its website a summary of the feedback it has received from stakeholders from the relevant Focus Group and ISO 20022 Technical Committee meetings on the solution design of the settlement lock functionality.[17]

The settlement lock functionality solution design has also been communicated publicly in Technical Documentation made available as part of Document Release 1 in December 2018 (and updated in Document Release 5 in September 2019) on the ASX CHESS Replacement website.[18]

~~Specific stakeholder feedback requested~~

~~The 2018 consultation paper had proposed that for client CHESS Holdings to be used in batch, the settlement lock will be mandatory. This would have removed the accumulation account staging process for client CHESS holdings currently undertaken in the lead up to settlement, thereby reducing and simplifying the daily reconciliation of those accounts by participants and providing additional protection for selling clients as they remain on the register with legal title over their securities for the period up to the commencement of batch settlement.~~

~~ASX is no longer proposing to mandate the use of the settlement lock because it will not proceed with the new business requirement for a settlement lock for issuer sponsored holdings (referred to in section 2.2.6 of the 2018 consultation paper). Accordingly the accumulation account staging process would still need to be retained for those financial products, meaning that there would be~~

[17] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/102958004/Stakeholder+Feedback+and+ASX+Response+Settlement+Locks+on+HIN+Holdings

[18] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/23233771/Settlement+Locks

~~dual processing requirements that apply, depending on whether the underlying financial products being settled were issuer sponsored or CHESS holdings.~~

~~ASX is requesting feedback from stakeholders as to whether ASX should revert to its proposal to remove the accumulation staging process for client CHESS holdings (thereby mandating use of the settlement lock for CHESS holdings) as provided for in the 2018 consultation paper, including the potential benefits and impacts to holders and participants of doing so.~~[19]

Tranche 2
Section 1.2

Dividend and distribution reinvestment plan (DRP) and bonus share plan (BSP) elections

New business requirements

This functionality relates to the new business requirement for the electronic elections of DRPs and BSPs, which was described in section 2.2.16 of the 2018 consultation paper. It provides settlement participants the ability to electronically elect to participate in dividend reinvestment plans (DRP) and bonus share plans (BSP) (on a per issuer basis) on behalf of their clients.

This business requirement was supported by the Corporate Actions Working Group on the basis that it will allow for real time electronic acknowledgement of receipt of election, multiple elections per HIN and the option for part elections per holding.

The provision of this new service for electronic notification of elections (and cancellation of elections) for DRPs and BSPs via CHESS impacts:

- Controlling participants who opt to make this service available to their clients.
- Issuers and their share registries whose support is required to facilitate this service in addition to existing processing for DRP and BSP elections currently occurring outside of CHESS.

Such parties will need to consider systems and operational processes and any relevant client documentation to support the new service. Please refer below for further information on rule impacts.

Overview of new/changed functionality

The new system will permit controlling participants and issuers to transmit electronic notifications of elections (and cancellations of elections) for DRPs and BSPs in relation to CHESS holdings. It will be optional for controlling participants to do so, with election notification via CHESS to operate in addition to existing notification processes (e.g. paper based or issuer registry portal) directly to the issuer by holders or controlling participants (on behalf of holders).

Pursuant to the new functionality for the electronic transmission of elections for a DRP or BSP:

- Controlling participants may use CHESS to provide, or cancel, an investor election. Multiple elections for CHESS holdings are allowed.
- ~~CHESS will maintain and update a record of election status and notify parties of updates to that record. To support this, issuers are required to notify controlling participants through CHESS of:~~
  - ~~Acceptance or rejection of elections received through CHESS.~~

[19] As part of the Tranche 1 rule amendments consultation ASX had asked for feedback as to its proposal to no longer seek to mandate the use of a settlement lock for client CHESS holdings used in batch settlement (and the removal of the accumulation account staging process for client CHESS holdings in the lead up to settlement). ASX received 7 responses from stakeholders on this point, with 6 stakeholders supporting ASX not mandating use of a settlement lock for client CHESS holdings as part of Day 1 functionality. ASX decided to proceed with not mandating the settlement lock for client CHESS holdings as part of Day 1 functionality. ASX however, will be seeking to mandate use of the settlement lock for client CHESS holdings as part of post-Day 1 functionality. The mandatory settlement lock for accumulation to settlement entrepot movements will continue to be mandatory as part of Day 1 functionality.

- ~~Investor elections (including cancellations of prior elections) made directly to the issuer by holders for CHESS holdings (i.e. outside of CHESS).~~
- ~~Other cancellation of a prior election for CHESS holdings e.g. due to zero balance, plan suspended or plan eligibility rules.~~

- CHESS will check that a plan is in operation for the issuer on receipt of an election message (disclosed by the issuer to the listing market) prior to processing such messages e.g. sending them to the issuer. To support this process, issuers will be required to notify ASX of a DRP or BSP notified to and publicly released by the listing market.
- For each notification of an election (or of a cancellation of an election) received through CHESS, the issuer will be required to either acknowledge receipt or reject the notification by the End of Day on which the notification is received (unless an earlier time is specified in the relevant plan rules).
- Issuers will be required to notify controlling participants through CHESS, for HINs with an existing CHESS notified election (only), of a cancellation of that election instigated by the issuer e.g. due to zero balance, plan suspended or plan eligibility rules.
- The issuer will continue to be responsible for accepting or rejecting elections having regard to the relevant plan rules for the DRP or BSP and determining the sequence and priority for elections or cancellations received (within or outside CHESS).
- A new enquiry functionality will be provided via CHESS for controlling participants to request details of existing DRP or BSP elections, with issuer~~'~~s to be required to process such requests. This will allow controlling participants to identify whether an election is in place under existing DRPs or BSPs (whether established prior to or post the~~prior to~~ Day 1 implementation of the new DRP/BSP election ~~system~~functionality). As part of that functionality, controlling participants will warrant that they are legally entitled or authorised to request such details and issuers will warrant that election details provided accurately represent those recorded by the issuer and indemnify each other, the holder and ASX Settlement if this is not the case.
- Issuers will be required to warrant that, under the terms and conditions of the plan, holders can apply to participate and to cancel their participation in the relevant DRP or BSP via a notification by their Controlling Participant through CHESS under the new functionality~~incorporate in plan documents certain core representations and warranties from holders who instruct their controlling participant to use CHESS to notify DRP or BSP elections, including that they agree to be bound by the terms and conditions of the relevant plan. This is to support the extension to the new electronic election process of representations in existing election notification processes.~~ The warranty will be accompanied by an indemnity in favour of holders, controlling participants and ASX.~~Additionally, issuers will be required to incorporate in plan documents an authority from holders for elections or cancellation of elections made directly to the issuer to be notified to their controlling participant. This is to support the ability of issuers to provide that information to controlling participants in connection with the new electronic election process.~~
- Controlling participants and issuers submitting election or election cancellation notifications via CHESS will warrant that they are legally entitled or authorised to do so (e.g. pursuant to an instruction by the holder or the plan terms) and indemnify each other, the holder and ASX Settlement if this is not the case. In the case of the warranty and indemnity from the issuer, this will be limited to a cancellation instigated by the issuer given that issuers will not be required to notify CHESS of elections or cancellations of elections direct to the issuer from holders.

These changes, and the impact on the rulebooks are described in further detail in point 1 of Part 3 of the Summary in **Attachment A**.

Consultation on solution design

The solution design for DRP and BSP elections has been the subject of consultation through the following forums:

- Focus Group sessions on 18 June 2019, 13 August 2019 and 31 October 2019.
- Further Focus Group sessions with issuer registries and brokers on 6 September 2019.
- Technical Committee meetings on 23 July 2019, 27 August 2019, 1 October 2019, 1 November 2019, 26 November 2019 and 10 December 2019.

ASX has made available on its website a summary of the feedback it has received from stakeholders from the relevant Focus Groups and ISO 20022 Technical Committee meetings on the solution design for electronic DRP and BSP election functionality.[20]

The electronic DRP and BSP election functionality solution design has been communicated publicly in the Technical Documentation as part of Document Release 7 (Part I) in January 2020, which is available on the ASX website.[21] Following revisions to the solution design outlined in the tranche 2 response to consultation paper, updated Technical Documentation was released as part of Document Release [ ] in in May 2021 on the ASX CHESS Replacement website.[22]

Tranche 2 Section 1.3

Entitlement acceptances[23]

As indicated in ASX's response to consultation feedback on the revised implementation timetable that was released in October 2020[24], the functionality for electronic acceptance and payment for entitlement offers will not form part of Day 1 scope of the new system, and will be included in a future release.

Accordingly, the rules supporting electronic acceptance and payment for entitlement offers and the accompanying descriptions have been removed from the rules package and this consultation paper. Revised timing for these rules will be considered following Day 1 of the new system.

Tranche 2 Section 1.4

Real time gross settlement

New business requirements

The changes to real time gross settlement functionality described below relate to the new business requirements set out below.

Non-batch DvP bilateral settlement

The non-batch DvP bilateral settlement business requirement was described in section 2.2.11 of the 2018 consultation paper. It provides for the new system to allow settlement participants to settle bilateral transactions outside the daily batch process on a delivery vs. payment (DvP) basis using a real time payment facility.

This business requirement was supported by the Settlement Enhancements Working Group, which sought a more efficient settlement mechanism for large bilateral transactions being settled outside of batch and to reduce counterparty and settlement risk. Stakeholders have indicated that one scenario where this will be beneficial to the market is facilitating settlement on T+2 even though client settlement instructions are received late and miss batch settlement on that day.

[20] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/192808227/Stakeholder+Feedback+and+ASX+Response+DRP+BSP+Elections
[21] Available at: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/180129071/DRP+BSP+Election+and+Distribution+Advice+Notification
[22] Available at: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/180129071/DRP+BSP+Election+and+Distribution+Advice+Notification
[23] Note that this cell is not marked up against the adjacent cell for ease of reference.
[24] Available at: http://www2.asx.com.au/content/dam/asx/documents/unlinked-docs/chess-replacement-project-response-to-consultation-revised-implementation-timeline.pdf

Electronic payment for entitlement offers

The electronic payment for entitlement offer business requirement was described in section 2.2.18 of the 2018 consultation paper. It provides for electronic payments in AUD by settlement participants (on behalf of holders) to issuers in respect of an acceptance of entitlements.

This business requirement was supported by the Corporate Actions Working Group on the basis that it will improve and standardise the process for electronic payment to the issuer in connection with electronic acceptances by settlement participants (on behalf of holders) for entitlements in respect of holdings, allow for consistent electronic confirmation of payment or notification of failures, and allow for acceptance and payment instructions to be sent separately.

This functionality also relates to the business requirement for the electronic acceptance of entitlement offers, which is discussed in further detail in section 1.3 above.

The provision of real time gross settlement functionality to support these this new business requirements impacts:

- Controlling participants who opt to: use the new non-batch DvP bilateral settlement service.

  make the new service for electronic notification of acceptances and payments under rights offers and SPPs via CHESS available to their clients.

  Issuers and their share registries in relation to the new service for electronic notification of acceptances and payments under rights offers and SPPs via CHESS.

- Payment providers acting on behalf of such controlling participants and issuers or their share registries.

Such parties will need to consider systems and operational processes, banking arrangements and any relevant client documentation to support the new service. Please refer below for further information on rule impacts.

Electronic payment for entitlement offers

As referenced in 3.3 above, the functionality for electronic acceptance and payment for entitlement offers will not form part of Day 1 scope of the new system, and will be included in a future release.

Overview of new/changed functionality

As noted in the *CHESS Replacement: New Scope and Implementation Plan* released by ASX in April 2018, the existing real time gross settlement (RTGS) service was to be discontinued as it is not currently used by participants. However, as a real time payment facility is required to facilitate the new non-batch DvP bilateral settlement functionality and entitlement acceptance functionality, the RTGS service will be repurposed to support that functionality. The operational arrangements and associated rules framework supporting the existing RTGS service will be simplified under the new system given that they are only required to support payments in respect of non-batch DvP bilateral settlement and electronic payment for entitlement offers. Changes made to repurpose this service include the following:

- The introduction of a new participant type, a corporate action payments participant (CAPP), for the purpose of settling corporate action RTGS instructions. CAPPs are expected to include issuers or their registries receiving or making payments in connection with corporate actions through the RTGS service. Requiring all users of the RTGS functionality to be either a CAPP or a General Ssettlement Pparticipants establishes threshold criteria applicable to all users of the system who make and receive payments. It also supports a single unified RTGS service for the purpose of ASX Settlement seeking to refresh the existing approval CHESS holds as an Approved RTGS System under the Payment Systems and Netting Act (PSNA). The continued application of the PSNA to the repurposed RTGS service will ensure settlement finality, namely that the payment of monies and the transfer of securities through the RTGS service will continue to be irrevocable and unconditional even where a participant becomes insolvent.

- Eligible instructions for Day 1 of the new system will be limited to bilateral demand settlement instructions (to facilitate bilateral DvP settlement) ~~and corporate action RTGS instructions (to facilitate entitlement acceptances)~~ only. This change reflects the change in scope of the service.
- An RTGS payments provider must authorise an RTGS instruction before it is sent to RITS in order to limit the number of redundant instructions sent to RITS. Other than this pre-authorisation, all credit management will need to be completed outside of CHESS (i.e. by using either the AIF or proprietary systems). These changes will simplify the process for facilitating bilateral DvP settlements ~~and payments for entitlement acceptances~~.
- Settlement participants will be unable to switch settlement of instructions between RTGS and batch (and vice versa). This reflects the decommissioning of the existing RTGS service not currently used.
- Settlement participants will be unable to cancel an RTGS instruction through CHESS once the instruction has entered the settling phase. RTGS is intended to be real time such that once an RTGS instruction hits RTGS processing, it is set to occur (unless the RTGS payments provider rejects the RTGS instruction outside of CHESS).
- Settlement participants will not be able to schedule RTGS instructions for settlement on a future date, which reflects the simplified scope of the new RTGS service and limits the technical build required to provide the new service.
- Any RTGS instruction that remains on the feeder system at the RTGS end of day (which under the new system will be 5:15pm) will be failed and ASX Settlement will cancel the instruction. This change recognises that RTGS instructions will not be able to settle on a future date (refer above).
- An RTGS participant will be required to provide bank account details connected to its payment facility to ASX Settlement. The provision of these details will support the straight through processing of RTGS payments in and out of such bank account.
- An RTGS Payments Provider must also be a Payments Provider for Batch Settlement. The same RTGS Payment Facility may be used for Batch Settlement.

These changes, together with the operational arrangements and associated rules framework under the existing RTGS service remaining unchanged, will facilitate the settlement of bilateral transactions comprising financial products and/or cash payments through RITS for the purpose of the new non-batch DvP bilateral settlement ~~and entitlement acceptance~~ service~~s~~. Such settlement will occur outside batch settlement on a gross and irrevocable basis in real time.

These changes and the impact on the rulebooks are described in further detail in points 3 to 16 of Part 3 of the Summary in **Attachment A**.

Consultation on solution design

The solution design for the payment facility aspect of RTGS functionality has been the subject of consultation through the following stakeholder forums:

- Focus Group sessions on 28 November 2018, 12 March 2019, 18 June 2019, 27 August 2019, 14 November 2019 and 17 September 2019.
- Technical Committee meetings on 1 November 2019, 10 December 2019 and 28 January 2020.

ASX has made available on its website a summary of the feedback it has received from stakeholders from the relevant Focus Groups and ISO 20022 Technical Committee meetings on the solution design of the RTGS functionality.[25]

[25] https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/112198773/Stakeholder+Feedback+and+ASX+Response+Payment+Facilities

The RTGS payment facility solution design has been communicated publicly in Technical Documentation made available as part of Document Release 6 in November 2019 on the ASX CHESS Replacement website.[26]

Tranche 2 Section 1.5

Takeovers and buybacks

These changes impact:

- Issuers who opt to use CHESS for the processing of acceptances in respect of the "non-takeover offer events" referred to below, and participants acting on their behalf.
- Controlling participants for CHESS holdings affected by such "non-takeover offer events".

Given the existing operation of similar functionality for takeovers (as well as for such non-takeover offer events), such impacts are not expected to be significant. Please refer below for further information on rule impacts.

Overview of new/changed functionality

The ASXSORs currently expressly provide for the processing of acceptances into takeover bids, which is supported by the Corporations Act and regulations[27].

Certain other types of bids to acquire financial products that are not strictly "takeover bids" have been processed using the takeovers facility in CHESS, supported by ASXSOR 14.12.1[28], including:

- Bids under buybacks.
- Reinvestment offers.
- ~~Consideration elections under schemes of arrangement.~~

The ASXSORs are to be updated to include an express framework to support such "non-takeover offer events", including to expressly provide for the processing of acceptances under buyback offers or reinvestment offers ~~as well as elections under schemes of arrangement which allow for elections as to alternate forms of consideration~~.

It will continue to be optional for offerors under such events (namely issuers) to use the facility made available by ASX Settlement for the processing of acceptances in respect of CHESS Holdings under such offers. Where they do so, the obligations set out in the rule amendments for such offerors and participants acting on their behalf, as well as for controlling participants for CHESS holdings, will apply. While accommodating differences in their operation relative to takeovers, such amendments will largely mirror existing rules for processing of takeover acceptances.

These non-takeover offer events will be specifically distinguished from takeovers (TEND) by an event type code (BIDS, OTHR respectively). Each event type code will be underpinned by the relevant processing and permissions attributable to those events (including any processing of late acceptances allowed for such non-takeover offer events).

These changes, and the impact on the rulebooks are described in further detail in points 17 and 18 of Part 3 of the Summary in **Attachment A**.

Consultation on solution design

The solution design for this functionality has been the subject of consultation through the following stakeholder forums:

[26] https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/47087831/Payment+Facilities
[27] See section 653A of the Corporations Act 2001 (Cth) and regulation 6.8.01 of the Corporations Regulations 2001 (Cth).
[28] ASXSOR 14.12.1 permits ASX Settlement to treat certain types of bid to acquire financial products as "takeover bids" for the purposes of the ASXSORs.

- Focus Group session on 13 August 2019.
- Technical Committee meeting on 23 July 2019.

ASX has made available on its website a summary of the feedback it has received from stakeholders from the relevant Focus Group and ISO 20022 Technical Committee meeting on the solution design of the takeovers and buyback functionality.[29]

The takeovers and buyback functionality solution design has been communicated publicly in the Technical Documentation made available as part of Document Release 5 (Part I) in September 2019 on the ASX CHESS Replacement website.[30]

Tranche 2 Section 1.6

Diary adjustments

These changes impact settlement participants in relation to instructions not performed on the scheduled date in batch settlement. Given the technical nature of the changes, such impacts are not expected to be significant. Please refer below for further information on rule impacts.

Overview of new/changed functionality

Under the new system, the settlement amount calculated for an accrued DvP batch instruction (generated to provide redress in connection with a failed settlement affecting financial products subject to a rights offer) will be zero. Accordingly, there will no longer be a corresponding reduction to the settlement amount of the parent DvP batch instruction. This calculation and inclusion of a settlement amount is a legacy initiative which was introduced before fail fees and is no longer considered necessary as a method of discouraging failed settlements.

The ASX Settlement Operating Rules will also be updated to:

- Better reflect the different redress mechanisms that apply where a batch instruction does not settle on the scheduled date in connection with a corporate action.
- Allow for settlement participants to change to parent batch instructions by way of messages cancelling and generating new instructions to reflect revised settlement details following a failed settlement affecting financial products subject to a call, option exercise or conversion. Manual updates will not be supported under the new system in such instance.

These changes and the impact on the rulebooks are described in further detail in points 19 to 22 of Part 3 of the Summary in **Attachment A**.

Consultation on solution design

The solution design for diary adjustments has been the subject of consultation through the following stakeholder forums:

- Focus Group session on 12 November 2019.
- Technical Committee meeting on 26 November 2019.

The diary adjustment solution design has~~will~~ been communicated publicly in Technical Documentation on the ASX CHESS Replacement website ~~(expected to be~~ made available as part of Document Release 7 (Part II) ~~scheduled for release~~ in February 2020~~)~~.[31]

[29] Available at: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/102891857/Stakeholder+Feedback+and+ASX+Response+Takeovers+and+Buy-backs+Bid+Offers

[30] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/101646653/Takeovers+and+Buy-backs+Bid+Offers+Overview

[31] Available at: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/245730632/Diary+Adjustments+Overview

Tranche 2
Section 1.7

Holding adjustments

These changes impact issuers and their share registries in their performance of holding adjustments for corporate actions. Such parties will need to consider systems and operational processes to support the relevant changes. Please refer below for further information on rule impacts.

Overview of new/changed functionality

Changes are being made in respect of holding adjustment functionality, including:

- Under the new system, issuers will be able to give effect to an adjustment to more than one class of financial products by way of a holding adjustment. In the current CHESS system, a holding adjustment message can only relate to one class of financial product.
- Issuers will be required to initiate a holding adjustment or financial products transformation to give effect to a reconstruction by transmitting a valid message to ASX Settlement. This will mean that the message needs to be formatted in accordance with a requirement to be included in the user technical documentation that reconstructions be given effect to via one message that accounts for an adjustment rather than multiple messages. This supports the preservation under ASXSOR 14.2 of subpositions restricting the movement of Financial Products.
- Issuer initiated holding adjustments or financial products transformations in relation to:
  - financial products held in a locked holding; or
  - financial products reserved in a subposition,

  will not be given effect to unless the holding adjustment or financial products transformation relates to a reconstruction[32] or results in an increase to the number of financial products in the holding.[33] Consistent with CHESS today, ASX will also give effect to a holding adjustment or financial product transformation in relation to financial products held in a holding subject to a holder record lock due to the death or bankruptcy of the holder. This supports the preservation of holding locks and subpositions restricting the movement of financial products.
- A message from an issuer initiating a holding adjustment for AQUA products will no longer need to contain the identification number for the originating request transaction.
- Currently, ASX Settlement will not process an issuer initiated holding adjustment or financial products transformation if the message is received between start of day and settlement cut-off until after the settlement processing phase has completed. This processing restriction is being removed so that ASX Settlement will process these messages between start of day and settlement cut-off.

These changes and the impact on the rulebooks are described in further detail in points 23 to 29 of Part 3 of the Summary in **Attachment A**.

Consultation on solution design

The solution design for holding adjustments has been the subject of consultation through the following stakeholder forums:

- Focus Group session on 9 July 2019.
- Technical Committee meeting on 28 May 2019.

[32] If the holding is locked as the result of a demand lock or a settlement lock, ASXSOR 8.26.1 provides the process for the removal of that lock prior to the Issuer initiating a holding adjustment or financial product transformation by way of a valid message in respect of a reconstruction.

[33] In the case of a holding subject to a demand lock or a settlement lock, a holding adjustment or financial product transformation that increases the number of financial products in a holding is not prevented, as demand locks and settlement locks only prevent the specified number of Financial Products that are subject to a transfer from being deducted.

	ASX has made available on its website a summary of the feedback it has received from stakeholders from the relevant Focus Groups and ISO 20022 Technical Committee meetings on the solution design of the holding adjustment functionality.[34] The holding adjustment solution design has been communicated publicly in Technical Documentation made available as part of Document Release 6 in November 2019 on the ASX CHESS Replacement website.[35]
Tranche 2 Section 1.8	**mFund** The proposed changes to the existing mFund functionality are primarily to updates to message content and validation requirements (including for alignment with ISO 20022 requirements). The aim is to streamline and enhance specific aspects of mFund messaging in the new system (for example by removing unused message content and enhancing the structure and content of certain messages – see below for further detail). Additionally, taking into account feedback received from stakeholders that redemption 'on-hold' status, switch and income advice notification functionality are no longer required, the draft rules include amendments to decommission that functionality. These changes impact users of the mFund service: • mFund product issuers, their registries and product issuer settlement participants. • Controlling participants. As the proposed changes are generally of a technical nature, this impact is not expected to be significant. Please refer below for further information on rule impacts. Overview of new/changed functionality Changes are being made in respect of the message fields, validation requirements and functionality for mFund, including: • Locked holdings cannot request redemption - the new system will require an account not to be locked for the purposes of submitting a valid originating message requesting the redemption of mFund units. If the message does not satisfy the relevant validation requirements, the new system will generate an error message. For completeness, unit allotment will still be permitted on a locked account, provided the account was active when the relevant order was submitted, accepted and settled. • Validation of requests against fund status - the new system will validate an mFund request against the fund status of the security. The new system will require the fund status of the particular mFund product to be open in respect of the relevant type of application for issue and/or redemption (as applicable) for the resulting message to be transmitted by ASX Settlement. If the message does not satisfy the relevant validation requirements, the new system will generate an error message. • Removal of order type - in the new system, the order type field for applications for issue and redemption, and status update messages will be removed. The order type field is not available on the ISO message to be used for mFund applications status updates. In the new system, the order type will be defined by the message type on application submission and confirmation and so will be an inherent aspect of the relevant Message.

[34] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/112657670/Stakeholder+Feedback+and+ASX+Response+Holding+Adjustments.
[35] This information is available here: https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/112427568/Holding+Adjustments+Overview.

- Message field population changes - under the current system, unit price, number of units (i.e. unit quantity), fees are optional fields in the relevant application acceptance message. In the new system, these fields will be populated at order confirmation. The relevant data fields are not available on the ISO message to be used for mFund issue or redemption acceptance. Consequently, the message content requirements for ASXSOR 18.3.6A will be updated to reflect the relevant fields that will be populated in this message going forward.
- Initial applications - the initial application/investor data workflow will be amended such that the application will be required first followed by the investor data. The existing approach does not impose a sequencing requirement. ASX does not expect this change to have a material impact on participants, and notes that applicable business outcomes are not affected by this change.
- Investor cancellation prior to acceptance - the new system will allow cancellation of an application for issue or redemption by an investor prior to its acceptance.
- New cancellation codes - the new system will include new reason codes for cancellation messages. The provision of a reason code will be mandatory in the new system. Under the new system, PISP order cancellation reason codes have been added for:
  - PDS Issue Date supplied is not the latest issued PDS.
  - Investor has requested the order for an incorrect fund.
  - Investor has submitted incorrect details on the order.
  - Participant Request.
- mFund Housekeeping - the new system will cancel orders that have not yet received an accept/reject response from the relevant PISP after 31 days.
- Validation against holding balance - the new system will validate:
  - When requesting a full redemption order, that the total holding balance is equal to the available balance and the number of units requested for redemption.
  - Otherwise, the available balance is greater than or equal to the number of units requested for redemption.
- If the message does not satisfy the relevant validation requirements the new system will generate an error message.
- Removal of 'on-hold' status - taking into account feedback received from stakeholders in consultation with the market and this functionality's low usage, ASX has decided that the new system will not provide the PISP the capability to place a redemption order on an 'on-hold' status prior to acceptance. Under the current ASXSORs, a PISP has the ability to 'defer' a redemption request (i.e. place the request 'on-hold'). This functionality will be removed from the ASXSORs.
- Redemption request reason will be mandatory - the new system will require the provision of a redemption request reason (called 'redemption type') as either relating to cooling-off rights or otherwise.
- Removal of gross redemption amount - the mFund redemption order request in the new system will not have the capability for a participant to redeem a gross amount. As a result, the ability to specify a net or gross amount will not be available in the new system.
- Validation for an active payment facility - the new system will only validate that an 'active' payment facility exists for the PISP and the settlement participant when the redemption order is requested by the participant. If the message does not satisfy the relevant validation requirements, the new system will generate an error message. For completeness, CHESS currently validates that an 'active' payment facility exists for the PISP and the settlement participant when:

- The redemption order is requested by the relevant participant.
- The redemption order is accepted by the PISP.
- The subsequent message by the PISP to update the acceptance is sent.

- mFund controlling participants - under ASXSOR 18.3.2, only a controlling participant may initiate a request for redemption. Under the new system, a controlling participant must also initiate a request for issue of an mFund product. For completeness, ASX notes that, in practice, a controlling participant may sometimes appoint a third party provider to perform settlement functions on behalf of the controlling participant. Additional commentary will be included in the ASXSORs to clarify liability for batch settlement obligations under ASXSOR 18.3.8.
- Removal of mFund switch functionality - taking into account feedback received from stakeholders in consultation with the market, this functionality's very low usage and that it only has a limited use case, ASX has decided that the new system will not include functionality for switches.
- Removal of request income advice functionality - taking into account feedback received from stakeholders in consultation with the market and this functionality's very low usage, ASX has decided that the new system will not include functionality for the request of mFund income advice.

These changes, and the impact on the rulebooks are described in further detail in points 30 to 45~~4~~ of Part 3 of the Summary in **Attachment A**.

Consultation on solution design

The solution design for mFund has been the subject of consultation through the following stakeholder forums:

- Focus Group session on 17 September 2019.
- Technical Committee Meetings on 1 October 2019 and 28 January 2020.

ASX has~~expects to~~ mad~~k~~e available on the ASX CHESS Replacement website a summary of the feedback it has received from stakeholders from the relevant Focus Groups and ISO 20022 Technical Committee meetings on the solution design for mFund functionality, together with Technical Documentation which communicates the details of the solution design as part of Document Release 7 (Part II)~~, which is scheduled for release~~ in February 2020.[36].

[36] Available at https://asxchessreplacement.atlassian.net/wiki/spaces/WD/pages/211419207/February+2020+-+Documentation+Release+Notes+Part+II

Attachment C: Tranche 2 - changes for functionality no longer in Day 1 scope

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Attachment C: Overview of changes to tranche 2 rule amendments for functionality no longer part of Day 1 scope

The tables below sets out the changes ASX is making to certain tranche 2 rule amendments for the removal of proposed rule amendments that had been proposed solely in respect of functionality which no longer forms part of Day 1 scope of the new system:

- electronic acceptances and payment for entitlement offers
- CHESS processing of elections as to alternate forms of consideration under schemes of arrangement

as indicated in ASX's response to consultation feedback on the revised implementation timetable released in October 2020. Changes are proposed to the ASX Settlement Operating Rules (see Table 1) and ASX Settlement Operating Rule Procedures (see Table 2). No changes are proposed to the ASX Clear Operating Rules, ASX Clear Operating Rule Procedures or ASX Enforcement and Appeals Rulebook as a result of the functionality de-scoped from Day 1.

- The column "Tranche 2 change proposed" shows the tranche 2 rule amendments including as updated through the tranche 2 response to consultation feedback (marked up in blue against the existing rule).
- The column "Revised change for functionality de-scoped from Day 1" shows the revised mark-up proposed to the rule (also marked up against the existing rule). ASX has made these further changes clear in this column in red mark-up.

The changes in this Attachment C are also incorporated in the combined set of rule amendments covering tranches 1, 2 and 3 set out in Attachments G to J.

Table 1: ASX Settlement Operating Rules

Rule	Tranche 2 change proposed	Revised change for functionality de-scoped from Day 1
2.13.1	"**Accelerated Rights Offer**" means an offer of a renounceable or non-renounceable right to subscribe for Approved Financial Products pursuant to a rights issue under which:	~~"**Accelerated Rights Offer**" means an offer of a renounceable or non-renounceable right to subscribe for Approved Financial Products pursuant to a rights issue under which:~~
	(a) some or all persons who are offered Approved Financial Products may:	~~(a) some or all persons who are offered Approved Financial Products may:~~
	(i) receive the offer before other persons to whom offers are made; or	~~(i) receive the offer before other persons to whom offers are made; or~~
	(ii) be given a period of time to accept the offer which is less than the period of time given to other persons to whom offers are made; or	~~(ii) be given a period of time to accept the offer which is less than the period of time given to other persons to whom offers are made; or~~
	(b) the Approved Financial Products may be issued to a person before Approved Financial Products are issued to other	~~(b) the Approved Financial Products may be issued to a person before Approved Financial Products are issued to other~~

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	persons under the offer.	~~persons under the offer.~~
2.13.1	**"Acceptance Cancellation Message"** means a Message pursuant to Rule 5.21A.5(a) that enables the Controlling Participant to cancel an acceptance pending payment recorded in relation to a Rights Offer or Securities Purchase Plan for a CHESS Holding.	~~**"Acceptance Cancellation Message"** means a Message pursuant to Rule 5.21A.5(a) that enables the Controlling Participant to cancel an acceptance pending payment recorded in relation to a Rights Offer or Securities Purchase Plan for a CHESS Holding.~~
2.13.1	"**Acceptance Form**" means a document that enables a person to communicate to an Issuer an election in relation to a Corporate Action, including (without limitation): (a) an entitlement & acceptance form; (b) a provisional letter of issue; ~~and~~ (c) an application form (whether or not attached to a ~~prospectus~~disclosure document); (d) a Valid Election Participant Notification Message; and (e) a Valid Acceptance Participant Notification Message.	"**Acceptance Form**" means a document that enables a person to communicate to an Issuer an election in relation to a Corporate Action, including (without limitation): (a) an entitlement & acceptance form; (b) a provisional letter of issue; ~~and~~ (c) an application form (whether or not attached to a ~~prospectus~~disclosure document); and (d) a Valid Election Participant Notification Message~~; and~~ ~~(e) a Valid Acceptance Participant Notification Message~~.
2.13.1	**"Acceptance Participant Notification Message"** means a Message pursuant to Rule 5.21A.3(a) that enables the Controlling Participant to communicate to the Issuer an acceptance in relation to a Rights Offer or Securities Purchase Plan for a CHESS Holding.	~~**"Acceptance Participant Notification Message"** means a Message pursuant to Rule 5.21A.3(a) that enables the Controlling Participant to communicate to the Issuer an acceptance in relation to a Rights Offer or Securities Purchase Plan for a CHESS Holding.~~
2.13.1	"**CHESS ~~Renounceable~~ Rights Subregister**" means the Subregister administered by ASX Settlement that records Holdings of renounceable rights or non-renounceable rights (as applicable).	"**CHESS Renounceable Rights Subregister**" means the Subregister administered by ASX Settlement that records Holdings of ~~renounceable rights or non-renounceable~~ rights ~~(as applicable)~~.

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2.13.1	**"Corporate Action Payments Participant"** means a Participant admitted to participate in the Settlement Facility under Rule 4.4B.	~~**"Corporate Action Payments Participant"** means a Participant admitted to participate in the Settlement Facility under Rule 4.4B.~~
2.13.1	**"Corporate Action Record"** means a CHESS record of a Corporate Action created by ASX Settlement in accordance with Rule 5.21A.1.	~~**"Corporate Action Record"** means a CHESS record of a Corporate Action created by ASX Settlement in accordance with Rule 5.21A.1.~~
2.13.1	**"Corporate Action RTGS Message"** means a Message that instructs ASX Settlement to settle: (a) an acceptance of an offer, Transmitted by a Controlling Participant pursuant to Rule 5.21A.3(c); or (b) a rejection of an acceptance, Transmitted by an RTGS Participant for the Issuer pursuant to Rule 5.21B.1(c), in Real Time Gross Settlement.	~~**"Corporate Action RTGS Message"** means a Message that instructs ASX Settlement to settle:~~ ~~(a) an acceptance of an offer, Transmitted by a Controlling Participant pursuant to Rule 5.21A.3(c); or~~ ~~(b) a rejection of an acceptance, Transmitted by an RTGS Participant for the Issuer pursuant to Rule 5.21B.1(c),~~ ~~in Real Time Gross Settlement.~~
2.13.1	**"Corporate Action RTGS Instruction"** means an RTGS Instruction generated as a result of a Corporate Action RTGS Message which ASX Settlement treats as a RTGS Instruction under Rule 5.21A.3(d) or Rule 5.21B.1(d).	~~**"Corporate Action RTGS Instruction"** means an RTGS Instruction generated as a result of a Corporate Action RTGS Message which ASX Settlement treats as a RTGS Instruction under Rule 5.21A.3(d) or Rule 5.21B.1(d).~~
2.13.1	**"Corporate Action Rejection Message"** means a Message pursuant to Rule 5.21B.1(a) that enables the Issuer to communicate to ASX Settlement a rejection (in whole or in part) of an acceptance in relation to a Rights Offer or Securities Purchase Plan for a CHESS Holding.	~~**"Corporate Action Rejection Message"** means a Message pursuant to Rule 5.21B.1(a) that enables the Issuer to communicate to ASX Settlement a rejection (in whole or in part) of an acceptance in relation to a Rights Offer or Securities Purchase Plan for a CHESS Holding.~~
2.13.1	**"Entitlement"** means: (a) property (other than Financial Products) or money transferred or paid to a person because the person is or was the holder of a Financial Product; or	**"Entitlement"** means: (a) property (other than Financial Products) or money transferred or paid to a person because the person is or was the holder of a Financial Product; or

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	(b) a right that a person has because the person is or was the holder of a Financial Product, including, for example: (i) A right to be paid an amount or to be issued with additional Financial Products; or (ii) A right that arises out of a reduction in share capital, a scheme of arrangement or compromise or a takeover bid; and includes a reference to a right, whether existing or future, and whether contingent or not. It includes (without limitation): (c) rights; (d) bonus issues; (e) dividend, interest and trust distribution payments; (f) priority issues; (g) offers under an equal access scheme; (ga) offers under a Securities Purchase Plan; (h) in relation to Participating International Financial Products, any equivalent or similar benefit (however described) provided or offered by the issuer of the Participating International Financial Products; and (i) interest, principal and any other payments arising in respect of a Government Bond.	(b) a right that a person has because the person is or was the holder of a Financial Product, including, for example: (i) A right to be paid an amount or to be issued with additional Financial Products; or (ii) A right that arises out of a reduction in share capital, a scheme of arrangement or compromise or a takeover bid; and includes a reference to a right, whether existing or future, and whether contingent or not. It includes (without limitation): (c) rights; (d) bonus issues; (e) dividend, interest and trust distribution payments; (f) priority issues; (g) offers under an equal access scheme; ~~(ga) offers under a Securities Purchase Plan;~~ (h) in relation to Participating International Financial Products, any equivalent or similar benefit (however described) provided or offered by the issuer of the Participating International Financial Products; and (i) interest, principal and any other payments arising in respect of a Government Bond.

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2.13.1	**"Non-Renounceable Rights Offer"** means an offer of a non-renounceable right to subscribe for Approved Financial Products pursuant to a rights issue.	~~**"Non-Renounceable Rights Offer"** means an offer of a non-renounceable right to subscribe for Approved Financial Products pursuant to a rights issue.~~
2.13.1	**"Non-Takeover Offer Event"** in relation to a Financial Product in a class of Approved Financial Products means: (a) a buy back offer; (b) a reinvestment offer; or (c) an offer under a scheme of arrangement under Part 5.1 of the Corporations Act involving alternate forms of consideration for which an election can be made.	**"Non-Takeover Offer Event"** in relation to a Financial Product in a class of Approved Financial Products means: (a) a buy back offer; or (b) a reinvestment offer~~; or~~ ~~(c) an offer under a scheme of arrangement under Part 5.1 of the Corporations Act involving alternate forms of consideration for which an election can be made~~.
2.13.1	**"Oversubscription Acceptance"** means an acceptance of an Oversubscription Offer.	~~**"Oversubscription Acceptance"** means an acceptance of an Oversubscription Offer.~~
2.13.1	**"Oversubscription Offer"** means an offer made to persons to whom offers were made under a Renounceable Rights Offer or a Non-Renounceable Rights Offer to subscribe for Approved Financial Products that either: (a) had first been offered to, but not accepted by, another person under the rights issue; or (b) was made on the condition that the Approved Financial Products to which the offer relates may only be issued to the person where an offer of the Approved Financial Products has first been made to, but not accepted by, another person under the rights issue.	~~**"Oversubscription Offer"** means an offer made to persons to whom offers were made under a Renounceable Rights Offer or a Non-Renounceable Rights Offer to subscribe for Approved Financial Products that either:~~ ~~(a) had first been offered to, but not accepted by, another person under the rights issue; or~~ ~~(b) was made on the condition that the Approved Financial Products to which the offer relates may only be issued to the person where an offer of the Approved Financial Products has first been made to, but not accepted by, another person under the rights issue.~~
2.13.1	"**Participant**" means an Account Participant, a Specialist Settlement Participant, a General Settlement Participant, ~~or~~ a Product Issuer Settlement Participant or a Corporate Action Payments Participant.	"**Participant**" means an Account Participant, a Specialist Settlement Participant, a General Settlement Participant~~,~~ or a Product Issuer Settlement Participant ~~or a Corporate Action Payments Participant~~.

Rule	Tranche 2 change proposed	Revised change for functionality de-scoped from Day 1
2.13.1	"**Renounceable Rights Offer**" means an offer of a renounceable right to subscribe for Approved Financial Products pursuant to a rights issue.	~~"**Renounceable Rights Offer**" means an offer of a renounceable right to subscribe for Approved Financial Products pursuant to a rights issue.~~
2.13.1	"~~Renounceable~~ **Rights Record**" means the record maintained by an Issuer of Holders of renounceable rights or non-renounceable rights not held on the CHESS Rights Subregister.	"**Renounceable Rights Record**" means the record maintained by an Issuer of Holders of renounceable rights ~~or non-renounceable rights~~ not held on the CHESS Rights Subregister.
2.13.1	"**Rights Offer**" means: (a) a Non-Renounceable Rights Offer; (b) a Renounceable Rights Offer; or (c) an Oversubscription Offer, but does not include an Accelerated Rights Offer made to an exempt investor. Note: A Rights Offer includes an Accelerated Rights Offer made to persons other than an exempt investor.	~~"**Rights Offer**" means:~~ ~~(a) a Non-Renounceable Rights Offer;~~ ~~(b) a Renounceable Rights Offer; or~~ ~~(c) an Oversubscription Offer,~~ ~~but does not include an Accelerated Rights Offer made to an exempt investor.~~ ~~Note: A Rights Offer includes an Accelerated Rights Offer made to persons other than an exempt investor.~~
2.13.1	"**RTGS Instruction**" means an instruction to ASX Settlement to effect a payment in Real Time Gross Settlement through the CHESS Feeder System (including in connection with a Settlement Transfer that occurs in CHESS), and includes a Bilateral Demand Settlement Instruction and a Corporate Action RTGS Instruction~~to settle an RTGS Transaction in Real Time Gross Settlement through the CHESS Feeder System, and includes a DvP RTGS Instruction, a CCP Gross RTGS Instruction and a Dual Entry RTGS Instruction~~.	"**RTGS Instruction**" means an instruction to ASX Settlement to effect a payment in Real Time Gross Settlement through the CHESS Feeder System (including in connection with a Settlement Transfer that occurs in CHESS), and includes a Bilateral Demand Settlement Instruction~~and a Corporate Action RTGS Instructionto settle an RTGS Transaction in Real Time Gross Settlement through the CHESS Feeder System, and includes a DvP RTGS Instruction, a CCP Gross RTGS Instruction and a Dual Entry RTGS Instruction~~.

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2.13.1	**"RTGS Message"** means a Bilateral Demand Settlement Message or Corporate Action RTGS Message~~Message that, in accordance with the requirements of the EIS, instructs ASX Settlement to settle an RTGS Transaction in Real Time Gross Settlement~~.	**"RTGS Message"** means a Bilateral Demand Settlement Message ~~or Corporate Action RTGS Message~~~~Message that, in accordance with the requirements of the EIS, instructs ASX Settlement to settle an RTGS Transaction in Real Time Gross Settlement~~.
2.13.1	**"RTGS Participant"** means a General Settlement Participant or Corporate Action Payments Participant~~:~~ ~~(a)~~ that satisfies the criteria for participation in Real Time Gross Settlement set out in Rule 11.5.~~; and~~ ~~(b) for which a Net Position Record has been established under the Rules that records the Net Position Record Status as active.~~	**"RTGS Participant"** means a General Settlement Participant ~~or Corporate Action Payments Participant:~~ ~~(a)~~ that satisfies the criteria for participation in Real Time Gross Settlement set out in Rule 11.5.~~; and~~ ~~(b) for which a Net Position Record has been established under the Rules that records the Net Position Record Status as active.~~
2.13.1	**"Securities Purchase Plan"** means an arrangement under which: (a) an offer of Approved Financial Products is made to each eligible Holder of Approved Financial Products in the relevant class (as applicable) on a date determined by the Issuer; (b) each offer is made on: (i) the same terms and conditions; and (ii) a non-renounceable basis; and (c) the issue price of the Approved Financial Products may be less than the market price of the Approved Financial Products during a specified period before either the date of the offer or the date of the issue, but does not include a Rights Offer or a bonus share plan.	~~**"Securities Purchase Plan"** means an arrangement under which:~~ ~~(a) an offer of Approved Financial Products is made to each eligible Holder of Approved Financial Products in the relevant class (as applicable) on a date determined by the Issuer;~~ ~~(b) each offer is made on:~~ ~~(i) the same terms and conditions; and~~ ~~(ii) a non-renounceable basis; and~~ ~~(c) the issue price of the Approved Financial Products may be less than the market price of the Approved Financial Products during a specified period before either the date of the offer or the date of the issue,~~ ~~but does not include a Rights Offer or a bonus share plan.~~
2.13.1	**"Securities Purchase Plan Acceptance"** means an acceptance of an offer under a Securities Purchase Plan.	~~**"Securities Purchase Plan Acceptance"** means an acceptance of an offer under a Securities Purchase Plan.~~

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4 (Intro. box)[1]	…	…
	(c) **Product Issuer Settlement Participants** – being those persons who are admitted for limited purposes including facilitating the settlement in Batch Settlement of transactions relating to requests for issue and redemption of AQUA Products. A Product Issuer Settlement Participant may not establish or maintain Participant Sponsored Holdings; and	(c) **Product Issuer Settlement Participants** – being those persons who are admitted for limited purposes including facilitating the settlement in Batch Settlement of transactions relating to requests for issue and redemption of AQUA Products. A Product Issuer Settlement Participant may not establish or maintain Participant Sponsored Holdings~~; and~~
	~~(c)~~(d) **Corporate Action Payments Participants** – being those persons who are admitted for limited purposes including facilitating payments relating to corporate action entitlements in Real Time Gross Settlement. A Corporate Action Payments Participant may not establish or maintain Participant Sponsored Holdings or participate in Batch Settlement.	~~(d) **Corporate Action Payments Participants** – being those persons who are admitted for limited purposes including facilitating payments relating to corporate action entitlements in Real Time Gross Settlement. A Corporate Action Payments Participant may not establish or maintain Participant Sponsored Holdings or participate in Batch Settlement~~.
4.1.3	**Corporate Action Payments Participants** A Corporate Action Payments Participant is a person who is permitted (subject to satisfying the criteria in Section 11 applicable to an RTGS Participant) to participate in Real Time Gross Settlement by making or receiving payments relating to Corporate Action RTGS Instructions in accordance with these Rules but who is not permitted to participate in Batch Settlement or maintain Participant Sponsored Holdings unless they are also admitted as a Settlement Participant or an Account Participant and are authorised to do so under the Rules pursuant to	~~**Corporate Action Payments Participants**~~ ~~A Corporate Action Payments Participant is a person who is permitted (subject to satisfying the criteria in Section 11 applicable to an RTGS Participant) to participate in Real Time Gross Settlement by making or receiving payments relating to Corporate Action RTGS Instructions in accordance with these Rules but who is not permitted to participate in Batch Settlement or maintain Participant Sponsored Holdings unless they are also admitted as a Settlement Participant or an Account Participant and are authorised to do so under the Rules pursuant to~~

[1] Paragraph (c) of the Section 4 Introduction was changed by Rule amendments made to the ASXSORs in December 2019. Please refer to section 1.14 of the Consultation Paper above.

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	that admission.	~~that admission.~~
4.4B	**ADMISSION OF CORPORATE ACTION PAYMENTS PARTICIPANTS**	**~~ADMISSION OF CORPORATE ACTION PAYMENTS PARTICIPANTS~~**
4.4B.1	**Admission of Corporate Action Payments Participants**	**~~Admission of Corporate Action Payments Participants~~**
	Subject to Rule 4.2.3A, ASX Settlement will admit a person as a Corporate Action Payments Participant if ASX Settlement is satisfied that the person;	~~Subject to Rule 4.2.3A, ASX Settlement will admit a person as a Corporate Action Payments Participant if ASX Settlement is satisfied that the person;~~
	(a) has applied for admission as a Participant in accordance with Rule 4.2.1;	~~(a) has applied for admission as a Participant in accordance with Rule 4.2.1;~~
	(b) meets the technical and performance requirements of this Section;	~~(b) meets the technical and performance requirements of this Section;~~
	(c) meets the business integrity requirements of this Section;	~~(c) meets the business integrity requirements of this Section;~~
	(d) meets the location requirements of this Section;	~~(d) meets the location requirements of this Section;~~
	(e) meets the payment facility requirements of this Section;	~~(e) meets the payment facility requirements of this Section;~~
	(f) meets the organisational requirements of this Section; and	~~(f) meets the organisational requirements of this Section; and~~
	(g) meets the additional requirements of Section 11 that apply to an RTGS Participant.	~~(g) meets the additional requirements of Section 11 that apply to an RTGS Participant.~~
	A person that is already admitted as a Settlement Participant (other than a General Settlement Participant) or an Account Participant may apply for admission as a Corporate Action Payments Participant and will be deemed to satisfy the requirements in Rule 4.4B.1 (b)-(d) and (f) by virtue of their existing admission.	~~A person that is already admitted as a Settlement Participant (other than a General Settlement Participant) or an Account Participant may apply for admission as a Corporate Action Payments Participant and will be deemed to satisfy the requirements in Rule 4.4B.1 (b)-(d) and (f) by virtue of their existing admission.~~
	Note: a person admitted as a Corporate Action Payments Participant under this Rule 4.4B.1 may not act as a Sponsoring Participant or participate in Batch Settlement unless they are also admitted as a Settlement Participant or an Account Participant and are authorised to	~~*Note: a person admitted as a Corporate Action Payments Participant under this Rule 4.4B.1 may not act as a Sponsoring Participant or participate in Batch Settlement unless they are also admitted as a Settlement Participant or an Account Participant and are authorised to*~~

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	do so under the Rules pursuant to that admission.	~~*do so under the Rules pursuant to that admission*~~.
5 (Intro. Box)	This Section also sets out the framework for the electronic transmission and processing of: (a) elections in relation to dividend or other distribution reinvestment plans and bonus share plans; and (b) acceptances of offers under Rights Offers and Securities Purchase Plans.	This Section also sets out the framework for the electronic transmission and processing of~~:~~ ~~(a)~~ elections in relation to dividend or other distribution reinvestment plans and bonus share plans~~; and~~ ~~(b) acceptances of offers under Rights Offers and Securities Purchase Plans~~.
5.21A.1	**Corporate Action Record creation and removal** (a) If an Issuer, in respect of Approved Financial Products, publicly releases a market announcement of a Rights Offer or a Securities Purchase Plan through the public announcement platform of the Approved Listing Market Operator in accordance with its: (i) Listing Rules; or (ii) operating rules under which the Issuer applied for admission of the class of Financial Products to trading status, the Issuer must also immediately notify ASX Settlement of that announcement. (b) ASX Settlement will create a Corporate Action Record in respect of the Issuer for the relevant Rights Offer or a Securities Purchase Plan announced through the public announcement platform of the Approved Listing Market Operator as referred to in Rule 5.21A.1(a) after the commencement date of that Rule of which ASX Settlement is aware, including where it has been notified of that announcement under Rule 5.21A.1(a). (c) If the Issuer, in respect of Approved Financial Products, publicly releases a market announcement of any change to, or cancellation	~~**Corporate Action Record creation and removal**~~ ~~(a) If an Issuer, in respect of Approved Financial Products, publicly releases a market announcement of a Rights Offer or a Securities Purchase Plan through the public announcement platform of the Approved Listing Market Operator in accordance with its:~~ ~~(i) Listing Rules; or~~ ~~(ii) operating rules under which the Issuer applied for admission of the class of Financial Products to trading status,~~ ~~the Issuer must also immediately notify ASX Settlement of that announcement.~~ ~~(b) ASX Settlement will create a Corporate Action Record in respect of the Issuer for the relevant Rights Offer or a Securities Purchase Plan announced through the public announcement platform of the Approved Listing Market Operator as referred to in Rule 5.21A.1(a) after the commencement date of that Rule of which ASX Settlement is aware, including where it has been notified of that announcement under Rule 5.21A.1(a).~~ ~~(c) If the Issuer, in respect of Approved Financial Products, publicly releases a market announcement of any change to, or cancellation~~

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	of, a Rights Offer or a Securities Purchase Plan, through the public announcement platform of the Approved Listing Market Operator in accordance with its: (i) Listing Rules; or (ii) operating rules under which the Issuer applied for admission of the class of Financial Products to trading status, the Issuer must also immediately notify ASX Settlement of the details of that announcement.	~~of, a Rights Offer or a Securities Purchase Plan, through the public announcement platform of the Approved Listing Market Operator in accordance with its:~~ ~~(i) Listing Rules; or~~ ~~(ii) operating rules under which the Issuer applied for admission of the class of Financial Products to trading status,~~ ~~the Issuer must also immediately notify ASX Settlement of the details of that announcement.~~
	(d) ASX Settlement will for a Corporate Action Record created under Rule 5.21A.1(b): (i) update or remove that Corporate Action Record for a change or cancellation announced through the public announcement platform of the Approved Listing Market Operator as referred to in Rule 5.21A.1(c) (as applicable) of which ASX Settlement is aware, including where it has been notified of that announcement under Rule 5.21A.1(c); and (ii) remove that Corporate Action Record on a date determined by ASX Settlement following the Applications Close Date. *Note: For the purposes of this Rule 5.21A.1, Issuers are not required to notify ASX Settlement of Rights Offer or Securities Purchase Plan announcements prior to the commencement date of Rule 5.21A.1.*	~~(d) ASX Settlement will for a Corporate Action Record created under Rule 5.21A.1(b):~~ ~~(i) update or remove that Corporate Action Record for a change or cancellation announced through the public announcement platform of the Approved Listing Market Operator as referred to in Rule 5.21A.1(c) (as applicable) of which ASX Settlement is aware, including where it has been notified of that announcement under Rule 5.21A.1(c); and~~ ~~(ii) remove that Corporate Action Record on a date determined by ASX Settlement following the Applications Close Date.~~ ~~*Note: For the purposes of this Rule 5.21A.1, Issuers are not required to notify ASX Settlement of Rights Offer or Securities Purchase Plan announcements prior to the commencement date of Rule 5.21A.1.*~~
5.21A.2	**Corporate Actions - RTGS Participants** (a) An Issuer that notifies ASX Settlement of the details of a Corporate Action pursuant to Rule 5.21A.1(a) must either: (i) be an RTGS Participant; or	~~**Corporate Actions - RTGS Participants**~~ ~~(a) An Issuer that notifies ASX Settlement of the details of a Corporate Action pursuant to Rule 5.21A.1(a) must either:~~ ~~(i) be an RTGS Participant; or~~

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	(ii) have appointed an RTGS Participant to settle RTGS Instructions in relation to that Corporate Action in Real Time Gross Settlement. References in Rule 5.21A and 5.21B to an RTGS Participant for the Issuer relate to the Issuer as an RTGS Participant or the RTGS Participant so appointed (as applicable). (b) A Controlling Participant may only provide notification to an Issuer of an offer acceptance for all or part of a CHESS Holding in respect of a Rights Offer or Securities Purchase Plan in respect of a CHESS Holding under Rule 5.21A.3(a) if it is an RTGS Participant.	~~(ii) have appointed an RTGS Participant to settle RTGS Instructions in relation to that Corporate Action in Real Time Gross Settlement.~~ ~~References in Rule 5.21A and 5.21B to an RTGS Participant for the Issuer relate to the Issuer as an RTGS Participant or the RTGS Participant so appointed (as applicable).~~ ~~(b) A Controlling Participant may only provide notification to an Issuer of an offer acceptance for all or part of a CHESS Holding in respect of a Rights Offer or Securities Purchase Plan in respect of a CHESS Holding under Rule 5.21A.3(a) if it is an RTGS Participant.~~
5.21A.3	**Corporate Action acceptance – notification by Controlling Participant** (a) A Controlling Participant may provide notification to an Issuer of an offer acceptance for all or part of a CHESS Holding in respect of the relevant Rights Offer or Securities Purchase Plan by Transmitting to ASX Settlement a Valid Acceptance Participant Notification Message within the Scheduled Time in accordance with the Procedures. If the relevant Acceptance Participant Notification Message relates to an acceptance of an Entitlement under a Rights Offer made under a disclosure document or product disclosure statement under Chapter 6D or Part 7.9 of the Corporations Act and the Entitlement has not been renounced and transferred to the relevant CHESS Holding, the Message must include the unique reference number to identify the entitlement and acceptance form. *Note: For the purposes of this Rule 5.21A, it is noted that the term "acceptance" refers to the choice of the relevant Holder in response to the options available to that Holder under the terms of the relevant offer, and could include an application, instruction, acceptance, or other means of communicating the choice of the relevant Holder, howsoever*	~~**Corporate Action acceptance – notification by Controlling Participant**~~ ~~(a) A Controlling Participant may provide notification to an Issuer of an offer acceptance for all or part of a CHESS Holding in respect of the relevant Rights Offer or Securities Purchase Plan by Transmitting to ASX Settlement a Valid Acceptance Participant Notification Message within the Scheduled Time in accordance with the Procedures. If the relevant Acceptance Participant Notification Message relates to an acceptance of an Entitlement under a Rights Offer made under a disclosure document or product disclosure statement under Chapter 6D or Part 7.9 of the Corporations Act and the Entitlement has not been renounced and transferred to the relevant CHESS Holding, the Message must include the unique reference number to identify the entitlement and acceptance form.~~ ~~*Note: For the purposes of this Rule 5.21A, it is noted that the term "acceptance" refers to the choice of the relevant Holder in response to the options available to that Holder under the terms of the relevant offer, and could include an application, instruction, acceptance, or other means of communicating the choice of the relevant Holder, howsoever*~~

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	described in the relevant offer terms.	~~*described in the relevant offer terms.*~~
	(b) If ASX Settlement receives a Valid Acceptance Participant Notification Message under Rule 5.21A.3(a) and a Corporate Action Record for the relevant Rights Offer or Securities Purchase Plan has been created and has not been removed in accordance with Rule 5.21A.1, ASX Settlement will:	~~(b) If ASX Settlement receives a Valid Acceptance Participant Notification Message under Rule 5.21A.3(a) and a Corporate Action Record for the relevant Rights Offer or Securities Purchase Plan has been created and has not been removed in accordance with Rule 5.21A.1, ASX Settlement will:~~
	(i) in respect of an acceptance in relation to a Rights Offer or Securities Payment Plan:	~~(i) in respect of an acceptance in relation to a Rights Offer or Securities Payment Plan:~~
	(A) record an acceptance pending payment;	~~(A) record an acceptance pending payment;~~
	(B) notify the Controlling Participant that provided the acceptance notification that an acceptance pending payment has been recorded~~,~~ ; and	~~(B) notify the Controlling Participant that provided the acceptance notification that an acceptance pending payment has been recorded, ; and~~
	(C) notify the Issuer that an acceptance pending payment has been recorded,	~~(C) notify the Issuer that an acceptance pending payment has been recorded,~~
	in relation to the acceptance notified under Rule 5.21A.3(a); and	~~in relation to the acceptance notified under Rule 5.21A.3(a); and~~
	(ii) in respect of an acceptance in relation to a Rights Offer (other than an Oversubscription Offer):	~~(ii) in respect of an acceptance in relation to a Rights Offer (other than an Oversubscription Offer):~~
	(A) apply a Holding Lock to the relevant Holding on the applicable CHESS Rights Subregister; and	~~(A) apply a Holding Lock to the relevant Holding on the applicable CHESS Rights Subregister; and~~
	(B) notify the Controlling Participant that the Holding Lock has been applied,	~~(B) notify the Controlling Participant that the Holding Lock has been applied,~~
	in relation to the acceptance notified under Rule 5.21A.3(a).	~~in relation to the acceptance notified under Rule 5.21A.3(a).~~
	Note: The acceptance and issue of Approved Financial Products under an acceptance which has been notified to the Issuer, including where payment has been made by the Controlling Participant with respect to the Rights Offer or Securities Purchase Plan, remains subject to	~~*Note: The acceptance and issue of Approved Financial Products under an acceptance which has been notified to the Issuer, including where payment has been made by the Controlling Participant with respect to the Rights Offer or Securities Purchase Plan, remains subject to*~~

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	processing and validation by the Issuer in accordance with the relevant offer terms.	~~*processing and validation by the Issuer in accordance with the relevant offer terms.*~~
	(c) Within the Scheduled Time, the Controlling Participant may initiate a Corporate Action RTGS Instruction in respect of the acceptance notified to ASX Settlement under Rule 5.21A.3(a) by Transmitting to ASX Settlement a Valid Corporate Action RTGS Message in accordance with the Procedures.	~~(c) Within the Scheduled Time, the Controlling Participant may initiate a Corporate Action RTGS Instruction in respect of the acceptance notified to ASX Settlement under Rule 5.21A.3(a) by Transmitting to ASX Settlement a Valid Corporate Action RTGS Message in accordance with the Procedures.~~
	(d) If ASX Settlement receives a Valid Corporate Action RTGS Message under Rule 5.21A.3(c), then:	~~(d) If ASX Settlement receives a Valid Corporate Action RTGS Message under Rule 5.21A.3(c), then:~~
	(i) ASX Settlement will:	~~(i) ASX Settlement will:~~
	(A) treat the Message as an RTGS Instruction to be settled in Real Time Gross Settlement under Section 11;	~~(A) treat the Message as an RTGS Instruction to be settled in Real Time Gross Settlement under Section 11;~~
	(B) update the record created under Rule 5.21A.3(b)(i)(A) to indicate that a payment instruction in RTGS has been initiated;	~~(B) update the record created under Rule 5.21A.3(b)(i)(A) to indicate that a payment instruction in RTGS has been initiated;~~
	(C) notify the Controlling Participant that the record created under Rule 5.21A.3(b)(i)(A) has been updated to payment initiated; and	~~(C) notify the Controlling Participant that the record created under Rule 5.21A.3(b)(i)(A) has been updated to payment initiated; and~~
	(ii) if the Payment Obligation under that RTGS Instruction is settled, ASX Settlement will:	~~(ii) if the Payment Obligation under that RTGS Instruction is settled, ASX Settlement will:~~
	(A) update the record updated under Rule 5.21A.3(d)(i)(B) to indicate that a payment instruction in RTGS has been completed;	~~(A) update the record updated under Rule 5.21A.3(d)(i)(B) to indicate that a payment instruction in RTGS has been completed;~~
	(B) notify the Controlling Participant that the record updated under Rule 5.21A.3(d)(i)(B) has been updated to payment completed;	~~(B) notify the Controlling Participant that the record updated under Rule 5.21A.3(d)(i)(B) has been updated to payment completed;~~
	(C) Transmit a Message to the RTGS Participant for the	~~(C) Transmit a Message to the RTGS Participant for the~~

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	Issuer notifying it of the offer acceptance in accordance with the Originating Message from the Controlling Participant under Rule 5.21A.3(a); and	~~Issuer notifying it of the offer acceptance in accordance with the Originating Message from the Controlling Participant under Rule 5.21A.3(a); and~~
	(D) Transmit a Message to the RTGS Participant for the Issuer notifying it of settlement of the payment for the acceptance referred to in Rule 5.21A.3(d)(ii)(C) above.	~~(D) Transmit a Message to the RTGS Participant for the Issuer notifying it of settlement of the payment for the acceptance referred to in Rule 5.21A.3(d)(ii)(C) above.~~
	(iii) if the RTGS Instruction initiated under Rule 5.21A.3(c) is rejected under Rule 11.18.8(c), or if the Payment Obligation under that RTGS Instruction otherwise Fails, ASX Settlement will:	~~(iii) if the RTGS Instruction initiated under Rule 5.21A.3(c) is rejected under Rule 11.18.8(c), or if the Payment Obligation under that RTGS Instruction otherwise Fails, ASX Settlement will:~~
	(A) update the record updated under Rule 5.21A.3(d)(i)(B) to record an acceptance pending payment;	~~(A) update the record updated under Rule 5.21A.3(d)(i)(B) to record an acceptance pending payment;~~
	(B) notify the Controlling Participant that the record updated under Rule 5.21A.3(d)(i)(B) has been updated to acceptance pending payment.	~~(B) notify the Controlling Participant that the record updated under Rule 5.21A.3(d)(i)(B) has been updated to acceptance pending payment.~~
	(e) If, within the Scheduled Time, a Controlling Participant has not Transmitted to ASX Settlement a Valid Corporate Action RTGS Message that complies with Rule 5.21A.3(c), the acceptance notified to ASX Settlement under Rule 5.21A.3(a) will be cancelled by ASX Settlement under Rule 5.21A.6.	~~(e) If, within the Scheduled Time, a Controlling Participant has not Transmitted to ASX Settlement a Valid Corporate Action RTGS Message that complies with Rule 5.21A.3(c), the acceptance notified to ASX Settlement under Rule 5.21A.3(a) will be cancelled by ASX Settlement under Rule 5.21A.6.~~
5.21A.4	**Priority of acceptances**	~~**Priority of acceptances**~~
	For the avoidance of doubt, if in relation to a Rights Offer or a Securities Purchase Plan for a CHESS Holding, the Issuer is notified of an acceptance under Rule 5.21A.3 and is also notified of an acceptance other than pursuant to 5.21A.3, or is notified of a cancellation of an acceptance, the Issuer may determine the sequence in which the notifications were received and which takes priority for the purpose of	~~For the avoidance of doubt, if in relation to a Rights Offer or a Securities Purchase Plan for a CHESS Holding, the Issuer is notified of an acceptance under Rule 5.21A.3 and is also notified of an acceptance other than pursuant to 5.21A.3, or is notified of a cancellation of an acceptance, the Issuer may determine the sequence in which the notifications were received and which takes priority for the purpose of~~

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	its acceptance or rejection of a notified acceptance or cancellation.	~~its acceptance or rejection of a notified acceptance or cancellation.~~
5.21A.5	**Cancellation of acceptance**	~~**Cancellation of acceptance**~~
	(a) If for an acceptance pending payment recorded by ASX Settlement under Rule 5.21A.3(b)(i)(A), the Controlling Participant seeks to cancel that acceptance, the Controlling Participant must Transmit to ASX Settlement a Valid Acceptance Cancellation Message within the Scheduled Time in accordance with the Procedures, notifying of that cancellation.	~~(a) If for an acceptance pending payment recorded by ASX Settlement under Rule 5.21A.3(b)(i)(A), the Controlling Participant seeks to cancel that acceptance, the Controlling Participant must Transmit to ASX Settlement a Valid Acceptance Cancellation Message within the Scheduled Time in accordance with the Procedures, notifying of that cancellation.~~
	(b) If ASX Settlement receives a Valid Acceptance Cancellation Message under Rule 5.21A.5(a), ASX Settlement will:	~~(b) If ASX Settlement receives a Valid Acceptance Cancellation Message under Rule 5.21A.5(a), ASX Settlement will:~~
	(i) in respect of an acceptance notified in relation to a Rights Offer or a Securities Purchase Plan, cancel and remove the acceptance pending payment record created under Rule 5.21A.3(b)(i)(A);	~~(i) in respect of an acceptance notified in relation to a Rights Offer or a Securities Purchase Plan, cancel and remove the acceptance pending payment record created under Rule 5.21A.3(b)(i)(A);~~
	(ii) in respect of an acceptance notified in relation to a Rights Offer (other than an Oversubscription Offer), remove the Holding Lock applied under Rule 5.21A.3(b)(ii)(A);	~~(ii) in respect of an acceptance notified in relation to a Rights Offer (other than an Oversubscription Offer), remove the Holding Lock applied under Rule 5.21A.3(b)(ii)(A);~~
	(iii) Transmit a Message to the Controlling Participant for that Holding, notifying of the cancellation of the acceptance pending payment recorded in accordance with the Acceptance Cancellation Message; and	~~(iii) Transmit a Message to the Controlling Participant for that Holding, notifying of the cancellation of the acceptance pending payment recorded in accordance with the Acceptance Cancellation Message; and~~
	(iv) notify the Issuer of the cancellation of the acceptance pending payment recorded.	~~(iv) notify the Issuer of the cancellation of the acceptance pending payment recorded.~~
	(c) If a Valid Acceptance Cancellation Message is Transmitted to ASX Settlement by the Controlling Participant after the Scheduled Time, ASX Settlement must reject the Acceptance Cancellation Message.	~~(c) If a Valid Acceptance Cancellation Message is Transmitted to ASX Settlement by the Controlling Participant after the Scheduled Time, ASX Settlement must reject the Acceptance Cancellation Message.~~

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5.21A.6	**Housekeeping of pending acceptances** If an acceptance pending payment has been recorded in accordance with Rule 5.21A.3(b)(i)(A) or 5.21A.3(d)(iii)(A) (or updated to payment initiated under Rule 5.21A.3(d)(i)(B)) and Real Time Gross Settlement has not been completed within the Scheduled Time, ASX Settlement will: (a) cancel the acceptance pending payment record created under Rule 5.21A.3(b)(i)(A) or 5.21A.3(d)(iii)(A) (or payment initiated record under Rule 5.21A.3(d)(i)(B)) and notify the relevant Controlling Participant of such cancellation; and (b) remove the Holding Lock applied under Rule 5.21A.3(b)(ii)(A).	~~**Housekeeping of pending acceptances**~~ ~~If an acceptance pending payment has been recorded in accordance with Rule 5.21A.3(b)(i)(A) or 5.21A.3(d)(iii)(A) (or updated to payment initiated under Rule 5.21A.3(d)(i)(B)) and Real Time Gross Settlement has not been completed within the Scheduled Time, ASX Settlement will:~~ ~~(a) cancel the acceptance pending payment record created under Rule 5.21A.3(b)(i)(A) or 5.21A.3(d)(iii)(A) (or payment initiated record under Rule 5.21A.3(d)(i)(B)) and notify the relevant Controlling Participant of such cancellation; and~~ ~~(b) remove the Holding Lock applied under Rule 5.21A.3(b)(ii)(A).~~
5.21A.7	**A Controlling Participant that Transmits an:** (a) Acceptance Participant Notification Message under Rule 5.21A.3(a); or (b) Acceptance Cancellation Message under Rule 5.21A.5(a), is taken to have warranted that the Controlling Participant was authorised to notify an acceptance or cancellation of an acceptance for all or part of a CHESS Holding in relation to the relevant Rights Offer or Securities Purchase Plan (as applicable) pursuant to such Transmitted Message.	~~**A Controlling Participant that Transmits an:**~~ ~~(a) Acceptance Participant Notification Message under Rule 5.21A.3(a); or~~ ~~(b) Acceptance Cancellation Message under Rule 5.21A.5(a),~~ ~~is taken to have warranted that the Controlling Participant was authorised to notify an acceptance or cancellation of an acceptance for all or part of a CHESS Holding in relation to the relevant Rights Offer or Securities Purchase Plan (as applicable) pursuant to such Transmitted Message.~~
5.21A.8	**Controlling Participant Indemnity** If a Controlling Participant is taken under Rule 5.21A.7 to have warranted that it was authorised to notify an acceptance or cancellation of an acceptance for all or part of a CHESS Holding in relation to the relevant Rights Offer or Securities Purchase Plan (as applicable) and the Controlling Participant was not so authorised, the Controlling Participant indemnifies:	~~**Controlling Participant Indemnity**~~ ~~If a Controlling Participant is taken under Rule 5.21A.7 to have warranted that it was authorised to notify an acceptance or cancellation of an acceptance for all or part of a CHESS Holding in relation to the relevant Rights Offer or Securities Purchase Plan (as applicable) and the Controlling Participant was not so authorised, the Controlling Participant indemnifies:~~

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	(a) the Issuer; (b) ASX Settlement; and (c) the Holder, against all losses, damages, costs and expenses arising from the Controlling Participant not having been so authorised.	~~(a) the Issuer;~~ ~~(b) ASX Settlement; and~~ ~~(c) the Holder,~~ ~~against all losses, damages, costs and expenses arising from the Controlling Participant not having been so authorised.~~
5.21A.9A	**Warranty and Indemnity by Issuer** (a) In respect of a Rights Offer or Securities Purchase Plan that has been announced through the public announcement platform of an Approved Listing Market Operator for which a Corporate Action Record has been created and has not been removed in accordance with Rule 5.21A.1, the Issuer is taken to have warranted that a Holder that is eligible under the terms and conditions of the relevant Rights Offer or Securities Purchase Plan to submit an acceptance for all or part of their CHESS Holding, can submit such an acceptance by: (i) their Controlling Participant Transmitting a Valid Acceptance Participant Notification Message under Rule 5.21A.3(a); and (ii) making payment in respect of that acceptance pursuant to their Controlling Participant Transmitting a Valid Corporate Action RTGS Message under Rule 5.21A.3(c), under the terms and conditions of the relevant Rights Offer or Securities Purchase Plan. (b) If an Issuer is taken under Rule 5.21A.9A(a) to have warranted that a Holder can submit an acceptance in relation to the relevant Rights Offer or Securities Purchase Plan by their Controlling Participant Transmitting a Valid Acceptance Participant Notification Message under Rule 5.21A.3(a) and the making of	~~**Warranty and Indemnity by Issuer**~~ ~~(a) In respect of a Rights Offer or Securities Purchase Plan that has been announced through the public announcement platform of an Approved Listing Market Operator for which a Corporate Action Record has been created and has not been removed in accordance with Rule 5.21A.1, the Issuer is taken to have warranted that a Holder that is eligible under the terms and conditions of the relevant Rights Offer or Securities Purchase Plan to submit an acceptance for all or part of their CHESS Holding, can submit such an acceptance by:~~ ~~(i) their Controlling Participant Transmitting a Valid Acceptance Participant Notification Message under Rule 5.21A.3(a); and~~ ~~(ii) making payment in respect of that acceptance pursuant to their Controlling Participant Transmitting a Valid Corporate Action RTGS Message under Rule 5.21A.3(c),~~ ~~under the terms and conditions of the relevant Rights Offer or Securities Purchase Plan.~~ ~~(b) If an Issuer is taken under Rule 5.21A.9A(a) to have warranted that a Holder can submit an acceptance in relation to the relevant Rights Offer or Securities Purchase Plan by their Controlling Participant Transmitting a Valid Acceptance Participant Notification Message under Rule 5.21A.3(a) and the making of~~

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	payment in respect of that acceptance pursuant to their Controlling Participant Transmitting a Valid Corporate Action RTGS Message under Rule 5.21A.3(c) under the terms and conditions of the relevant Rights Offer or Securities Purchase Plan, and the Holder was not able to submit such acceptance in that manner under the terms and conditions of the relevant Rights Offer or Securities Purchase Plan, the Issuer indemnifies: (i) the Controlling Participant; (ii) ASX Settlement; and (iii) the Holder, against all losses, damages, costs and expenses arising from the Holder not being able to submit the acceptance in that manner.	~~payment in respect of that acceptance pursuant to their Controlling Participant Transmitting a Valid Corporate Action RTGS Message under Rule 5.21A.3(c) under the terms and conditions of the relevant Rights Offer or Securities Purchase Plan, and the Holder was not able to submit such acceptance in that manner under the terms and conditions of the relevant Rights Offer or Securities Purchase Plan, the Issuer indemnifies:~~ ~~(i) the Controlling Participant;~~ ~~(ii) ASX Settlement; and~~ ~~(iii) the Holder,~~ ~~against all losses, damages, costs and expenses arising from the Holder not being able to submit the acceptance in that manner.~~
5.21A.9	**Warranty by Issuer as to Holder representations and warranties under offer terms** In respect of a Rights Offer: (a) made under a disclosure document or product disclosure statement under Chapter 6D or Part 7.9 of the Corporations Act; and (b) announced through the public announcement platform of an Approved Listing Market Operator for which a Corporate Action Record has been created and has not been removed in accordance with Rule 5.21A.1, the Issuer is taken to have warranted that the terms and conditions of the relevant offer provide that where: (c) the Entitlement under the Rights Offer has been renounced and transferred to the relevant CHESS Holding of a Holder; and (d) the Holder's Controlling Participant notifies the Issuer through	~~**Warranty by Issuer as to Holder representations and warranties under offer terms**~~ ~~In respect of a Rights Offer:~~ ~~(a) made under a disclosure document or product disclosure statement under Chapter 6D or Part 7.9 of the Corporations Act; and~~ ~~(b) announced through the public announcement platform of an Approved Listing Market Operator for which a Corporate Action Record has been created and has not been removed in accordance with Rule 5.21A.1,~~ ~~the Issuer is taken to have warranted that the terms and conditions of the relevant offer provide that where:~~ ~~(c) the Entitlement under the Rights Offer has been renounced and transferred to the relevant CHESS Holding of a Holder; and~~ ~~(d) the Holder's Controlling Participant notifies the Issuer through~~

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	CHESS of an offer acceptance (and makes the associated payment) in accordance with Rule 5.21A for all or part of the relevant CHESS Holding of the Holder,	~~CHESS of an offer acceptance (and makes the associated payment) in accordance with Rule 5.21A for all or part of the relevant CHESS Holding of the Holder,~~
	the Holder represents and warrants to the Issuer that they have read and understood, and agree to be bound by the terms and conditions applicable to the relevant offer.	~~the Holder represents and warrants to the Issuer that they have read and understood, and agree to be bound by the terms and conditions applicable to the relevant offer.~~
5.21.1	~~Renounceable~~ **Rights Record and Issue of Rights** In implementing an Issue of Approved Financial Products that are rights the Issuer must: (a) between the Record Date and the Issue Date for the rights, issue rights in respect of a CHESS Holding of Parent Financial Products by Transmitting a Message to ASX Settlement to effect an appropriate Holding Adjustment to a Holding on the CHESS ~~Renounceable~~ Rights Subregister; (b) before Start of Day on the Issue Date for the rights, establish a ~~Renounceable~~ Rights Record for each Holder of an Issuer Sponsored Holding of Parent Financial Products that is entitled to the rights; (c) during the Rights Period, maintain a ~~Renounceable~~ Rights Record for each Holder of rights that does not hold rights on the CHESS ~~Renounceable~~ Rights Subregister; and (d) note each ~~Renounceable~~ Rights Record established as a result of a CHESS to Issuer Sponsored Transfer or Conversion as "pending acceptance". ASX Settlement must reject an Instruction or Message that would Transfer or Convert rights after End of Day on the Applications Close	**Renounceable Rights Record and Issue of Rights** In implementing an Issue of Approved Financial Products that are rights the Issuer must: (a) between the Record Date and the Issue Date for the rights, issue rights in respect of a CHESS Holding of Parent Financial Products by Transmitting a Message to ASX Settlement to effect an appropriate Holding Adjustment to a Holding on the CHESS Renounceable Rights Subregister; (b) before Start of Day on the Issue Date for the rights, establish a Renounceable Rights Record for each Holder of an Issuer Sponsored Holding of Parent Financial Products that is entitled to the rights; (c) during the Rights Period, maintain a Renounceable Rights Record for each Holder of rights that does not hold rights on the CHESS Renounceable Rights Subregister; and (d) note each Renounceable Rights Record established as a result of a CHESS to Issuer Sponsored Transfer or Conversion as "pending acceptance". ASX Settlement must reject an Instruction or Message that would Transfer or Convert rights after End of Day on the Applications Close

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	Date for that issue of rights	Date for that issue of rights
5.21.2	**Acceptance of Financial Products pursuant to an offer of rights ~~offer~~** If, in accordance with the terms of an offer of rights to Financial Products, a Holder of rights in a Holding on the CHESS ~~Renounceable~~ Rights Subregister accepts the Issuer's offer, the Issuer must within 1 Business Day Transmit to ASX Settlement a valid Message to effect either: (a) a Holding Adjustment; or (b) a Financial Products Transformation, to remove the rights from that Holding.	**Acceptance of Financial Products pursuant to a~~n offer of~~ rights offer** If, in accordance with the terms of an offer of rights to Financial Products, a Holder of rights in a Holding on the CHESS Renounceable Rights Subregister accepts the Issuer's offer, the Issuer must within 1 Business Day Transmit to ASX Settlement a valid Message to effect either: (a) a Holding Adjustment; or (b) a Financial Products Transformation, to remove the rights from that Holding.
5.21.4	**Removal of rights from a Holding** If an Issuer removes rights from a Holding on the CHESS ~~Renounceable~~ Rights Subregister by effecting a Holding Adjustment in accordance with Rule 5.21.2(a), the Issuer must: (a) maintain proper records in respect of that Holder's HIN and the rights that were removed; and (b) Issue the Financial Products to which that Holder is entitled to a CHESS Holding of that Holder in accordance with Rule 5.22.1.	**Removal of rights from a Holding** If an Issuer removes rights from a Holding on the CHESS Renounceable Rights Subregister by effecting a Holding Adjustment in accordance with Rule 5.21.2(a), the Issuer must: (a) maintain proper records in respect of that Holder's HIN and the rights that were removed; and (b) Issue the Financial Products to which that Holder is entitled to a CHESS Holding of that Holder in accordance with Rule 5.22.1.
5.21.5	**Issue of Financial Products** If an Issuer removes rights from a Holding on the CHESS ~~Renounceable~~ Rights Subregister by effecting a Financial Products Transformation in accordance with Rule 5.21.2(b), the Message which	**Issue of Financial Products** If an Issuer removes rights from a Holding on the CHESS Renounceable Rights Subregister by effecting a Financial Products Transformation in accordance with Rule 5.21.2(b), the Message which

Rule	Tranche 2 change proposed	Revised change for functionality de-scoped from Day 1
	initiates the Financial Products Transformation must also Issue the Financial Products to which that Holder is entitled to a CHESS Holding of that Holder.	initiates the Financial Products Transformation must also Issue the Financial Products to which that Holder is entitled to a CHESS Holding of that Holder.
5.21B.1	**Issuer payment for rejected acceptances** (a) If an RTGS Participant for the Issuer has been notified of an offer acceptance for all or part of a CHESS Holding in respect of the Rights Offer or Securities Purchase Plan in accordance with Rule 5.21A.3(a), and the Issuer determines that: (i) it will reject the relevant acceptance as a result of it being invalid or the cancellation of the Rights Offer or Securities Purchase Plan; or (ii) in respect of an Oversubscription Acceptance or a Securities Purchase Plan Acceptance, it will reject the relevant acceptance in whole or in part as a result of a scaleback in accordance with the terms of the relevant Oversubscription Offer or Securities Purchase Plan, the RTGS Participant for the Issuer may Transmit to ASX Settlement a Valid Corporate Action Rejection Message within the Scheduled Time in accordance with the Procedures, notifying ASX Settlement of that rejection. (b) If ASX Settlement receives a Valid Corporate Action Rejection Message under Rule 5.21B.1(a) and a Corporate Action Record for the relevant Rights Offer or Share Purchase Plan has been created and has not been removed in accordance with Rule 5.21A.1, ASX Settlement will: (i) create a rejection pending payment record in respect of the Issuer for the Corporate Action Rejection Message Transmitted to ASX Settlement under Rule 5.21B.1(a); and	~~**Issuer payment for rejected acceptances**~~ ~~(a) If an RTGS Participant for the Issuer has been notified of an offer acceptance for all or part of a CHESS Holding in respect of the Rights Offer or Securities Purchase Plan in accordance with Rule 5.21A.3(a), and the Issuer determines that:~~ ~~(i) it will reject the relevant acceptance as a result of it being invalid or the cancellation of the Rights Offer or Securities Purchase Plan; or~~ ~~(ii) in respect of an Oversubscription Acceptance or a Securities Purchase Plan Acceptance, it will reject the relevant acceptance in whole or in part as a result of a scaleback in accordance with the terms of the relevant Oversubscription Offer or Securities Purchase Plan,~~ ~~the RTGS Participant for the Issuer may Transmit to ASX Settlement a Valid Corporate Action Rejection Message within the Scheduled Time in accordance with the Procedures, notifying ASX Settlement of that rejection.~~ ~~(b) If ASX Settlement receives a Valid Corporate Action Rejection Message under Rule 5.21B.1(a) and a Corporate Action Record for the relevant Rights Offer or Share Purchase Plan has been created and has not been removed in accordance with Rule 5.21A.1, ASX Settlement will:~~ ~~(i) create a rejection pending payment record in respect of the Issuer for the Corporate Action Rejection Message Transmitted to ASX Settlement under Rule 5.21B.1(a); and~~

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	(ii) notify the RTGS Participant for the Issuer a rejection pending payment has been recorded.	~~(ii) notify the RTGS Participant for the Issuer a rejection pending payment has been recorded.~~
	(c) Within the Scheduled Time, the RTGS Participant for the Issuer may initiate a Corporate Action RTGS Instruction in respect of the rejection notified to ASX Settlement under Rule 5.21B.1(a) by Transmitting to ASX Settlement a Valid Corporate Action RTGS Message in accordance with the Procedures.	~~(c) Within the Scheduled Time, the RTGS Participant for the Issuer may initiate a Corporate Action RTGS Instruction in respect of the rejection notified to ASX Settlement under Rule 5.21B.1(a) by Transmitting to ASX Settlement a Valid Corporate Action RTGS Message in accordance with the Procedures.~~
	(d) If ASX Settlement receives a Valid Corporate Action RTGS Message under Rule 5.21B.1(c), then:	~~(d) If ASX Settlement receives a Valid Corporate Action RTGS Message under Rule 5.21B.1(c), then:~~
	(i) ASX Settlement will:	~~(i) ASX Settlement will:~~
	(A) treat the Message as an RTGS Instruction to be settled in Real Time Gross Settlement under Section 11;	~~(A) treat the Message as an RTGS Instruction to be settled in Real Time Gross Settlement under Section 11;~~
	(B) update the record created under Rule 5.21B.1(b)(i) to indicate that a payment instruction in RTGS has been initiated; and	~~(B) update the record created under Rule 5.21B.1(b)(i) to indicate that a payment instruction in RTGS has been initiated; and~~
	(C) notify the RTGS Participant for the Issuer that the record created under Rule 5.21B.1(b)(i) has been updated; and	~~(C) notify the RTGS Participant for the Issuer that the record created under Rule 5.21B.1(b)(i) has been updated; and~~
	(ii) if the Payment Obligation under that RTGS Instruction is settled, ASX Settlement will:	~~(ii) if the Payment Obligation under that RTGS Instruction is settled, ASX Settlement will:~~
	(A) update the record updated under Rule 5.21B.1(d)(i)(B) to indicate that a payment instruction in RTGS has been completed; and	~~(A) update the record updated under Rule 5.21B.1(d)(i)(B) to indicate that a payment instruction in RTGS has been completed; and~~
	(B) notify the RTGS Participant for the Issuer that the record updated under Rule 5.21B.1(d)(i)(B) has been updated to payment completed; and	~~(B) notify the RTGS Participant for the Issuer that the record updated under Rule 5.21B.1(d)(i)(B) has been updated to payment completed; and~~
	(C) Transmit a Message to the Controlling Participant	~~(C) Transmit a Message to the Controlling Participant~~

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	notifying it of the acceptance rejection in accordance with the Originating Message from the RTGS Participant for the Issuer under Rule 5.21B.1(a); and	~~notifying it of the acceptance rejection in accordance with the Originating Message from the RTGS Participant for the Issuer under Rule 5.21B.1(a); and~~
	(D) Transmit a Message to the Controlling Participant notifying it of settlement of the payment for the rejection referred to in Rule 5.21B.1(d)(ii)(C) above.	~~(D) Transmit a Message to the Controlling Participant notifying it of settlement of the payment for the rejection referred to in Rule 5.21B.1(d)(ii)(C) above.~~
	(iii) if the RTGS Instruction initiated under Rule 5.21B.1(c) is rejected under Rule 11.18.8(c), or if the Payment Obligation under that RTGS Instruction otherwise Fails, ASX Settlement will:	~~(iii) if the RTGS Instruction initiated under Rule 5.21B.1(c) is rejected under Rule 11.18.8(c), or if the Payment Obligation under that RTGS Instruction otherwise Fails, ASX Settlement will:~~
	(A) update the record updated under Rule 5.21B.1(d)(i)(B) to record a rejection pending payment;	~~(A) update the record updated under Rule 5.21B.1(d)(i)(B) to record a rejection pending payment;~~
	(B) notify the RTGS Participant for the Issuer that the record updated under Rule 5.21B.1(d)(i)(B) has been updated to rejection pending payment.	~~(B) notify the RTGS Participant for the Issuer that the record updated under Rule 5.21B.1(d)(i)(B) has been updated to rejection pending payment.~~
	(e) If, within the Scheduled Time, a RTGS Participant for the Issuer has not Transmitted to ASX Settlement a Valid Corporate Action RTGS Message that complies with Rule 5.21B.1(c), the rejection notified to ASX Settlement under Rule 5.21B.1(a) will be cancelled by ASX Settlement under Rule 5.21B.2.	~~(e) If, within the Scheduled Time, a RTGS Participant for the Issuer has not Transmitted to ASX Settlement a Valid Corporate Action RTGS Message that complies with Rule 5.21B.1(c), the rejection notified to ASX Settlement under Rule 5.21B.1(a) will be cancelled by ASX Settlement under Rule 5.21B.2.~~
5.21B.2	**Housekeeping of pending rejection**	~~**Housekeeping of pending rejection**~~
	If a rejection pending payment has been recorded in accordance with Rule 5.21B.1(b)(i) or 5.21B.1(d)(iii)(A) (or updated to payment initiated under Rule 5.21B.1(d)(i)(B)) and Real Time Gross Settlement has not been completed within the Scheduled Time, ASX Settlement will cancel the rejection pending payment record created under Rule 5.21B.1(b)(i) or 5.21B.1(d)(iii)(A) (or payment initiated record under Rule 5.21B.1(d)(i)(B)) and notify the relevant RTGS Participant for the	~~If a rejection pending payment has been recorded in accordance with Rule 5.21B.1(b)(i) or 5.21B.1(d)(iii)(A) (or updated to payment initiated under Rule 5.21B.1(d)(i)(B)) and Real Time Gross Settlement has not been completed within the Scheduled Time, ASX Settlement will cancel the rejection pending payment record created under Rule 5.21B.1(b)(i) or 5.21B.1(d)(iii)(A) (or payment initiated record under Rule 5.21B.1(d)(i)(B)) and notify the relevant RTGS Participant for the~~

Rule	Tranche 2 change proposed	Revised change for functionality de-scoped from Day 1
	Issuer of such cancellation.	~~Issuer of such cancellation.~~
5.22.1	**Issue of Financial Products to a CHESS Holding** If an Issuer receives a duly completed Acceptance Form, Standard Conversion Form or Standard Exercise Form and that document~~form~~ includes: (a) other than in relation to an Election Participant Notification Message or Acceptance Participant Notification Message, instructions or a notation to the effect that the applicant or Holder wishes to hold the Financial Products on the CHESS Subregister; and (b) the HIN of that applicant or Holder, the Issuer must Issue the relevant Financial Products to the HIN specified on the document~~form~~.	**Issue of Financial Products to a CHESS Holding** If an Issuer receives a duly completed Acceptance Form, Standard Conversion Form or Standard Exercise Form and that document~~form~~ includes: (a) other than in relation to an Election Participant Notification Message~~or Acceptance Participant Notification Message~~, instructions or a notation to the effect that the applicant or Holder wishes to hold the Financial Products on the CHESS Subregister; and (b) the HIN of that applicant or Holder, the Issuer must Issue the relevant Financial Products to the HIN specified on the document~~form~~.
6.11.2	**Exercise of conversion or other rights** A Participant must use: (a) a Standard Conversion Form to give Notice of exercise of a right to convert convertible Financial Products; (b) a Standard Exercise Form to apply for shares on exercise of a company option; and	**Exercise of conversion or other rights** A Participant must use: (a) a Standard Conversion Form to give Notice of exercise of a right to convert convertible Financial Products; (b) a Standard Exercise Form to apply for shares on exercise of a company option; and

Rule	Tranche 2 change proposed	Revised change for functionality de-scoped from Day 1
	(c) a: (i) Standard Acceptance Form; or (ii) a Valid Participant Acceptance Notification Message, to give Notice of acceptance in respect of an issue of renounceable rights under a Rights Offer, unless an entitlement and acceptance form has been issued to the Holder of those rights.	(c) a~~:~~ ~~(i)~~ Standard Acceptance Form~~; or~~ ~~(ii) a Valid Participant Acceptance Notification Message,~~ to give Notice of acceptance in respect of an issue of ~~renounceable~~ rights ~~under a Rights Offer~~, unless an entitlement and acceptance form has been issued to the Holder of those rights.
6.15.1	**Payment Facilities** A Settlement Participant and a Corporate Action Payments Participant must have in place at all times at least the number of Payment Facilities required under Rule 4.13 to facilitate settlement of Instructions and, in relation to those Payment Facilities: (a) the Settlement Participant or Corporate Action Payments Participant must give Notice to ASX Settlement in the form prescribed by ASX Settlement from time to time. Without limitation, such Notice must identify in respect of each Payment Facility the relevant facility subtype as specified in the User Technical Documentation; (b) a Payment Facility will not be available to facilitate settlement of Instructions until a Payments Provider acknowledges to ASX Settlement that it will operate the Payment Facility on behalf of the Settlement Participant or Corporate Action Payments Participant;	**Payment Facilities** A Settlement Participant ~~and a Corporate Action Payments Participant~~ must have in place at all times at least the number of Payment Facilities required under Rule 4.13 to facilitate settlement of Instructions and, in relation to those Payment Facilities: (a) the Settlement Participant ~~or Corporate Action Payments Participant~~ must give Notice to ASX Settlement in the form prescribed by ASX Settlement from time to time. Without limitation, such Notice must identify in respect of each Payment Facility the relevant facility subtype as specified in the User Technical Documentation; (b) a Payment Facility will not be available to facilitate settlement of Instructions until a Payments Provider acknowledges to ASX Settlement that it will operate the Payment Facility on behalf of the Settlement Participant ~~or Corporate Action Payments Participant~~;

Rule	Tranche 2 change proposed	Revised change for functionality de-scoped from Day 1
	(c) a separate Payment Facility must be established for each PID allocated by ASX Settlement to the Settlement Participant or Corporate Action Payments Participant;	(c) a separate Payment Facility must be established for each PID allocated by ASX Settlement to the Settlement Participant ~~or Corporate Action Payments Participant~~;
	(ca) a Payment Facility may be used to facilitate settlement of both Batch Instructions and RTGS Instructions;	(ca) a Payment Facility may be used to facilitate settlement of both Batch Instructions and RTGS Instructions;
	(d) in relation to DvP Settlement: (i) each Payment Facility must be linked to at least one CHESS Holding; (ii) ~~—~~a CHESS Holding must not be linked to more than one Payment Facility; and (iii) a Settlement Participant which is a Clearing Participant must use the same Payment Facility to facilitate settlement of all CCP Batch Instructions in respect of a PID. A Settlement Participant that acts for more than one Clearing Participant may use multiple Payment Facilities, but must only maintain one Payment Facility per Clearing Participant on whose behalf it acts; ~~and~~	(d) in relation to DvP Settlement: (i) each Payment Facility must be linked to at least one CHESS Holding; (ii) ~~—~~a CHESS Holding must not be linked to more than one Payment Facility; and (iii) a Settlement Participant which is a Clearing Participant must use the same Payment Facility to facilitate settlement of all CCP Batch Instructions in respect of a PID. A Settlement Participant that acts for more than one Clearing Participant may use multiple Payment Facilities, but must only maintain one Payment Facility per Clearing Participant on whose behalf it acts; ~~and~~
	(e) in relation to Payment Batch Instructions: (i) each payment type as determined by ASX Settlement must be linked to a separate Payment Facility; and (ii) unless otherwise agreed in writing by ASX Settlement, a payment type must not be linked to more than one Payment Facility; and	(e) in relation to Payment Batch Instructions: (i) each payment type as determined by ASX Settlement must be linked to a separate Payment Facility; and (ii) unless otherwise agreed in writing by ASX Settlement, a payment type must not be linked to more than one Payment Facility; and
	(f) in relation to Real Time Gross Settlement, a Settlement Participant or Corporate Action Payments Participant which is an RTGS Participant must give ASX Settlement Notice of the RTGS Bank Account referable to each Payment Facility	(f) in relation to Real Time Gross Settlement, a Settlement Participant ~~or Corporate Action Payments Participant~~ which is an RTGS Participant must give ASX Settlement Notice of the RTGS Bank Account referable to each Payment Facility used to

Rule	Tranche 2 change proposed	Revised change for functionality de-scoped from Day 1
	used to settle RTGS Instructions in accordance with Rule 11.4.3.	settle RTGS Instructions in accordance with Rule 11.4.3.
8.24	**CHESS ~~RENOUNCEABLE~~ RIGHTS SUBREGISTER**	**CHESS RENOUNCEABLE RIGHTS SUBREGISTER**
8.24.1	**Entering rights into a Holding** If ASX Settlement has established a CHESS ~~Renounceable~~ Rights Subregister under Rule 8.23, ASX Settlement must: (a) on receipt of a Valid Message from the Issuer to effect a Holding Adjustment to enter rights into a Holding on the Subregister, enter the rights into that Holding; and (b) during the Rights Period: (i) process Demand Transfers and Conversions in respect of the rights in accordance with Section 9 of these Rules (as applicable); and (ii) process Settlement Transfers in respect of the rights in accordance with Section 10 of these Rules (as applicable).	**Entering rights into a Holding** If ASX Settlement has established a CHESS Renounceable Rights Subregister under Rule 8.23, ASX Settlement must: (a) on receipt of a Valid Message from the Issuer to effect a Holding Adjustment to enter rights into a Holding on the Subregister, enter the rights into that Holding; and (b) during the Rights Period: (i) process Demand Transfers and Conversions in respect of the rights in accordance with Section 9 of these Rules ~~(as applicable)~~; and (ii) process Settlement Transfers in respect of the rights in accordance with Section 10 of these Rules ~~(as applicable)~~.
8.24.2	**Rejection of Instruction** ASX Settlement must reject an Instruction or Message that would Transfer or Convert rights after End of Day on the Applications Close Date for that rights issue ~~of rights~~.	**Rejection of Instruction** ASX Settlement must reject an Instruction or Message that would Transfer or Convert rights after End of Day on the Applications Close Date for that ~~rights~~ issue of rights.
11 (Intro. Box)	A General Settlement Participant may settle Instructions in the Settlement Facility in Batch Settlement or Real Time Gross Settlement. A Corporate Action Payments Participant may settle	A General Settlement Participant may settle Instructions in the Settlement Facility in Batch Settlement or Real Time Gross Settlement. ~~A Corporate Action Payments Participant may settle~~

Rule	Tranche 2 change proposed	Revised change for functionality de-scoped from Day 1
	Instructions in the Settlement Facility in that capacity in Real Time Gross Settlement only. Real Time Gross Settlement is governed by Section 11 of these Rules. Batch Settlement is governed by Section 10. Real Time Gross Settlement involves the settlement of RTGS Instructions. RTGS Instructions may includebe CCP Gross Batch Instructions, Dual EntryBilateral Demand Settlement Batch Instructions andor Corporate Action RTGS Instructions or Direct Batch Instructions that are eligible to be switched to Real Time Gross Settlement. In addition to determining the eligibility of Instructions to be included in Real Time Gross Settlement the purpose of this Section is to set out Rules relating to the operation of Real Time Gross Settlement in the Settlement Facility including: (a) the basis on which General Settlement Participants and Corporate Action Payments Participants can act in respect of RTGS Settlement; (b) payment arrangements for RTGS Settlement; (c) the transfer and switch of Instructions between RTGS Settlement and Batch Settlement; (cd) the requirements to be met for RTGS Instructions; (de) the change to or suspension and cancellation of RTGS Instructions;	Instructions in the Settlement Facility in that capacity in Real Time Gross Settlement only. Real Time Gross Settlement is governed by Section 11 of these Rules. Batch Settlement is governed by Section 10. Real Time Gross Settlement involves the settlement of RTGS Instructions. RTGS Instructions may includebe CCP Gross Batch Instructions, Dual EntryBilateral Demand Settlement Batch Instructions andor Corporate Action RTGS Instructionsor Direct Batch Instructions that are eligible to be switched to Real Time Gross Settlement. In addition to determining the eligibility of Instructions to be included in Real Time Gross Settlement the purpose of this Section is to set out Rules relating to the operation of Real Time Gross Settlement in the Settlement Facility including: (a) the basis on which General Settlement Participants and Corporate Action Payments Participants can act in respect of RTGS Settlement; (b) payment arrangements for RTGS Settlement; (c) the transfer and switch of Instructions between RTGS Settlement and Batch Settlement; (cd) the requirements to be met for RTGS Instructions; (de) the change to or suspension and cancellation of RTGS Instructions;

Rule	Tranche 2 change proposed	Revised change for functionality de-scoped from Day 1
	(e~~f~~) RTGS Settlement processing; ~~(g) testing criteria including in relation to Financial Products and Debit Caps;~~ (f~~h~~) discharge of settlement obligations; and (g~~i~~) failing of RTGS Instructions.	(e~~f~~) RTGS Settlement processing; ~~(g) testing criteria including in relation to Financial Products and Debit Caps;~~ (f~~h~~) discharge of settlement obligations; and (g~~i~~) failing of RTGS Instructions.
11.5.1	**Requirements to become an RTGS Participant~~Activating a Net Position Record~~** A Participant may participate in Real Time Gross Settlement in the capacity of an RTGS Participant, if it~~For each Participant that~~: (a) is a General Settlement Participant or a Corporate Action Payments Participant; and ~~(b) has requested ASX Settlement to establish at least one Net Position Record to facilitate Real Time Gross Settlement; and~~ (b~~e~~) is RTGS Accredited.~~,~~ *Note: A Corporate Action Payments Participant that is RTGS Accredited may only settle Corporate Action RTGS Instructions under Section 11.* ~~ASX Settlement must, on receipt of a Valid Message Transmitted by an RTGS Payments Provider in accordance with Rule 11.5.3:~~	**Requirements to become an RTGS Participant~~Activating a Net Position Record~~** A Participant may participate in Real Time Gross Settlement in the capacity of an RTGS Participant, if it~~For each Participant that~~: (a) is a General Settlement Participant ~~or a Corporate Action Payments Participant~~; and ~~(b) has requested ASX Settlement to establish at least one Net Position Record to facilitate Real Time Gross Settlement; and~~ (b~~e~~) is RTGS Accredited.~~,~~ ~~*Note: A Corporate Action Payments Participant that is RTGS Accredited may only settle Corporate Action RTGS Instructions under Section 11.*~~ ~~ASX Settlement must, on receipt of a Valid Message Transmitted by an RTGS Payments Provider in accordance with Rule 11.5.3:~~

Rule	Tranche 2 change proposed	Revised change for functionality de-scoped from Day 1
	~~(d) activate a Net Position Record linked to at least one RTGS Account Identifier; and~~ ~~(e) allow that Participant to settle RTGS Instructions in the capacity of an RTGS Participant in Real Time Gross Settlement.~~	~~(d) activate a Net Position Record linked to at least one RTGS Account Identifier; and~~ ~~(e) allow that Participant to settle RTGS Instructions in the capacity of an RTGS Participant in Real Time Gross Settlement.~~
11.5.2	**RTGS Accredited Participants** To be RTGS Accredited, a Participant must, to the reasonable satisfaction of ASX Settlement:~~, as shown by RTGS Pre-commencement Testing,~~ (a) meet the requirements of Rule 11.4.3; (b) be accredited to use the Messages relating to Bilateral Demand Settlement Instructions or Corporate Action RTGS Instructions or both (as applicable) required to participate as an RTGS Participant; and (c) meet any requirements set out in the Procedures.	**RTGS Accredited Participants** To be RTGS Accredited, a Participant must, to the reasonable satisfaction of ASX Settlement:~~, as shown by RTGS Pre-commencement Testing~~ (a) meet the requirements of Rule 11.4.3; (b) be accredited to use the Messages relating to Bilateral Demand Settlement Instructions ~~or Corporate Action RTGS Instructions or both (as applicable)~~ required to participate as an RTGS Participant; and (c) meet any requirements set out in the Procedures.
14.22.3	**Application of Rules 14.22 to 14.30 to scheme of arrangement** Where a Non-Takeover Offer Event is an offer under a scheme of arrangement under Part 5.1 of the Corporations Act involving alternate forms of consideration for which an election can be made, Rules 14.22 to 14.30 will apply to such offer on the basis that the relevant: (a) offer is the offer of alternate forms of consideration under the scheme of arrangement for which an election can be made; and (b) acceptance is the election as to the form of consideration under	~~**Application of Rules 14.22 to 14.30 to scheme of arrangement**~~ ~~Where a Non-Takeover Offer Event is an offer under a scheme of arrangement under Part 5.1 of the Corporations Act involving alternate forms of consideration for which an election can be made, Rules 14.22 to 14.30 will apply to such offer on the basis that the relevant:~~ ~~(a) offer is the offer of alternate forms of consideration under the scheme of arrangement for which an election can be made; and~~ ~~(b) acceptance is the election as to the form of consideration under~~

Rule	Tranche 2 change proposed			Revised change for functionality de-scoped from Day 1		
	the scheme of arrangement.			~~the scheme of arrangement.~~		
Appendix 1 to ASXSOR	**Scheduled Times**			**Scheduled Times**		
	Rule 5.21A.3(a)	Controlling Participant to notify election in respect of all or part of the relevant Rights Offer by Transmitting to ASX Settlement a Valid Acceptance Participant Notification Message	By the closing time on the Applications Close Date for the relevant Rights Offer or Securities Purchase Plan.	~~Rule 5.21A.3(a)~~	~~Controlling Participant to notify election in respect of all or part of the relevant Rights Offer by Transmitting to ASX Settlement a Valid Acceptance Participant Notification Message~~	~~By the closing time on the Applications Close Date for the relevant Rights Offer or Securities Purchase Plan.~~
	Rule 5.21A.3(c)	Controlling Participant to Transmit to ASX Settlement a Valid Corporate Action RTGS Message	By the earlier of: - closing time on the Applications Close Date for the relevant Rights Offer or Securities Purchase Plan. - RTGS Instruction Cut-Off on the Applications Close Date.	~~Rule 5.21A.3(c)~~	~~Controlling Participant to Transmit to ASX Settlement a Valid Corporate Action RTGS Message~~	~~By the earlier of:~~ ~~- closing time on the Applications Close Date for the relevant Rights Offer or Securities Purchase Plan.~~ ~~- RTGS Instruction Cut-Off on the Applications Close Date.~~
	Rule 5.21A.3(e)	Controlling Participant to Transmit to ASX Settlement a Valid Corporate Action RTGS Message	By the earlier of: - closing time on the Applications Close Date for the relevant Rights Offer or Securities Purchase Plan. - RTGS Instruction Cut-Off on the Applications Close Date.	~~Rule 5.21A.3(e)~~	~~Controlling Participant to Transmit to ASX Settlement a Valid Corporate Action RTGS Message~~	~~By the earlier of:~~ ~~- closing time on the Applications Close Date for the relevant Rights Offer or Securities Purchase Plan.~~ ~~- RTGS Instruction Cut-Off on the Applications Close Date.~~

Rule	Tranche 2 change proposed			Revised change for functionality de-scoped from Day 1		
	Rule 5.21A.5(a)	Controlling Participant to Transmit to ASX Settlement a Valid Acceptance Cancellation Message for an acceptance pending payment	Before the earlier of: - a Corporate Action RTGS Instruction has been initiated in relation to the relevant acceptance; or - the closing time on the Applications Close Date for the relevant Rights Offer or Securities Purchase Plan.	~~Rule 5.21A.5(a)~~	~~Controlling Participant to Transmit to ASX Settlement a Valid Acceptance Cancellation Message for an acceptance pending payment~~	~~Before the earlier of:~~ ~~- a Corporate Action RTGS Instruction has been initiated in relation to the relevant acceptance; or~~ ~~- the closing time on the Applications Close Date for the relevant Rights Offer or Securities Purchase Plan.~~
	Rule 5.21A.5(c)	Controlling Participant to Transmit to ASX Settlement a Valid Acceptance Cancellation Message	Before the earlier of: - a Corporate Action RTGS Instruction has been initiated in relation to the relevant acceptance or - the closing time on the Applications Close Date for the relevant Rights Offer or Securities Purchase Plan.	~~Rule 5.21A.5(c)~~	~~Controlling Participant to Transmit to ASX Settlement a Valid Acceptance Cancellation Message~~	~~Before the earlier of:~~ ~~- a Corporate Action RTGS Instruction has been initiated in relation to the relevant acceptance or~~ ~~- the closing time on the Applications Close Date for the relevant Rights Offer or Securities Purchase Plan.~~

Rule	Tranche 2 change proposed			Revised change for functionality de-scoped from Day 1		
	Rule 5.21A.6	If an acceptance pending payment has been recorded (or updated to payment initiated) and Real Time Gross Settlement has not been completed	By the earlier of: - closing time on the Applications Close Date for the relevant Rights Offer or Securities Purchase Plan; and - RTGS End of Day on the Applications Close Date.	~~Rule 5.21A.6~~	~~If an acceptance pending payment has been recorded (or updated to payment initiated) and Real Time Gross Settlement has not been completed~~	~~By the earlier of:~~ ~~- closing time on the Applications Close Date for the relevant Rights Offer or Securities Purchase Plan; and~~ ~~- RTGS End of Day on the Applications Close Date.~~
	Rule 5.21B.1(a)	The Issuer may Transmit to ASX Settlement a Valid Corporate Action Rejection Message	Within 30 Business Days after the Applications Close Date.	~~Rule 5.21B.1(a)~~	~~The Issuer may Transmit to ASX Settlement a Valid Corporate Action Rejection Message~~	~~Within 30 Business Days after the Applications Close Date.~~
	Rule 5.21B.1(c)	The RTGS Participant for the Issuer may Transmit to ASX Settlement a Valid Corporate Action RTGS Message	Within 30 Business Days after the Applications Close Date.	~~Rule 5.21B.1(c)~~	~~The RTGS Participant for the Issuer may Transmit to ASX Settlement a Valid Corporate Action RTGS Message~~	~~Within 30 Business Days after the Applications Close Date.~~
	Rule 5.21B.1(e)	RTGS Participant for the Issuer to Transmit to ASX Settlement a Valid Corporate Action RTGS Message	Within 30 Business Days after the Applications Close Date.	~~Rule 5.21B.1(e)~~	~~RTGS Participant for the Issuer to Transmit to ASX Settlement a Valid Corporate Action RTGS Message~~	~~Within 30 Business Days after the Applications Close Date.~~
	Rule 5.21B.2	If a rejection pending payment has been recorded (or updated to payment initiated) and Real Time Gross Settlement has not been completed	Within 30 Business Days after the Applications Close Date.	~~Rule 5.21B.2~~	~~If a rejection pending payment has been recorded (or updated to payment initiated) and Real Time Gross Settlement has not been completed~~	~~Within 30 Business Days after the Applications Close Date.~~

Table 2: ASX Settlement Operating Rule Procedures

Procedure	Change proposed in Tranche 2 Consultation Paper	Revised change following Tranche 2 feedback
5.21A.3	CORPORATE ACTION ACCEPTANCE – NOTIFICATION BY CONTROLLING PARTICIPANT For the purposes of Rule 5.21A.3(a), a Valid Acceptance Participant Notification Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Message includes: (a) the Participant's UIC; (b) the Corporate Action Record identifier; (c) the type of Corporate Action that the election relates to; (d) the code for the relevant Approved Financial Product; (e) the HIN of the relevant CHESS Holding; (f) the option number code; and (g) the acceptance option type; and (h) in respect of: (i) an acceptance of an offer under a Rights Offer, the number of Approved Financial Products which the Acceptance Participant Notification Message relates to; or (ii) an acceptance of an offer under a Securities Purchase Plan, the number of Approved Financial Products or the dollar amount which the Issuer will use to determine the number of Approved Financial Products, which the Acceptance Participant Notification Message relates to.	~~CORPORATE ACTION ACCEPTANCE – NOTIFICATION BY CONTROLLING PARTICIPANT~~ ~~For the purposes of Rule 5.21A.3(a), a Valid Acceptance Participant Notification Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Message includes:~~ ~~(a) the Participant's UIC;~~ ~~(b) the Corporate Action Record identifier;~~ ~~(c) the type of Corporate Action that the election relates to;~~ ~~(d) the code for the relevant Approved Financial Product;~~ ~~(e) the HIN of the relevant CHESS Holding;~~ ~~(f) the option number code; and~~ ~~(g) the acceptance option type; and~~ ~~(h) in respect of:~~ ~~(i) an acceptance of an offer under a Rights Offer, the number of Approved Financial Products which the Acceptance Participant Notification Message relates to; or~~ ~~(ii) an acceptance of an offer under a Securities Purchase Plan, the number of Approved Financial Products or the dollar amount which the Issuer will use to determine the number of Approved Financial Products, which the Acceptance Participant Notification Message relates to.~~

	For the purposes of Rule 5.21A.3(c), a Valid Corporate Action RTGS Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Message includes:	~~For the purposes of Rule 5.21A.3(c), a Valid Corporate Action RTGS Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Message includes:~~
	(a) the Participant's UIC;	~~(a) the Participant's UIC;~~
	(b) the Transaction Identifier of the related Acceptance Participant Notification Message from the Controlling Participant under Rule 5.21A.3(a);	~~(b) the Transaction Identifier of the related Acceptance Participant Notification Message from the Controlling Participant under Rule 5.21A.3(a);~~
	(c) the Transaction Identifier for the Message;	~~(c) the Transaction Identifier for the Message;~~
	(d) a timestamp to show the date and time of processing;	~~(d) a timestamp to show the date and time of processing;~~
	(e) the number of payments to which the Message relates;	~~(e) the number of payments to which the Message relates;~~
	(f) the aggregate dollar amount of all related Participant Acceptance Notification Messages to which the Corporate Action RTGS Message relates;	~~(f) the aggregate dollar amount of all related Participant Acceptance Notification Messages to which the Corporate Action RTGS Message relates;~~
	(g) the payment reference number;	~~(g) the payment reference number;~~
	(h) the payment method type;	~~(h) the payment method type;~~
	(i) the transaction type;	~~(i) the transaction type;~~
	(j) the requested execution date;	~~(j) the requested execution date;~~
	(k) the account name of the payor Controlling Participant;	~~(k) the account name of the payor Controlling Participant;~~
	(l) the identification number of the relevant payment facility of the payor Controlling Participant;	~~(l) the identification number of the relevant payment facility of the payor Controlling Participant;~~
	(m) the account name and HIN of the of the payee RTGS Participant for the Issuer; and	~~(m) the account name and HIN of the of the payee RTGS Participant for the Issuer; and~~
	(n) the Corporate Action Record identifier.	~~(n) the Corporate Action Record identifier.~~
5.21A.5	**CANCELLATION OF ACCEPTANCE**	**~~CANCELLATION OF ACCEPTANCE~~**

	For the purposes of Rule 5.21A.5(a), a Valid Acceptance Cancellation Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Message includes:	~~For the purposes of Rule 5.21A.5(a), a Valid Acceptance Cancellation Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Message includes:~~
	(a) the Participant's UIC;	~~(a) the Participant's UIC;~~
	(b) the Transaction Identifier of the related message sent by the Controlling Participant under Rule 5.21A.3(a);	~~(b) the Transaction Identifier of the related message sent by the Controlling Participant under Rule 5.21A.3(a);~~
	(c) the Corporate Action Record identifier;	~~(c) the Corporate Action Record identifier;~~
	(d) the type of Corporate Action that the election relates to;	~~(d) the type of Corporate Action that the election relates to;~~
	(e) the HIN of the relevant CHESS Holding;	~~(e) the HIN of the relevant CHESS Holding;~~
	(f) the option number code;	~~(f) the option number code;~~
	(g) the cancellation option type	~~(g) the cancellation option type~~
	(h) the number of Approved Financial Products which the Acceptance Cancellation Message relates to.	~~(h) the number of Approved Financial Products which the Acceptance Cancellation Message relates to.~~
5.21B.1	**ISSUER PAYMENT FOR REJECTION OF APPLICATIONS**	**~~ISSUER PAYMENT FOR REJECTION OF APPLICATIONS~~**
	For the purposes of Rule 5.21B.1(a), a Valid Corporate Action Rejection Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Message includes:	~~For the purposes of Rule 5.21B.1(a), a Valid Corporate Action Rejection Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Message includes:~~
	(a) the Participant's UIC;	~~(a) the Participant's UIC;~~
	(b) the Transaction Identifier for the Message;	~~(b) the Transaction Identifier for the Message;~~
	(c) the Target Transaction Identifier for the related payment Message received by the RTGS Participant for the Issuer under Rule 5.21A.3;	~~(c) the Target Transaction Identifier for the related payment Message received by the RTGS Participant for the Issuer under Rule 5.21A.3;~~
	(d) the Corporate Action Record identifier;	~~(d) the Corporate Action Record identifier;~~
	(e) the type of Corporate Action that the acceptance relates to;	~~(e) the type of Corporate Action that the acceptance relates to;~~
	(f) the code for the relevant Approved Financial Product;	~~(f) the code for the relevant Approved Financial Product;~~

(g)	the HIN of the receiving Controlling Participant for relevant CHESS Holding;	~~(g) the HIN of the receiving Controlling Participant for relevant CHESS Holding;~~
(h)	the number of allotted Approved Financial Products which the Corporate Action Rejection Message relates to;	~~(h) the number of allotted Approved Financial Products which the Corporate Action Rejection Message relates to;~~
(i)	the option number code;	~~(i) the option number code;~~
(j)	the rejection option type;	~~(j) the rejection option type;~~
(k)	the currency and amount applied against the allotment of Approved Financial Products to which the Corporate Action Rejection Message relates;	~~(k) the currency and amount applied against the allotment of Approved Financial Products to which the Corporate Action Rejection Message relates;~~
(l)	the currency and amount of money being refunded from the related offer acceptance; and	~~(l) the currency and amount of money being refunded from the related offer acceptance; and~~
(m)	the reason code for the Corporate Action Rejection Message.	~~(m) the reason code for the Corporate Action Rejection Message.~~

For the purposes of Rule 5.21B.1(c), a Valid Corporate Action RTGS Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Message includes:		~~For the purposes of Rule 5.21B.1(c), a Valid Corporate Action RTGS Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Message includes:~~
(a)	the Participant's UIC;	~~(a) the Participant's UIC;~~
(b)	the Transaction Identifier of the related Corporate Action Rejection Message from the RTGS Participant for the Issuer under Rule 5.21B.1(a);	~~(b) the Transaction Identifier of the related Corporate Action Rejection Message from the RTGS Participant for the Issuer under Rule 5.21B.1(a);~~
(c)	the Transaction Identifier for the Message;	~~(c) the Transaction Identifier for the Message;~~
(d)	a timestamp to show the date and time of processing;	~~(d) a timestamp to show the date and time of processing;~~
(e)	the number of payments to which the Message relates;	~~(e) the number of payments to which the Message relates;~~

	(f) the aggregate dollar amount of all related Corporate Action Rejection Messages to which the Corporate Action RTGS Message relates;	~~(f) the aggregate dollar amount of all related Corporate Action Rejection Messages to which the Corporate Action RTGS Message relates;~~
	(g) the payment reference number;	~~(g) the payment reference number;~~
	(h) the payment method type;	~~(h) the payment method type;~~
	(i) the transaction type;	~~(i) the transaction type;~~
	(j) the requested execution date;	~~(j) the requested execution date;~~
	(k) the account name of the payor RTGS Participant for the Issuer;	~~(k) the account name of the payor RTGS Participant for the Issuer;~~
	(l) the identification number of the relevant payment facility of the payor RTGS Participant for the Issuer;	~~(l) the identification number of the relevant payment facility of the payor RTGS Participant for the Issuer;~~
	(m) the account name and HIN of the of the payee Controlling Participant; and	~~(m) the account name and HIN of the of the payee Controlling Participant; and~~
	(n) the Corporate Action Record identifier.	~~(n) the Corporate Action Record identifier.~~
11.1.1	**ELIGIBLE INSTRUCTIONS**	**ELIGIBLE INSTRUCTIONS**
	For the purpose of Rule 11.1.1, the following Instructions are specified:	For the purpose of Rule 11.1.1, the following Instructions are specified:
	(a) Bilateral Demand Settlement Instructions; and	(a) Bilateral Demand Settlement Instructions~~; and~~
	(b) Corporate Action RTGS Instructions.	~~(b) Corporate Action RTGS Instructions~~.

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ASX SETTLEMENT OPERATING RULES

1.10 NOTICE, NOTIFICATION AND SERVICE OF DOCUMENTS

1.10.1 Interpretation

In these Rules, a reference to notifying a person of any matters includes a reference to:

(a) giving Notice of those matters to the person; or

(b) Transmitting a Message containing those matters to the person.

For the purposes of these Rules, a Message which is Transmitted by ASX Settlement or a Facility User will be taken to be received when the Message is made available for collection by the other party in ~~the~~ a Message collection facility in accordance with the User Technical Documentation~~provided in the Settlement Facility for Messages passing between ASX Settlement and Facility Users~~.

If any Rule requires or permits the giving of Notice of any matters to a person, the Rule requires or permits the giving to that person of a written document containing those matters. Without limiting any other provision of this Rule 1.10, any Notice to be given by a Facility User to ASX Settlement must be given to the person holding the position notified by ASX Settlement to Facility Users and may be given in the manner set out in the Procedures. Any Notice to be given by ASX Settlement to a person, firm or corporation may be given in the manner set out in the Procedures.

Introduced 11/03/04 Origin SCH 21.7.1, 21.7.2, 21.7.3 Amended 09/07/08

...

SECTION 2 DEFINITIONS AND INTERPRETATION

...

2.13 DEFINITIONS

2.13.1 Definitions used in the Rules

In these Rules, unless the context otherwise requires:

...

~~**"AIC"** stands for Access Identification Code and means a unique code allocated by ASX Settlement under Rule 16.14.~~

...

"**Approved Purpose**" means:

(a) performing obligations or taking any action under these Rules;

(b) maintaining the accuracy of the Issuer's register;

(c) sending information to the Holder that is connected to the Holder's Holding with the Issuer;

(d) any other purpose in respect of which each individual whose Personal Information is being used or disclosed has provided consent; or

(e) any other purpose for which the Issuer may use or disclose the Personal Information as permitted by law.

...

"**Batch Instruction**" means an instruction to ASX Settlement to effect:

(a) a Settlement Transfer in Batch Settlement and, if the instruction is for value, payment in DvP Batch Settlement; or

(b) in respect of a Payment Batch Instruction, payment in Batch Settlement,

and includes:

(a) a CCP Market Trade ~~Net~~ Batch Instruction;

(b) a CCP Rescheduled Batch Instruction;

(c) a CCP Offsetting Transaction Arrangement Instruction;

(d~~b~~) a CCP Isolate Counterparty~~Gross~~ Batch Instruction;

(e~~c~~) a CCP Derivatives Payment Batch Instruction;

(f~~d~~) a ~~Dual Entry~~Bilateral Batch Instruction;

~~(e) a Dual Entry Payment Batch Instruction;~~

(g~~fe~~) a ~~Single Entry~~ Unilateral Batch Instruction;

(h) an Accrued Batch Instruction;

(i~~fg~~) a Direct Batch Instruction; and

(j~~gh~~) an AQUA Payment Batch Instruction.

...

"**BIC**" stands for business identifier code.

…

"**Cash CCP Transaction**" has the meaning given under the operating rules of the Approved Clearing Facility.

…

"**CCP Batch Instruction**" means ~~either~~ a CCP ~~Gross~~ Market Trade Batch Instruction, ~~or~~ a CCP ~~Net~~ Isolate Counterparty Batch Instruction, a CCP Rescheduled Batch Instruction or a CCP Offsetting Transaction Arrangement Batch Instruction.

…

"**CCP ~~Gross~~ Isolate Counterparty Batch Instruction**" means a Batch Instruction generated ~~(excluding a Dual Entry Payment Batch Instruction) to give effect to a transaction that has been novated to CCP but that has not been netted~~ in accordance with the operating rules of the Approved Clearing Facility to give effect to a request to isolate a counterparty in relation to a CCP Rescheduled Batch Instruction or a CCP Offsetting Transaction Arrangement Batch Instruction (as applicable) ~~or a Batch Instruction to give effect to an Offsetting Transaction Arrangement entered into in respect of a Failed CCP Gross Batch Instruction~~.

"**CCP ~~Net~~ Market Trade Batch Instruction**" means a Batch Instruction ~~(excluding a Dual Entry Payment Batch Instruction)~~ to give effect to a transaction that has been novated to CCP and netted in accordance with the operating rules of the Approved Clearing Facility ~~or a Batch Instruction to give effect to an Offsetting Transaction Arrangement entered into in respect of a Failed CCP Net Batch Instruction~~.

"**CCP Offsetting Transaction Arrangement Batch Instruction**" means a Batch Instruction generated or deemed to be generated in accordance with the operating rules of the Approved Clearing Facility to give effect to an Offsetting Transaction Arrangement entered into in respect of a Failed CCP Batch Instruction.

"**CCP Rescheduled Batch Instruction**" means a Batch Instruction generated in accordance with the operating rules of the Approved Clearing Facility to give effect to CCP Market Trade Batch Instructions that are:

(a) Failed due to a Financial Products Shortfall;

(b) suspended due to the suspension of the approval of a class of an Issuer's Financial Products; or

(c) scheduled for settlement on a Business Day that Batch Settlement is cancelled.

…

"**Confirmed FOR Indicator**" means, when specified in a Message transmitted by a Participant, that the Participant is seeking to effect a Transfer or Conversion as a Foreign to Foreign Allocation.

Note: the indicator to be set in such instances is ~~"OR"~~identified in the User Technical Documentation

"**Confirmed FOR Financial Products**" means the lesser of either:

(a) the number of FOR Financial Products in a Holding whose Residency Indicator is recorded by ASX Settlement as ~~"F"~~foreign, calculated as the current Holding Balance of FOR Financial Products; or

(b) the number of FOR Financial Products in a Holding whose Residency Indicator is recorded as ~~"F"~~foreign, at Start of Day, adjusted by:

(i) those Financial Products transferred into the Holding pursuant to a Foreign to Foreign Allocation during that Business Day; and

(ii) any Conversions of those Financial Products into or out of the Holding; and

(iii) those Holding Adjustments initiated by an Issuer pursuant to Rule 5.12.4; less

(iv) that number of Financial Products transferred out of the Holding pursuant to a Foreign to Foreign Allocation during that Business Day.

...

~~**"Custodial Settlement Participant"** means a Settlement Participant that ASX Settlement has determined also meets the requirements set out in Rule 4.19.~~

~~Introduced 18/12/19~~

...

"**DvP Notification**" means the notification of DvP and Payments Only Declaration to be given by ASX Settlement to a Payments Provider under the Standard ~~Client Bank Deed~~Payments Provider Deed.

...

"**Excess Financial Products**" means:

(a) those FOR Financial Products determined by an Issuer that cause the Foreign Ownership Percentage Level to be exceeded; or

(b) with the exception of a Foreign to Foreign Allocation, those FOR Financial Products determined by an Issuer, where the Issuer is authorised to do so under its constitution or governing legislation, to have been transferred into a Holding with a Residency Indicator of foreign (as identified in the User Technical Documentation)~~"F"~~, on the day when the Foreign Ownership Percentage Level Foreign Holder Percentage Level is exceeded.

...

"**Financial Products Shortfall**" means (the number that is greater than zero, where the number is calculated by the total number of Financial Products of a class projected to be delivered from a Holding in Scheduled Settlement on a Business Day) less the sum of the available number of Financial Products of that class in that Holding at Settlement Cut-Off on that Business Day and of the total number of Financial Products of that class projected to be received into that Holding in Scheduled Settlement on that Business Day where:

SS = D - (H + R) and:

SS is the Financial Products Shortfall

D is the total number of Financial Products of a class projected to be delivered from the Holding

H is the number of available Financial Products of a class in the Holding

R is the total number of Financial Products of a class projected to be received into the Holding.

...

~~"**Foreign Confirmed Holding Net Movement Report**" means a report that:~~

~~(a) for the specified period; and~~

~~(b) in respect of each CHESS Holding containing Confirmed FOR Financial Products in the specified~~

~~sets out a summary on a daily basis of:~~

~~(c) total units added to the Holding pursuant to Foreign to Foreign Allocations;~~

~~(d) total units deducted from the Holding pursuant to Foreign to Foreign Allocations;~~

~~(e) total units added to the Holding of Confirmed FOR Financial Products as a result of registry authorised transactions;~~

~~(f) total units deducted from the Holding of Confirmed FOR Financial Products as a result of registry authorised transactions; and~~

~~(g) the end of day closing balance for the Holding.~~

"**Foreign Bank**" means a foreign corporation that is authorised to carry on banking or deposit-taking business in a country other than Australia.

"**Foreign Bank Account**" means an account held with a Foreign Bank.

...

"**Foreign Person**" means, where specified pursuant to Rule 8.7.2, that the Holder has notified the Controlling Participant that the beneficial owner of the Financial Products in the Holding, for the purposes of legislation or under the constitution of an Issuer whose Financial Products are included in Schedule 1:

(a) is a foreign person;

(b) is an associate of a foreign person; or

(c) has a beneficial interest in the Financial Products, part of that beneficial interest vesting in a Foreign Person,

other than persons, associates or interests which the legislation or constitution ignores or excludes for the purposes of aggregate foreign ownership restrictions.

Note: a Residency Indicator of foreign (as identified in the User Technical Documentation)~~"F"~~ denotes a Foreign Person

...

"**Foreign to Foreign Allocation**" means a Transfer or Conversion of Confirmed FOR Financial Products, including a Transfer pursuant to a transaction effected in accordance with the operating rules of an Approved Market Operator, where the Residency Indicator of both the Source and Target Holdings is foreign (as identified in the User Technical Documentation)~~"F"~~, thus resulting in a Holding of Confirmed FOR Financial Products.

Amended 18/12/06

...

"**Holding Net Movement Report**" means a report that:

(a) for the specified period; and

(b) in respect of each CHESS Holding of Financial Products in the specified class that has undergone a Holding Balance change during the specified period,

(c) sets out, a summary ~~on a daily basis~~ of the following for the specified period:

(i) total units added to the Holding;

(ii) total units deducted from the Holding;

(iii) total units added to the Holding as a result of registry authorised transactions;

(iv) total units deducted from the Holding as a result of registry authorised transactions; and

(v) the ~~End of Day~~ closing balance for the Holding.

Note: In relation to a CHESS Holding containing Confirmed FOR Financial Products, the Holding Net Movement Report will also include details regarding those Confirmed FOR Financial Products, including setting out a summary of total units added to or deducted from the Holding of Confirmed FOR Financial Products, including pursuant to Foreign to Foreign Allocations.

…

"**Linked CCP Instructions**" means CCP Isolate Counterparty Batch Instructions that are linked for the purpose of Batch Settlement under Rule 10.9.19.

…

~~"**MAC**" stands for Message Authentication Code, and means a code appended to a Message by ASX Settlement or a Facility User for the purpose of enabling the recipient of the Message to confirm the identity of the Facility User Transmitting the Message.~~

…

"**Message**" means an electronic message of a kind specified in the ~~EIS~~ User Technical Documentation for use in CHESS.

…

"~~**Standing Settlement HIN**~~**Nominated Settlement HIN**" means a HIN notified to ASX Settlement under Rule 6.4.2.

…

"**Payments Provider**" means a person that:

(a) operates an exchange settlement account with the Reserve Bank of Australia in its own name;

(b) has the operational capacity to:

(i) authorise and make payments on behalf of Participants;

(ii) make payments to Participants; and

(iii) register entries in the Payments Provider User Group for the purpose of discharging its net obligation to make payment to the Bank or its net entitlement to receive payment from the Bank in accordance with the Standard Payments Provider Deed;

(c) meets the technical and performance requirements prescribed by ASX Settlement to ensure that the person does not affect the integrity or orderly operation of CHESS; and

(d) is a person who facilitates Batch Settlement by approving or making payments in accordance with the terms and conditions of the relevant Standard Payments Provider~~s~~ Deed.

...

"**Personal Information**" means all personal information (as defined under the Privacy Act 1998 (Cth)) in connection with a Holder.

...

"**PID**" stands for participant identifier and means a UIC allocated or attributed by ASX Settlement to a Participant that is:

(a) used as the identification code, or one of the identification codes, of the Participant that controls a Holding on the CHESS Subregister; and

(b) included in a Message header to identify the source and/or destination of the Message~~CHESS Data Messages~~.

ASX Settlement may allocate or attribute up to a maximum number of PIDs per Participant as specified in the Procedures.

Amended 08/08/13

...

"**Procedures**" means any document, electronic file or other information (recorded by any mode of representing words or reproducing words) approved by ASX Settlement and given where applicable to Participants, Issuers and third party service providers in accordance with Rule 1.4 and, without limitation, includes any ~~EIS~~ User Technical Documentation and the ASX Settlement Procedures as amended from time to time.

Amended 18/12/06

...

"**Reconstruction**" means an alteration to the issued capital of an Issuer, which affects the number, or nature, of Financial Products held by a Holder and includes (without limitation) a reorganisation~~ or a merger~~.

~~"**Recognised Physical Access Point**" means:~~

~~(a) in the case of a Facility User, the physical location of an application system that the Facility User employs to operate an interface with CHESS; or~~

~~(b) in the case of ASX Settlement, the physical location of the application system that operates CHESS.~~

...

"**Registrable Transfer Document**" means any document that an Issuer is entitled to accept as a valid instrument of transfer~~ or a Transfer Request Document~~.

...

"**Rescheduled Batch Instruction**" means a Batch Instruction which has been Failed (in whole or part) under Rule 10.11.2 and rescheduled for settlement under Rule 10.11.7 or a CCP Market Trade Batch Instruction which has been Failed (in whole or part) under Rule 10.11.2 and is scheduled for settlement as a CCP Rescheduled Batch Instruction generated in respect of that Failed CCP Market Trade Batch Instruction. It does not include a Batch Instruction which is Failed under Rule 10.11.3 as a consequence of the Failure of another Batch Instruction.

...

"**Reporting Point**" means a particular point during a Business Day when information is stored by CHESS for the purposes of reporting data to Facility Users.~~;~~ Acceptable values comprise:

(a) end of Settlement Processing Phase;

(b) Trade Instruction Cut-Off;

(c) End of Day.

...

"**Residency Indicator**" means a code used to indicate the status of the ultimate beneficial owner or owners of FOR Financial Products in a Holding on the CHESS Subregister or an Issuer Operated Subregister, for the purposes of settling transactions in FOR Financial Products. (i.e. ~~"D" for D~~domestic, foreign ~~"F"~~ for Foreign Person, and in the case of Holdings of Financial Products where beneficial ownership is both domestic and foreign, ~~"M" for M~~mixed).

Note: The indicator for "domestic", "foreign" and "mixed" is identified in the User Technical Documentation

...

~~"**Routine Reporting**" means electronic reporting that is generated automatically by CHESS as transactions are processed.~~

...

"**Security Key**" means an electronic code that is:

(a) allocated to each Facility User in accordance with the User Technical Documentation~~generated by ASX Settlement~~; and

(b) used to ensure secure communications between ASX Settlement and Facility Users.

...

"**Settlement Lock**" means in relation to a CHESS Holding, a facility which prevents the relevant number of Financial Products (including any Entitlements)

from being deducted from a Holding unless pursuant to a Settlement Transfer in connection with:

(a) a Bilateral Batch Instruction under Rule 10.9.3; or

(b) a Unilateral Batch Instruction under Rule 10.9.11.

...

"**Settlement Processing Phase**" in relation to DvP ~~Net~~ Batch Settlement, means, on any Business Day, the time period commencing after Settlement Cut-off during which Settlement Transfers are processed by ASX Settlement against CHESS Holdings.

...

~~"**Standing HIN**" means a HIN that is notified to ASX Settlement under Rule 6.4.2.~~

...

"**Standing Report**" means one of a series of Messages periodically Transmitted by ASX Settlement to a Facility User, each of which provides information about CHESS Holdings or CHESS Subregister movements ~~in accordance with parameters specified by the Facility User~~.

...

~~"**Standard Client Bank Deed**" means a standard deed executed by ASX Settlement and a bank.~~

...

"**Standard Payments Provider Deed**" means a standard deed executed by ASX Settlement and a Payments Provider ~~and includes a Standard Client Bank Deed~~.

...

~~"**Surveillance Report**" means a report generated by CHESS that identifies changes to:~~

~~(a) Batch Instructions notified to ASX Settlement by an Approved Market Operator under Rule 10.9.1; and~~

~~(b) Batch Instructions that result from Matched Bilateral~~Dual Entry ~~Batch Messages,~~

~~(c~~b) ~~to assist ASX Settlement in monitoring compliance with these Rules.~~

...

~~"**Transfer Request Document**" means a document supplied by a Settlement Participant which is not a Market Participant or a Custodial Settlement Participant~~

~~to an Issuer that entitles the Issuer to authorise a Transfer of Financial Products from an Issuer Sponsored Holding to a CHESS Holding.~~

...

~~**"Transition Period"** means the period from 11 March 2002 to 10 March 2004 or such later date as determined by the Commission.~~

...

"**Transmit**" means, for Messages passing between ASX Settlement and Facility Users, cause a Message to be made available for collection by the other party in ~~the~~ a Message collection facility in accordance with the User Technical Documentation~~provided in CHESS for Messages passing between ASX Settlement and Facility Users~~.

Note: *Rule 16.17 specifies when a Facility User or ASX Settlement is taken to have Transmitted a Message.*

...

"**UIC**" stands for User Identification Code and means a unique numeric code allocated or attributed by ASX Settlement to ASX Settlement and each Facility User in accordance with the User Technical Documentation for the purpose of identifying the source and destination of Messages and which may be:

(a) the UIC of an Issuer;

(b) a PID; or

(c) such other numeric code allocated or attributed by ASX Settlement in accordance with the User Technical Documentation.

Note: A UIC will be 'attributed' by ASX Settlement where such code is allocated to ASX Settlement or the Facility User by a person other than ASX Settlement but is attributed by ASX Settlement to ASX Settlement or the Facility User for the purposes outlined above.

...

~~**"EIS"** stands for External Interface Specification, and~~ **"User Technical Documentation"** means the ~~technical~~ documentation in relation to CHESS that are published ~~issued~~ by ASX Settlement as referred to in the Procedures~~on [*insert website details*], a document, made by ASX Settlement,~~ that provide~~s~~ detailed information about protocols, message formats and security features for communications between Facility Users and ASX Settlement.

...

"**Valid**" in relation to a Message, means a Message that, in accordance with the relevant User Technical Documentation:

(a) identifies the source of the Message in the Message header ~~specifying a current source UIC that is compatible with the specified AIC~~;

(b) correctly identifies the destination of the Message in the Message header ~~the current UIC for the targeted Message recipient~~;

(c) is formatted in accordance with the relevant Message specifications and ~~contains~~ satisfies all ~~the~~ applicable mandatory data requirements ~~specified in the EIS~~;

(d) has been properly authenticated~~, (determined by reference to the MAC)~~; and

(e) satisfies all applicable transport ~~meets CHESS~~ encryption requirements ~~specified in the EIS~~.

…

SECTION 4 PARTICIPATION IN THE SETTLEMENT FACILITY

The purpose of this Section 4 is to set out the basis on which persons may participate in the Settlement Facility or be provided with a Settlement Facilitation Service.

Without limiting in any way what a person who participates in the Settlement Facility may do or be permitted to do under these Rules, participation in the Settlement Facility is broadly divided into the following classes:

(a) **General Settlement Participants** - being those persons who are admitted for purposes including the holding, transfer and settlement in Batch Settlement of Approved Financial Products in the Settlement Facility. A General Settlement Participant may also act in the Settlement Facility as a settlement agent on behalf of a Clearing Participant. A General Settlement Participant may also establish and maintain Participant Sponsored Holdings;

(b) **Account Participants** – being those persons who participate in certain aspects of the holding and transfer of Approved Financial Products but who do not participate in Batch Settlement in the Settlement Facility. An Account Participant may also establish and maintain Participant Sponsored Holdings;

(c) **Specialist Settlement Participants** – being those persons who are admitted for limited purposes including acting as a Participant Bidder or a Participant Offeror; and

(d) **Product Issuer Settlement Participants** – being those persons who are admitted for limited purposes including facilitating the settlement in Batch Settlement of transactions relating to requests for issue and redemption of AQUA Products. A Product Issuer Settlement Participant may not establish or maintain Participant Sponsored Holdings.

ASX Settlement may also provide a service to an Approved Listing Market Operator for the holding, transfer and settlement of Approved Financial Products that are quoted or admitted to trading status on the market of that Approved Listing Market Operator.

…

4.10 CAPACITY REQUIREMENTS

4.10.1 When a person meets the capacity requirements

The capacity requirements of these Rules are:

(a) for a body, that:

(i) if the body is a body corporate, the body is not a Chapter 5 body corporate as defined in section 9 of the Corporations Act~~n externally administered body corporate~~; or

(ii) if the body is not a body corporate, the body is not under any equivalent form of insolvent administration;

(b) for a natural person, that:

(i) the person is at least 18 years of age;

(ii) the person is not an insolvent under administration;

(iii) no person has been appointed under any Incapacity Law to administer the estate of the person; and

(iv) no order has been made under the Corporations Act prohibiting the person from managing a corporation; and

(c) for a body that consists of two or more partners or trustees, that each of those persons complies with paragraph (a) or (b) as the case requires.

…

4.19 CUSTODIAL SETTLEMENT PARTICIPANTS [DELETED]

~~**4.19.1 Custodial Settlement Participant eligibility**~~

~~To be classified as a Custodial Settlement Participant by ASX Settlement, a Settlement Participant must:~~

~~(a) satisfy the eligibility criteria specified in the Procedures; and~~

~~(b) provide to ASX Settlement, the documentation set out in the Procedures as evidence that the Settlement Participant does satisfy the eligibility criteria.~~

~~Introduced 18/12/19~~

~~**4.19.2 Classification as a Custodial Settlement Participant in ASX Settlement's discretion**~~

~~The decision as to whether a Settlement Participant meets the requirements set out in Rule 4.19 is at the absolute discretion of ASX Settlement. ASX Settlement may determine that a Settlement Participant meets or does not meet the requirements set out in Rule 4.19 without giving any reasons.~~

~~Introduced 18/12/19~~

~~**4.19.3 Custodial Settlement Participant notification**~~

~~A Custodial Settlement Participant must immediately notify ASX Settlement as soon as it becomes aware that it is no longer eligible to be a Custodial Settlement Participant~~

~~Introduced 18/12/19~~

…

SECTION 5 RIGHTS AND OBLIGATIONS OF ISSUERS

...

5.17 NOTICE TO ASX SETTLEMENT OF CHANGED CIRCUMSTANCES

5.17.1 Issuer to give Notice

An Issuer must give Notice to ASX Settlement if:

(a) the Issuer changes its name or address;

(b) the Issuer becomes a Chapter 5 body corporate as defined in section 9 of the Corporations Act~~n externally administered body corporate~~;

(c) the Issuer takes a step or becomes aware that another person has taken a step that is intended to lead to it becoming a Chapter 5 body corporate as defined in section 9 of the Corporations Act~~externally administered~~;

(d) the Issuer's Financial Products are subject to any change of jurisdictional nexus for stamp duty purposes; or

(e) the Issuer effects any change of Third Party Provider.

The Notice must be given within 1 Business Day of the happening of any of the events or circumstances referred to in paragraphs (a) to (e).

...

5.18.1 Request to include Financial Products in Schedule 1

An Issuer of Approved Financial Products may request ASX Settlement to include a class of its Financial Products which is subject to aggregate foreign ownership restrictions pursuant to legislation or under the Issuer's constitution, in Schedule 1 and, in respect of any such Financial Products included in Schedule 1, the Issuer:

(a) must accept electronic notification of the residency status of Holders on the CHESS Subregister;

(b) must accept electronic notification of the residency status of transferees specified in CHESS to Issuer Operated Subregister Transfers;

(c) must give effect to and recognise the status of Foreign to Foreign Allocations effected through CHESS;

(d) must monitor the Foreign Ownership Percentage Level on a daily basis~~ by requesting a Foreign Holding Net Movement Report in respect of each Business Day~~, and where the Issuer determines it is necessary, take such action as is required under Rule 5.18.3; and

(e) acknowledges that the Issuer bears sole responsibility for monitoring the Foreign Ownership Percentage Level.

Note: The obligations of an Issuer whose Financial Products are included in Schedule 1, as outlined in Rule 5.18.1, are in addition to the statutory contract between an Issuer and ASX Settlement under Section 1.2.

Introduced 11/03/04 Origin SCH 8.20.1, 8.20.2

…

5.26 RECONSTRUCTIONS – CHANGES TO HOLDINGS

5.26.1 Issuer to send Valid Message

If as a result of a Reconstruction or merger, an Issuer is required to initiate a Holding Adjustment or Financial Products Transformation, the Issuer must do so by Transmitting a Valid Message to ASX Settlement.

5.27 INDEMNITY

5.27.1 Use or disclosure of Personal Information provided by ASX Settlement

An Issuer must not use or disclose any Personal Information provided by ASX Settlement under these Rules to the Issuer for any purpose other than an Approved Purpose. If the Issuer uses or discloses such Personal Information for a purpose other than an Approved Purpose, the Issuer indemnifies ASX Settlement against all losses, damages, costs and expenses that ASX Settlement may suffer or incur directly or indirectly in connection with the Issuer's actions.

SECTION 6 RIGHTS AND OBLIGATIONS OF PARTICIPANTS

…

6.3.4 Settlement and Accumulation Accounts

A Settlement Participant:

(a) must unless otherwise agreed by ASX Settlement or specified in the Procedures, establish:

(i) one Settlement Account and one Accumulation Account to facilitate the settlement of transactions in Approved Financial Products; and

(ii) where a Settlement Participant provides settlement services on behalf of Clearing Participants, one Settlement Account and one Accumulation Account for and in the name of each Clearing Participant to facilitate the settlement of transactions in Approved Financial Products;

(b) unless otherwise agreed by ASX Settlement or specified in the Procedures, must establish one Settlement Account and one Accumulation Account with a Residency Indicator of foreign (as identified in the User Technical Documentation) ~~"F"~~ to facilitate Foreign to Foreign Allocations;

(c) may establish the Settlement Account and Accumulation Account in the name of the same Nominee Company; and

(d) except as provided for in Rule 6.3.5, must not, without ASX Settlement's written consent, use a Settlement Holding or an Accumulation Holding for Custodial Purposes. Where ASX Settlement provides such consent, the Settlement Participant must comply with any terms or conditions imposed by ASX Settlement and any failure by the Settlement Participant to do so will constitute a breach of this Rule.

ASX Settlement will not provide consent under paragraphs (d) above to the use of Settlement Holding or Accumulation Holding for Custodial Purposes if in its opinion a lessening of investor protection may result.

Note: ASX Settlement may, at its discretion, exempt a Settlement Participant from the requirement to operate "Foreign" entrepot accounts where ASX Settlement is satisfied that the Settlement Participant will not participate in "Foreign to Foreign" trades.

Introduced 11/03/04 Origin SCH 9.2.2, 9.2.3, 10.2.2, 10.2.3

...

6.4 HOLDER IDENTIFICATION NUMBERS

6.4.2 Participant may nominate a ~~Standing~~ Nominated Settlement HIN ~~for Messages~~

A Participant may by Notice to ASX Settlement nominate one ~~Standing~~ Nominated Settlement HIN to be specified on CCP Batch Instructions~~for each Message type listed in Appendix 2 of these Rules~~.

Introduced 11/03/04 Origin SCH 9.3.1, 10.4.1

...

6.9.1 Participant to advise Issuer of number of units

If a Participant:

(a) controls a Holding which has a Residency Indicator of mixed (as identified in the User Technical Documentation)~~"M"~~; and

(b) FOR Financial Products are entered into that Holding,

the Participant must advise each relevant Issuer of FOR Financial Products, at intervals determined by the relevant Issuer, of:

(c) the aggregate number of units in the Holding which is beneficially owned by a Foreign Person; and

(d) the level of increase or decrease in the number of units, whichever is relevant, which are beneficially owned by a Foreign Person:

(i) since the previous report to the relevant Issuer;

(ii) if no previous report was submitted, since the FOR Financial Products were entered into the Holding.

Note: Beneficial ownership by a foreign person will be determined by reference to the relevant Issuer's constitution or governing legislation.

Introduced 11/03/04 Origin SCH 9.12A, 10.11A

...

6.13 PARTICIPANTS' IDENTIFICATION CODES ~~UNDER THE LAW~~

6.13.1 ASX Settlement to allocate or attribute PID

ASX Settlement will allocate or attribute to each Participant a unique code which will be that Participant's PID which:

(a) must be used by that Participant in accordance with these Rules; and

(b) is that Participant's identification code for the purposes of Division 4 of Part 7.11 of the Corporations Regulations.

Note: Where a Settlement Participant acts as a Settlement Agent on behalf of a Clearing Participant, ASX Settlement will allocate or attribute to that Settlement Agent a PID in the name of each Clearing Participant for which it acts as Settlement Agent.

Introduced 11/03/04 Origin SCH 9.17

6.13.2 Use of BIC as a PID of a Participant

A Participant may request that ASX Settlement attribute to the Participant as one of its PIDs the BIC allocated to the Participant by a person other than ASX Settlement, for inclusion in Messages from or to the Participant as an alternative to the inclusion in such Messages of a PID allocated by ASX Settlement to the Participant. Where this occurs:

(a) the Participant must nominate the PID allocated by ASX Settlement to the Participant that the BIC is referable to;

(b) a Message received from the Participant which includes the Participant's BIC will be treated as a Message from the nominated PID that the BIC is

referable to, and not as a Message from the BIC as a separate PID to that nominated PID;

(c) for the purpose of obligations or entitlements of a Participant under these Rules in respect of each PID, including (without limitation) for the purpose of:

(i) the Settlement Account and Accumulation Account required to be established for each PID under Rule 6.3.4;

(ii) the Payment Facilities required to be established by the Participant for each PID under Rule 6.15(1)(c);

(iii) calculations of settlement obligations or entitlements of a Participant for each PID under Rule 10.10;

those obligations and entitlements will apply in respect of the nominated PID that the BIC is referable to, and not as obligations and entitlements in respect of the BIC as a separate PID to that nominated PID; and

(d) the BIC will not be included in calculating the maximum number of PIDs per Participant for the purposes of the definition of PID.

...

6.15 ESTABLISHING A PAYMENT FACILITY

6.15.1 Payment Facilities

A Settlement Participant must have in place at all times at least the number of Payment Facilities required under Rule 4.13 to facilitate settlement of Instructions and, in relation to those Payment Facilities:

(a) the Settlement Participant must give Notice to ASX Settlement in the form prescribed by ASX Settlement from time to time. Without limitation, such Notice must identify in respect of each Payment Facility the relevant facility subtype as specified in the User Technical Documentation;

(b) a Payment Facility will not be available to facilitate settlement of Instructions until a Payments Provider acknowledges to ASX Settlement that it will operate the Payment Facility on behalf of the Settlement Participant;

(c) a separate Payment Facility must be established for each PID allocated or attributed by ASX Settlement to the Settlement Participant;

(ca) a Payment Facility may be used to facilitate settlement of both Batch Instructions and RTGS Instructions;

(d) in relation to DvP Settlement:

(i) each Payment Facility must be linked to at least one CHESS Holding;

(ii) a CHESS Holding must not be linked to more than one Payment Facility; and

(iii) a Settlement Participant which is a Clearing Participant must use the same Payment Facility to facilitate settlement of all CCP Batch Instructions in respect of a PID. A Settlement Participant that acts for more than one Clearing Participant may use multiple Payment Facilities, but must only maintain one Payment Facility per Clearing Participant on whose behalf it acts; and

(e) in relation to Payment Batch Instructions:

(i) each payment type as determined by ASX Settlement must be linked to a separate Payment Facility; and

(ii) unless otherwise agreed in writing by ASX Settlement, a payment type must not be linked to more than one Payment Facility; and

(f) in relation to Real Time Gross Settlement, a Settlement Participant which is an RTGS Participant must give ASX Settlement Notice of the RTGS Bank Account referable to each Payment Facility used to settle RTGS Instructions in accordance with Rule 11.4.3.

Introduced 11/03/04 Origin SCH 9.20, 10.21 Amended 08/08/13, 21/03/14

6.15.3 ASX Settlement to reject Messages if no Payment Facility

If a Settlement Participant Transmits a Valid Message in relation to:

(a) an Instruction that specifies a HIN, or in the case of a CCP Batch Instruction that incorporates a Standing Nominated Settlement HIN, for a CHESS Holding and a Payment Facility for that Holding has not been established; or

(b) a Payment Batch Instruction and a Payment Facility for the relevant payment type has not been established; or

(c) an RTGS Instruction and a Payment Facility for the relevant payment type has not been established.

ASX Settlement must reject the Message.

Introduced 11/03/04 Origin SCH 9.20.8, 10.21.7

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6.18 DEMAND TRANSFER FOLLOWING A FAIL IN ASX SETTLEMENT BATCH SETTLEMENT

6.18.1 Delivery of part settlement

If a receiving Participant designates an Instruction as not available for settlement in part and in relation to that Instruction:

(a) the delivering Participant designates the Instruction as available for settlement in part;

(b) during Batch Settlement the Instruction Fails; and

(c) the delivering Participant gives Notice to the receiving Participant by the Scheduled Time that it can deliver the number and class of Financial Products specified in the Instruction on that Business Day,

the receiving Participant must, subject to Rule 6.18.2, accept the delivery of Financial Products.

Introduced 11/03/04 Origin SCH 9.23.1, 10.23.1

6.18.2 Transmitting Messages to effect part settlement

If a delivering Participant:

(a) gives Notice to the receiving Participant under Rule 6.18.1(c);

(b) Transmits a Message to ASX Settlement within the Scheduled Time to cancel the Instruction that has been rescheduled for settlement on the next Business Day; and

(c) Transmits a Message to ASX Settlement within the Scheduled Time to initiate a ~~Dual Entry~~ Bilateral Demand Transfer to Transfer the Financial Products to the receiving Participant under Rule 9.5.4.~~;~~

the receiving Participant must*:*

(d) Transmit a Message to ASX Settlement within the Scheduled Time to enable ASX Settlement to Match the request to cancel the Instruction that has been rescheduled for settlement on the next Business Day;

(e) Transmit a Message to ASX Settlement within the Scheduled Time to enable ASX Settlement to Match the ~~Dual Entry~~Bilateral Demand Message to Transfer the Financial Products to the receiving Participant; and

(f) pay to the delivering Participant an amount equal to the Settlement Amount specified in the rescheduled Instruction.

Introduced 11/03/04 Origin SCH 9.23.2, 10.23.2

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SECTION 8 HOLDING FINANCIAL PRODUCTS IN THE SETTLEMENT FACILITY

...

8.5.1 Action taken by ASX Settlement upon suspension

Subject to Rule 8.5.2, if ASX Settlement suspends approval of a class of an Issuer's Financial Products, ASX Settlement must:

(a) if an Instruction or Message would affect a CHESS Holding of Financial Products in that class:

(i) suspend all:

(A) such Instructions it has already received;

(B) CCP Rescheduled Batch Instructions it subsequently receives in respect of suspended CCP Market Trade Batch Instructions notified to the Approved Clearing Facility pursuant to Rule 8.5.1(d); and

(ii) reject all such Instructions or Messages that are subsequently received other than for CCP Rescheduled Batch Instructions in respect of suspended CCP Market Trade Batch Instructions notified to the Approved Clearing Facility pursuant to Rule 8.5.1(d);

(aa) to the extent ASX Settlement considers reasonably necessary, give notice of the suspension or rejection of such Instructions or Messages to other Facility Users:~~;~~

~~(i) the Issuer;~~

~~(ii) the relevant Approved Market Operator; and~~

~~(iii) to the extent ASX Settlement considers reasonably necessary, other Facility Users;~~

(ab) remove any Settlement Lock or Demand Lock applied in relation to the suspended Financial Products;

(b) on each Business Day that the class of Financial Products remains suspended, reschedule any suspended Instructions other than CCP Market Trade Batch Instructions that were included in Batch Settlement on that Business Day, for settlement on the next Business Day;

(c) give notice to each affected Settlement Participant that the Instruction has been rescheduled; and

(d~~c~~) subject to Rule 8.5.2, cancel any Instruction that remains suspended on the 15th~~10th~~ Business Day after suspension of approval. For the purposes of this Rule 8.5.1(c), ASX Settlement may, in its absolute discretion, cancel any Instruction that remains suspended on or after the 10th Business Day after the relevant suspension of approval.

For CCP Market Trade Batch Instructions scheduled for settlement on the day that ASX Settlement suspends approval of a class of an Issuer's Financial Products or on a subsequent Business Day, which ASX Settlement suspends under Rule 8.5.1(a)(i), ASX Settlement:

(e) will notify the Approved Clearing Facility of the suspended CCP Market Trade Batch Instructions;

(f) has no obligations in relation to those CCP Market Trade Batch Instructions.

Note: Where there are CCP Market Trade Batch Instructions scheduled for settlement on the day that ASX Settlement suspends approval of a class of an Issuer's Financial Products or on a subsequent Business Day, which ASX suspends under Rule 8.5.1(a)(i), ASX Clear will generate a CCP Rescheduled Batch Instruction in accordance with Rule 12.6.2B of the ASX Clear Operating Rules in respect of those CCP Market Trade Batch Instructions for settlement on the next Business Day.

Introduced 11/03/04 Origin SCH 3.5.1 Amended 10/06/04

8.5.2 Discretion to allow Instruction

If ASX Settlement suspends approval of a class of an Issuer's Financial Products, ASX Settlement may in its discretion determine to give effect to an Instruction or a class of Instructions or a Message or a class of Messages that would affect a CHESS Holding of Financial Products in that class and if ASX Settlement so determines it must give notice to:

(a) the Issuer;

(b) the Approved Listing Market Operator; and

(c) to the extent that ASX Settlement considers reasonably necessary, other Facility Users.

Introduced 11/03/04 Origin SCH 3.5.2, 3.5.3 Amended 10/06/04, 18/12/06, 27/06/11

8.5.3 Removal of suspension

If ASX Settlement is satisfied that the circumstances that gave rise to a suspension no longer exist, ASX Settlement must:

(a) remove the suspension; and

(b) give ~~Notice~~ notice to:

(i) the Issuer;

(ii) the relevant Approv~~/~~ed Market Operator; and

(iii) to the extent ASX Settlement considers reasonably necessary, other Facility Users.

Introduced 11/03/04 Origin SCH 3.5.4

8.5.4 Revocation if suspension continues – [Deleted]

Introduced 11/03/04 Origin SCH 3.5.6 Amended 10/06/04 Deleted 25/05/15

8.5.5 Effect of revocation

If ASX Settlement revokes approval of a class of an Issuer's Financial Products, ASX Settlement must, from the effective date of the revocation:

(a) reject all Instructions or Messages that would affect a CHESS Holding of Financial Products in that class; and

(b) close the CHESS Subregister for that class of Financial Products in accordance with Rule 8.14.1.

Introduced 11/03/04 Origin SCH 3.6.1 Amended 10/06/04

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8.7.3 Holder Record for Holding of FOR Financial Products

A Participant must determine whether the Residency Indicator of a Holder Record is applicable to any new Holding of FOR Financial Products, and if it is not applicable to the new Holding of FOR Financial Products and there is no existing Holder Record with the appropriate Residency Indicator, the Participant must:

(a) establish a separate Holder Record for that new Holding with the appropriate Residency Indicator; and

(b) transfer that Holding to that Holder Record.

Note: Because of differing definitions of "Foreign Person" under the governing legislation or constitution of different Issuers with aggregate foreign ownership restrictions, a Holder's status (for the purposes of settling transactions in FOR Financial Products) may differ between Issuers.

Where these circumstances apply, Holders must have two distinct Holder Records in CHESS; one with a Residency Indicator of foreign (as identified in the User Technical Documentation) ~~"F"~~ and another with a Residency Indicator of domestic (as identified in the User Technical Documentation)~~"D"~~. Holdings of particular Financial Products must then be linked to the appropriate Holder Record.

Introduced 11/03/04 Origin SCH 5.4.3

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8.7.4 Indemnity by Participant where Holder Record established incorrectly

If, under Rule 8.7.2, a Participant has Transmitted a Valid Message requesting ASX Settlement to establish a Holder Record and that Message specifies the Holder Type as Participant Sponsored Holder or specifies a Residency Indicator and any of the following apply:

(a) the Participant is not authorised to establish the Holder Record;

(b) the Participant has provided incorrect details in the Message; or

(c) the Participant has provided an incorrect Residency Indicator in the Message,

subject to Rule 8.7.5 the Participant indemnifies:

(d) ASX Settlement from and against all losses, damages, costs and expenses which ASX Settlement may suffer or incur by reason of, or as a result of, that unauthorised request or that Transmission of incorrect Holder Record details or an incorrect Residency Indicator; and

(e) if a Holding is established using incorrect Holder Record details or an incorrect Residency Indicator, the Issuer from and against all losses, damages, costs and expenses which the Issuer may suffer or incur by reason of, or as a result of, that Holding being established.

Introduced 11/03/04 Origin SCH 5.4.4, 5.4.5

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8.11.3 Disclosure of information regarding Financial Products

Subject to Rule 8.11.4, or unless otherwise required by these Rules or the law, ASX Settlement must not disclose any information regarding Financial Products in a CHESS Holding other than to:

(a) the Holder of that Holding;

(b) the Controlling Participant for that Holding;

(c) the Issuer of the Financial Products; or

(d) if Rule 14.13 applies in relation to a takeover bid any of the following:

(i) the bidder;

(ii) the ~~CHESS~~ Participant Bidder; or

(iii) any agent that the bidder or the ~~CHESS~~ Participant Bidder engages to prepare and distribute offer documentation or process takeover acceptances.

Introduced 11/03/04 Origin SCH 5.9.4

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8.16 REMOVING HOLDING LOCK FROM A CHESS HOLDING, ~~OR~~ A HOLDER RECORD LOCK FROM A HOLDER RECORD OR A SETTLEMENT LOCK FROM A CHESS HOLDING

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8.16.6 Removal of Settlement Lock on request

If ASX Settlement has applied a Settlement Lock to Financial Products at the request of a Participant who controls a Source Holding under these Rules, that Participant may Transmit to ASX Settlement a Valid Message within the Scheduled Time and in the manner set out in the Procedures requesting ASX Settlement to remove the Settlement Lock.

On receipt of a Valid Message containing the information set out in the Procedures, ASX Settlement must promptly remove the Settlement Lock.

8.16.7 Removal of Settlement Lock on cancellation of Instructions

ASX Settlement must promptly remove a Settlement Lock if the Unilateral Batch Message, Bilateral Batch Message, Unilateral Batch Instruction or Bilateral Batch Instruction which the Settlement Lock was applied in connection with, is cancelled in accordance with these Rules.

8.16.8 Removal of Settlement Lock or Demand Lock by ASX Settlement

ASX Settlement may at any time, remove a Settlement Lock or a Demand Lock if ASX Settlement reasonably considers it necessary in order to maintain the orderly operation and integrity of the Settlement Facility.

8.16.9 Removal of Settlement Lock by ASX Settlement due to imposition of Restrictions, suspension or termination of a Participant's participation

If ASX Settlement imposes Restrictions on, suspends or terminates the participation of a Participant under Rule 12.19.1, ASX Settlement may remove any Settlement Lock from a CHESS Holding controlled by that Participant.

8.16.10 Removal of Settlement Lock by ASX Settlement due to a Clearing Participant default

If an Approved Clearing Facility notifies ASX Settlement that it considers an event of default in respect of a Clearing Participant has occurred in accordance with its operating rules, ASX Settlement may:

(a) where a Settlement Participant acts as Settlement Agent for the defaulting Clearing Participant, remove any Settlement Lock from a CHESS Holding controlled by the Settlement Agent in respect of the defaulting Clearing Participant; or

(b) where a Participant is also the defaulting Clearing Participant, remove any Settlement Lock from a CHESS Holding controlled by that Participant.

8.16.~~9~~11 Action following removal of a Settlement Lock on request

On removal of a Settlement Lock in accordance with Rule 8.16.6, ~~or~~ 8.16.8, 8.16.9 or 8.16.10, ASX Settlement must give Notice to the persons identified in the Procedures.

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8.17 CHANGE OF CONTROLLING PARTICIPANT

8.17.1 Notice to be given to ASX Settlement

(a) If a Participant Sponsored Holder changes the Controlling Participant for its Holding, then both the Participant relinquishing control of the Holding, and the Participant assuming control of the Holding must ~~give Notice of~~ Transmit a Valid Message as to the change of Controlling Participant to ASX Settlement within the Scheduled Time and, after receipt of both Messages~~Notices~~, ASX Settlement ~~must~~will, subject to Rule 7.4.1, 8.17(1)(b) and 8.17.1(c) execute the necessary CHESS Subregister administration processes to give effect to the change of Controlling Participant.~~:~~

~~(a) process all Transfers and Conversions initiated by the Participant relinquishing control prior to the change; and~~

~~(b) execute the necessary CHESS Subregister administration processes to give effect to the change of Controlling Participant.~~

(b) If the Participant relinquishing control of a Holding has initiated Transfers and Conversions affecting any Holding operated under the relevant Holder Record which are yet to be effected, ASX Settlement will not give effect to the Change of Controlling Participant and will reject the Messages under Rule 8.17.1(a).

(c) If the ~~Participant relinquishing control of the Holding, or the~~ Participant assuming control of the Holding~~,~~ Transmits a Valid Message to cancel the change of Controlling Participant before the change of Controlling Participant has been given effect to by ASX Settlement under Rule 8.17.1(a), ASX Settlement will not give effect to the change of Controlling Participant.

(d) If a Message to cancel the change of Controlling Participant is sent by a Participant under Rule 8.17.1(c), the Participant will be deemed not to have Transmitted a Valid Message to ASX Settlement for the purpose of its obligations under Rule 8.17.1(a).

Introduced 11/03/04 Origin SCH 11.7 Amended 21/03/14

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8.18 CHANGE OF HOLDER RECORD DETAILS

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8.18.2 Action following change of Registration Details

(a) If there is any change to the Registration Details recorded in a Holder Record for a person on behalf of whom a Participant is authorised to operate one or more CHESS Holdings, the Participant must within 2 Business Days of receiving written authority from the Holder to effect that change, notify ASX Settlement of the change to the Registration Details in accordance with the Procedures.

(b) If a Participant becomes aware, as a result of a returned or undelivered Holding statement or other Notice sent or given to a Participant Sponsored Holder, that any of the Registration Details recorded in a Holder Record for the Participant Sponsored Holder are incorrect, the Participant must as soon as reasonably practicable take all reasonable steps to obtain:

(i) the correct details from the Holder; and

(ii) the Holder's written authority to effect the correction to the Registration Details.

The Participant must within 2 Business Days of receiving written authority from the Holder to effect that correction, notify ASX Settlement of the corrected details in accordance with the Procedures.

Introduced 11/03/04 Origin SCH 11.8.2, 11.8.3, 11.8.4, 11.8.8, 11.8.9 Amended 18/12/06

8.18.3 Action to be taken by ASX Settlement

Subject to Rule 8.18.4, ASX Settlement, after receipt of a Valid Originating Message in accordance with the Procedures under Rule 8.18.2 for change of Registration Details of the Holder must:~~, within the Scheduled Time~~

(a) change the Registration Details recorded in the Holder Record in accordance with the details in the Valid Originating Message; and

(b) ~~must~~ within the Scheduled Time, give ~~N~~notice to the persons identified in the Procedures of the matters specified in the Procedures.

Introduced 11/03/04

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8.18.5 Participant indemnity for unauthorised or incorrect request

If a Participant has Transmitted a Message to ASX Settlement requesting a change to the Registration Details of a Participant Sponsored Holder but the Participant:

(a) was not authorised, at the time that the Message was Transmitted by that Participant Sponsored Holder to request the change; or

(b) has provided incorrect details in:

(i) the Message requesting the change to Holder Record details; or

(ii) the documents to be maintained under Rule 8.18.4 where the change in ~~r~~Registration ~~d~~Details includes a change of name,

the Participant indemnifies ASX Settlement ~~or~~ and the Issuer from and against all losses, damages, costs and expenses which ASX Settlement or the Issuer may suffer or incur by reason of, or as a result of, the matters described in this paragraph (a) or (b).

Introduced 11/03/04 Origin SCH 11.8.7

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8.18.11 Indemnity if Participant is not authorised to change Residency Indicator

If a Participant has Transmitted a Message to ASX Settlement requesting a change to a Residency Indicator of a Participant Sponsored Holder but the Participant:

(a) is not authorised at the time that the Message is Transmitted by that Participant Sponsored Holder to request the change; or

(b) has provided incorrect details in the Message requesting the change of Residency Indicator,

the Participant indemnifies ASX Settlement and the Issuer from and against all losses, damages, costs and expenses which ASX Settlement or the Issuer may suffer or incur by reason of, or as a result of, the matters described in this Rule 8.18.11(a) or (b).

Introduced 11/03/04 Origin SCH 11.9A.4

8.18.12 Change of other Holder Record details

Subject to Rules 8.18.1 to 8.18.11, if there is any other change to the Holder Record details recorded in a Holder Record for a person on behalf of whom a Participant is authorised to operate one or more CHESS Holdings that are modifiable in accordance with the User Technical Documentation, the Participant must notify ASX Settlement of the change to the Holder Record details in accordance with the Procedures.

...

8.18.14 Participant indemnity for unauthorised or incorrect request

If a Participant has Transmitted a Message to ASX Settlement requesting a change to the Holder Record details of a Participant Sponsored Holder under Rule 8.18.12, but the Participant:

(a) was not authorised, at the time that the Message was Transmitted by that Participant Sponsored Holder to request the change; or

(b) has provided incorrect details in the Message requesting the change to Holder Record details,

the Participant indemnifies ASX Settlement and the Issuer from and against all losses, damages, costs and expenses which ASX Settlement or the Issuer may suffer or incur by reason of, or as a result of, the matters described in this paragraph (a) or (b).

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8.19 TAX FILE NUMBER (TFN), AUSTRALIAN BUSINESS NUMBER (ABN), EXEMPTION CODE AND ~~AUSTRALIAN ADI~~ BANK ACCOUNT NOTIFICATION

8.19.1 Notice by Participant of TFN, ABN or Exemption Code details

A Participant may notify an Issuer of TFN, ABN or Exemption Code details:

(a) for a CHESS Holding, by Transmitting a Valid Message to ASX Settlement that specifies the details; or

(b) for an Issuer Sponsored Holding, by including the details in a Valid Message that initiates a CHESS to Issuer Sponsored Transfer or Conversion.

Introduced 11/03/04 Origin SCH 11.10.1

8.19.2 Order of details by Participant

If a Participant Transmits a Message specifying TFN, ABN or Exemption Code details under Rule 8.19.1 in respect of a joint Holding, the Participant must ensure that the TFN, ABN or Exemption Code details that appear in the Message relate to the relevant joint Holder~~in the order in which the names of the joint Holders appear~~:

(a) where Rule 8.19.1(a) applies, in the Holder Record for that CHESS Holding; or

(b) where Rule 8.19.1(b) applies, in the Registration Details for the Target Holding specified in the Message.

Introduced 11/03/04 Origin SCH 11.10.2

8.19.3 Action by ASX Settlement following Message

If ASX Settlement receives ~~a~~ TFN, ABN or Exemption Code details under Rule 8.19.1, ASX Settlement must within the Scheduled Time give n~~N~~otice in accordance with and to the persons identified in the Procedures.

Introduced 11/03/04

8.19.4 Action by Issuer following notification by ASX Settlement

An Issuer must record any TFN, ABN or Exemption Code details notified by ASX Settlement under the Procedures to Rule 8.19.3:

(a) in relation to a CHESS Holding, before End of Day on the day the Issuer receives the Message from ASX Settlement; and

(b) in relation to an Issuer Sponsored Holding, at the time the Issuer enters the Financial Products into the Target Holding.

Introduced 11/03/04 Origin SCH 11.10.5

8.19.5 Confidentiality

ASX Settlement must not disclose ~~a~~ TFN, ABN or Exemption Code details to any person other than the Issuer nominated by the Participant and must not use the TFN, ABN or Exemption Code details for any other purpose. Without limiting the foregoing, ASX Settlement must not view or access a TFN other than in accordance with Rule 8.19.5A.

Introduced 11/03/04 Origin SCH 11.10.6

8.19.5A Access to TFNs by ASX Settlement

ASX Settlement must take all reasonable technical and organisational measures to ensure that it does not view or access a TFN specified in a Message Transmitted by a Participant under Rule 8.19.1 other than:

(a) where it is required to do so in order to resolve a technical issue in relation to the Message or where ASX Settlement is required to give notice under Rule 8.19.3, including debugging software or to recover or resend a faulty Message or notice;

(b) where the Participant instructs ASX Settlement to do so, including for the purpose of resolving a dispute; or

(c) in any circumstances specified in the Procedures.

For the avoidance of doubt, if ASX Settlement views or accesses a TFN in accordance with this Rule, ASX Settlement does so only on behalf of the relevant Participant, and for the purpose of:

(a) resolving a technical issue in relation to a Message or notice that ASX Settlement is required to give under Rule 8.19.3; or

(b) complying with an instruction from the Participant; or

(c) giving effect to the circumstances set out in the Procedures.

8.19.6 ASX Settlement not liable for loss, damage etc

If ASX Settlement notifies the TFN, ABN or Exemption Code details to an Issuer within the time specified in Rule 8.19.3, ASX Settlement will not be liable to any person for any losses, damages, costs and expenses arising from:

(a) the Participant providing TFN, ABN or Exemption Code details:

(i) without the authority of the Participant Sponsored Holder; or

(ii) which are incorrect; or

(b) the TFN, ABN or Exemption Code details not being recorded by an Issuer on or before a Record Date.

Introduced 11/03/04 Origin SCH 11.10.7

8.19.7 Notice by Participant of bank ~~Australian ADI A~~account details

A Participant may notify an Issuer of the addition or cancellation of:

(a) Australian ADI Account details; or

(b) Foreign Bank Account details (including the currency of the relevant Foreign Bank Account),

for a CHESS Holding by Transmitting a Valid Message to ASX Settlement that specifies the details.

Introduced 09/05/05 Amended 02/11/09

8.19.8 Action by ASX Settlement following Message

If ASX Settlement receives a Message in relation to the addition or cancellation of Australian ADI Account details or Foreign Bank Account details under Rule 8.19.7, ASX Settlement must within the Scheduled Time give Notice notifying:

(a) the Issuer of the Financial Products of the addition or cancellation of Australian ADI Account details or Foreign Bank Account details (as applicable); and

(b) the Controlling Participant that the addition or cancellation of Australian ADI Account details or Foreign Bank Account details (as applicable) has been notified to the Issuer.

Introduced 09/05/05 Amended 02/11/09

8.19.9 Action by Issuer following notification by ASX Settlement of details to be added

If an Issuer is notified by ASX Settlement under Rule 8.19.8 of any Australian ADI Account details or Foreign Bank Account details to be added the Issuer must, within the Scheduled Time:

(a) notify ASX Settlement that it accepts the details; or

(b) notify ASX Settlement that it rejects the details and provide the reason for the rejection.

Introduced 09/05/05 Amended 02/11/09

8.19.10 Issuer to record the bank ~~Australian ADI A~~account details

If the Issuer notifies ASX Settlement under Rule 8.19.9(a) that it accepts Australian ADI Account details or Foreign Bank Account details the Issuer must, within the Scheduled Time, record the details.

Introduced 09/05/05 Amended 02/11/09

8.19.11 Action by Issuer following notification by ASX Settlement of details to be cancelled

If an Issuer is notified by ASX Settlement under Rule 8.19.8 of any Australian ADI Account details or Foreign Bank Account details to be cancelled the Issuer must, within the Scheduled Time, remove the details.

Introduced 09/05/05 Amended 02/11/09

8.19.12 ASX Settlement not liable for loss, damage, etc

If ASX Settlement notifies the addition or cancellation of Australian ADI Account details or Foreign Bank Account details to an Issuer under Rule 8.19.8, ASX Settlement will not be liable to any person for any losses, damages, costs or expenses arising from:

(a) the Participant providing Australian ADI Account details or Foreign Bank Account details (as applicable):

(i) without the authority of the Participant Sponsored Holder; or

(ii) which are incorrect; or

(b) Australian ADI Account details or Foreign Bank Account details (as applicable) not being recorded or removed by an Issuer in accordance with Rule 8.19.10 or 8.19.11.

Introduced 09/05/05 Amended 02/11/09, 04/06/10

8.20 HOLDING STATEMENTS

8.20.1 ASX Settlement to send Holding statements

~~Subject to Rule 8.20.3, I~~if, during a monthly interval referred to in paragraph (b), any Financial Products have been entered into or deducted from a Participant Sponsored Holding ASX Settlement must:

(a) within five (5) Business Days of the end of the month to which the Holding statement relates; and

(b) at intervals of no more than one (1) calendar month,

produce and send to each Participant Sponsored Holder, a Holding statement that sets out any Holding movement in respect of each Holding of that Holder.

Introduced 11/03/04 Origin SCH 11.11.1, 11.11.2

8.20.2 Suppression or reinstatement of production of Holding statements [Deleted]

~~A Participant may, by Notice containing the matters specified in the Procedures, request ASX Settlement to:~~

~~(a) suppress; or~~

~~(b) if a request to suppress has previously been processed, reinstate,~~

~~production of Holding statements in relation to CHESS Holdings of a Participant Sponsored Holder if that Participant Sponsored Holder is a person specified in the Procedures.~~

~~Introduced 11/03/04 Origin SCH 11.11.3~~

8.20.3 Action by ASX Settlement in relation to Holding statements [Deleted]

~~If ASX Settlement receives Notice under Rule 8.20.2 from a Participant and that Notice meets the requirements of Rule 8.20.2, ASX Settlement must:~~

~~(a) in the case of a Notice to suppress the production of Holding statements for a Holder, produce a Holding statement for each Holding if there have been movements in the Holding since the last Holding statement was issued and suppress the production of further Holding statements until after receipt of a Notice to reinstate production of Holding statements;~~

~~(b) in the case of a Notice to reinstate the production of Holding statements for a Holder, produce a Holding statement which notes the current Holding Balance in each Holding as at the date of reinstatement of the production of Holding statements; and~~

~~(c) give Notice of the suppression or reinstatement (whichever is relevant) to the Participant Sponsored Holder at the time.~~

Introduced 11/03/04 Origin SCH 11.11.5

8.31 ZERO HOLDING BALANCE

8.31.1 Notification of zero Holding Balance

If the Holding Balance of a CHESS Holding (other than an Accumulation Account or Settlement Account) in a Financial Product is reduced to zero in accordance with these Rules, ASX Settlement must notify the Issuer that the Holding Balance has been reduced to zero.

SECTION 9 TRANSFERS AND CONVERSIONS OF FINANCIAL PRODUCTS

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9.4.2 Action by ASX Settlement following ~~Single Entry~~Unilateral Demand Transfer Message

If an Originating Message Transmitted to ASX Settlement complies with Rule 9.4.1 and there are sufficient Available Financial Products in the Source Holding:

(a) ASX Settlement must deduct the number of Financial Products specified in the Message from the Source Holding;

(b) ASX Settlement must enter that number of Financial Products into the Target Holding; and

(c) if the Target Holding has a Residency Indicator of foreign (as identified in the User Technical Documentation)~~"F"~~, those Financial Products will have the status of Confirmed FOR Financial Products.

Introduced 11/03/04 Origin SCH 6.2.2, 6.2.2A

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9.5.3 ~~Dual Entry~~Bilateral Demand Transfers in respect of Confirmed FOR Financial Products

If ASX Settlement matches a Valid ~~Dual Entry~~Bilateral Demand Message under Rule 9.5.2 which initiates a Foreign to Foreign Allocation; and

(a) ASX Settlement enters Financial Products into a Target Holding pursuant to Rule 9.5.4(a)(ii); and

(b) the Target Holding has a Residency Indicator of foreign (as identified in the User Technical Documentation)~~"F"~~,

those Financial Products will have the status of Confirmed FOR Financial Products.

Introduced 11/03/04 Origin SCH 6.2.8A

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9.5.6 Application of Standing HIN [Deleted]

~~If a Participant's Valid Bilateral Dual Entry Demand Message does not specify a HIN, ASX Settlement is entitled to apply the Standing HIN of the Participant that Transmitted the Message.~~

Introduced 11/03/04 Origin SCH 6.2.10

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9.7.4 Action by Issuer where Foreign to Foreign Allocation

If an Issuer receives a Valid Message under Rule 9.7.2(b) which initiates a Foreign to Foreign Allocation; and

(a) the Issuer enters Financial Products into a Target Holding pursuant to Rule 9.7.3; and

(b) the Target Holding has a Residency Indicator of foreign (as identified in the User Technical Documentation)~~"F"~~,

those Financial Products will have the status of Confirmed FOR Securities.

Introduced 11/03/04 Origin SCH 6.3.3A

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9.8 TRANSFERS AND CONVERSIONS INTO CHESS HOLDINGS

9.8.1A Messages linked by a RGID or a HIN

For the purpose of this Rule 9.8, a reference to 'Valid Originating Message', 'Originating Message', 'Valid Message' or 'Message' includes multiple Messages linked by a RGID or a HIN.

9.8.1 Issuer Sponsored to CHESS Demand Transfers or Conversions

A Participant may initiate an Issuer Sponsored to CHESS Demand Transfer or Conversion by Transmitting to ASX Settlement a Valid Originating Message in accordance with the Procedures.

Introduced 11/03/04 Origin SCH 6.5.1

9.8.2 Action by ASX Settlement following Demand Transfer or Conversion

If an Originating Message Transmitted to ASX Settlement complies with Rule 9.8.1, ASX Settlement will Transmit to the Issuer a Message requesting the Issuer to authorise the Transfer or Conversion of Financial Products in accordance with the Originating Message.

9.8.3 Action by Issuer following receipt of Message from a ~~Settlement~~ Participant

If in the case of a Valid Message received by an Issuer under Rule 9.8.2:

(a) the SRN for the Holder of the Source Holding specified in the Message matches the Issuer's records~~there are sufficient Available Financial Products in the Source Holding~~;

(b) ~~the SRN for the Holder of the Source Holding specified in the Message matches the Issuer's records~~there are sufficient Available Financial Products in the Source Holding;~~ and~~

(c) in the case of a Message requesting the Issuer to authorise a Conversion, the Registration Details for the Target Holding specified in the Message match the Registration Details for the Source Holding maintained by the Issuer; ~~,~~ and

(d) in the case of a Message requesting the Issuer to authorise a Transfer, the Registration Details for the Source Holding specified in the Message

match the Registration Details for the Source Holding maintained by the Issuer,

the Issuer must subject to Rule 9.8.5 authorise the Transfer or Conversion, as the case requires.

Introduced 11/03/04 Origin SCH 6.5.3, 6.5.3A

9.8.4 Other action by Issuer [Deleted]

~~If a Valid Message is received by an Issuer under Rule 9.8.2 pursuant to an Originating Message Transmitted by:~~

~~(a) a Participant other than a Settlement Participant that is a:~~

~~(i) Trading Participant of ASX;~~

~~(ii) Custodial Settlement Participant; or~~

~~(iii) Recognised Market Operator,~~

~~the Issuer must not authorise the Transfer unless:~~

~~(b) there are sufficient Available Financial Products in the Source Holding; and~~

~~(c) it has received within 5 Business Days of ASX Settlement Transmitting the message a Registrable Transfer Document purporting to be signed by, or executed by or on behalf of, the Holder of the Source Holding, the details of which match the Issuer's records in relation to that Holder.~~

Introduced 11/03/04 Origin SCH 6.5.4 Amended 23/10/09, 18/12/19

9.8.5 Rejection of Transfer or Conversion by Issuer

If the conditions for authorisation by the Issuer of a Transfer or Conversion as stipulated in Rule~~s~~ 9.8.3 ~~or 9.8.4~~ are not met, the Issuer must:

(a) reject the Transfer or Conversion; and

(b) within the Scheduled Time, notify ASX Settlement of that rejection and the reason for the rejection.

Introduced 11/03/04 Origin SCH 6.5.5, 6.5.6

9.8.6 Action by Issuer if Transfer or Conversion authorised

If an Issuer authorises a Transfer or Conversion under Rule 9.8.3 ~~or 9.8.4~~, the Issuer must, within the Scheduled Time:

(a) deduct the number of Financial Products specified in that Message from the Source Holding; and then

(b) Transmit a Message to ASX Settlement to Transfer or Convert those Financial Products in accordance with the Originating Message.

Introduced 11/03/04 Origin SCH 6.5.7

9.8.7 Action following Transfer or Conversion

If ASX Settlement receives a Valid Message under Rule 9.8.6(b);

(a) ASX Settlement must enter Financial Products into the Target Holding in accordance with the Originating Message; and

(b) if the Message under Rule 9.8.6(b) initiates a Foreign to Foreign Allocation and the Target Holding has a Residency Indicator of foreign (as identified in the User Technical Documentation) ~~"F"~~ those Financial Products will have the status of Confirmed FOR Financial Products.

Introduced 11/03/04 Origin SCH 6.5.8, 6.5.8A

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9.9.1 Purpose of Rules [Deleted]

~~The Procedures apply for the purposes of determining whether a Message of a type listed in Appendix 2 specifies a Source Holding or a Target Holding in accordance with this Section 9.~~

Introduced 11/03/04 Origin SCH 6.7.1

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9.10.1 ASX Settlement or Issuer to reject Message

Notwithstanding any other provision of this Section 9, if ASX Settlement or an Issuer receives a Valid Message that initiates or seeks authorisation for a Foreign to Foreign Allocation and:

(a) the number of Confirmed FOR Financial Products in the Source Holding specified in the Message is less than the number of Confirmed FOR Financial Products to be Transferred or Converted; or

(b) the Source Holding, being the Source Holdings which is specified:

(i) in the Message; or

(ii) on the Issuer Operated Subregister,

is a Source Holding which does not have a Residency Indicator of foreign (as identified in the User Technical Documentation)~~"F"~~, ASX Settlement or the Issuer must reject the Message as the case requires.

Introduced 11/03/04 Origin SCH 6.10

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9.12 ELECTRONIC ACCESS TO HOLDINGS

9.12.1 Warranty of Holder's authority

If, in a Message that initiates an Issuer Sponsored to CHESS Transfer or Conversion of Financial Products, a Participant includes ~~other than a Settlement Participant that is a:~~

~~(a) Market Participant of ASX;~~

~~(b) Custodial Settlement Participant; or~~

~~(c) Recognised Market Operator includes,~~

a Holder's SRN, the Participant warrants to the Issuer that it has the Holder's authority to access the Source Holding specified in the Message.

Introduced 11/03/04 Origin SCH 10.7.2, Amended 18/12/19

9.12.2 Other Participants must have Registrable Transfer Document [Deleted]

~~A Participant other than a Settlement Participant that is a:~~

~~(a) Market Participant of ASX;~~

~~(b) Custodial Settlement Participant; or~~

~~(c) Recognised Market Operator,~~

~~must not Transmit a Message that initiates an Issuer Sponsored to CHESS Transfer of Financial Products unless that Participant has possession of a Registrable Transfer Document signed by, or executed by or on behalf of, the registered Holder of the Financial Products to be Transferred.~~

Introduced 11/03/04 Origin SCH 10.7.1; Amended 18/12/19

9.12.3 Specifying the Transaction Identifier on the Registrable Transfer Document [Deleted]

~~If a Participant other than a Settlement Participant that is a:~~

~~(a) Market Participant of ASX;~~

~~(b) Custodial Settlement Participant; or~~

~~(c) Recognised Market Operator,~~

~~Transmits a Message to ASX Settlement that complies with Rule 9.8.1, then as soon as ASX Settlement acknowledges acceptance of that Message, that Participant must in the case of a Message that initiates a Transfer of Financial Products:~~

~~(d) specify the Transaction Identifier on the Registrable Transfer Document held by it under Rule 9.12.2;~~

~~(e) immediately send that document to the office of the Issuer's principal register; and~~

~~(f) store a copy of the documentation sent to the Issuer in a secure location.~~

Introduced 11/03/04 Origin SCH 10.7.3 Amended 18/12/19

Introduced 11/03/04 Origin SCH 10.7.3

9.12.4 Application of Rules 9.12.5 to 9.12.8 [Deleted]

~~Rules 9.12.5 to 9.12.8 apply only to Settlement Participants that are:~~

~~(a) Market Participants of ASX;~~

~~(b) Custodial Settlement Participants; or~~

~~(c) Recognised Market Operators.~~

Introduced 11/03/04

9.12.5 ~~Electronic Access to Issuer Sponsored Holdings by Settlement Participants~~Warranty by Participant if Rule 9.12.6 applies

If, in a Message that initiates an Issuer Sponsored to CHESS Transfer ~~or Conversion~~ of Financial Products, a ~~Settlement~~ Participant includes a Holder's SRN, that Participant warrants to the Issuer that it has, if Rule 9.12.6 applies:

~~(a) the Holder's authority to access the Source Holding specified in the Message; and~~

~~(b) if Rule 9.12.6 applies :~~

(a~~i~~) the authority of the person specified as the transferor on the Registrable Transfer Document referred to in Rule 9.12.6(a) to effect an Issuer Sponsored to CHESS Transfer; and

(b~~ii~~) possession of the Registrable Transfer Document.

Introduced 11/03/04 Origin SCH 9.6.1 Amended 10/06/04, 18/12/19

9.12.5A Pre transfer validation [Deleted]

~~A Custodial Settlement Participant must not Transmit a Message that initiates an Issuer Sponsored to CHESS Transfer of Financial Products unless the Custodial Settlement Participant has verified that the SRN and Registration Details that they have for the Holder of the Source Holding match the SRN and Registration Details for the Holder maintained by the Issuer.~~

Introduced 18/12/19

9.12.6 Registrable Transfer Document

If:

(a) a ~~Settlement~~ Participant takes possession of a Registrable Transfer Document from a person other than the person specified as the transferor in that document; and

(b) the person who supplies the Registrable Transfer Document to that Participant instructs the Participant to move the Financial Products the subject of the Transfer to a CHESS Holding (whether or not that Holding is in the name of that person),

then the Participant must not Transmit a Message that initiates an Issuer Sponsored to CHESS Transfer unless that Participant has also been authorised to effect that Transfer by the person specified as the transferor in the Registrable Transfer Document.

9.12.7 Participant to check registration details [Deleted]

~~On receipt of notification from ASX Settlement that an Issuer Sponsored to CHESS Transfer has been effected, a Settlement Participant must check to make sure that the Financial Products which were specified in the Transfer were deducted from the correct Issuer Sponsored Holding.~~

Introduced 11/03/04 Origin SCH 9.6.3

9.12.8 Rectifying Errors [Deleted]

~~If, under Rule 9.12.7, it is determined that the Financial Products specified in the Transfer were not deducted from the correct Issuer Sponsored Holding, the Participant that initiated the Transfer must liaise with the Issuer and take such steps as are necessary to rectify the error.~~

Introduced 11/03/04 Origin SCH 9.6.4

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SECTION 10 BATCH SETTLEMENT

A Settlement Participant may settle Instructions in the Settlement Facility in Batch Settlement or Real Time Gross Settlement. Batch Settlement is governed by Section 10 of these Rules. Real Time Gross Settlement is governed by Section 11.

Batch Settlement involves the settlement of Batch Instructions. Batch Instructions may be:

(a) for value. This is known as DvP Batch Settlement. Batch Instructions that can be settled in DvP Batch Settlement are:

(i) CCP Batch Instructions. These consist of CCP Market Trade ~~Net~~ Batch Instructions, ~~and CCP Gross Batch Instructions~~ CCP Rescheduled Batch Instructions, CCP Offsetting Transaction Arrangement Batch Instructions and CCP Isolate Counterparty Batch Instructions;

(ii) Direct Batch Instructions; and

(iii) ~~Dual Entry~~Bilateral Batch Instructions;

(b) free of value. Batch Instructions that can be settled in Batch Settlement free of value are either:

(i) ~~Dual Entry~~Bilateral Batch Instructions; or

(ii) ~~Single Entry~~Unilateral Batch Instructions; or

(iii) Accrued Batch Instructions; and

(c) for payment free of delivery. Batch Instructions that can be settled in Batch Settlement for payment free of delivery are known as Payment Batch Instructions which consist of CCP Derivatives Payment Batch Instructions~~, Dual Entry Payment Batch Instructions~~ and AQUA Payment Batch Instructions.

In addition to determining the eligibility of Batch Instructions to be included in DvP Batch Settlement and Batch Settlement, the purpose of this Section is to set out Rules relating to the operation of Batch Settlement in the Settlement Facility including:

(a) the basis on which Settlement Participants can act in respect of Batch Settlement;

(b) payment arrangements for Batch Settlement;

(c) removal, cancellation and change of Batch Instructions;

(ca) linking Batch Instructions for the purpose of Batch Settlement;

(d) discharge of settlement obligations;

(e) failing Batch Instructions;

(ea) notification to the Approved Clearing Facility of failed CCP Batch Instructions which become subject to settlement through Offsetting Transaction Arrangements;

(f) suspension or cancellation of settlement; and

(g) settlement subject to entitlements and adjustments.

This section also deals with Client Trust Account settlement obligations that need to be discharged.

...

10.4.1 Classes of Batch Instructions included in Batch Settlement

Unless ASX Settlement determines otherwise, a Batch Instruction is eligible for Batch Settlement under this Section 10 if the Batch Instruction is:

(a) a CCP Batch Instruction;

(b) a Direct Batch Instruction;

(c) a ~~Dual Entry~~Bilateral Batch Instruction;

(d) a ~~Single Entry~~Unilateral Batch Instruction;

(da) an Accrued Batch Instruction;

(e) a Payments Batch Instruction; or

(f) any other class of Batch Instruction ASX Settlement may determine from time to time. In determining whether a class of Batch Instruction is eligible for DvP Batch Settlement, ASX Settlement must have regard to the following factors:

(i) where it is necessary that any person communicates reliably with CHESS; that person meets any technical and/or performance requirements;

(ii) the inclusion of the additional class of Batch Instruction in DvP Batch Settlement will:

A. permit Batch Instructions the subject of National Guarantee Fund protection regime to be distinguished, and if necessary, segregated from, Batch Instructions in DvP Batch Settlement which are not the subject of NGF coverage; and

B. not adversely affect the NGF coverage;

(iii) Participants who will be parties to the additional Batch Instructions admitted to DvP Batch Settlement, and investors upon whose behalf they act, will be informed that the additional class of Batch Instruction is not covered by the National Guarantee Fund;

(iv) DvP Batch Settlement of the class of Batch Instruction is likely to be commercially viable for ASX Settlement and will not adversely affect the integrity, reliability or efficiency of the Settlement Facility; and

(v) where the Commission requires that the class of transactions to be admitted to Batch Settlement be covered by an investor protection regime, and NGF coverage is not applicable to the class of Batch Instruction, there is an applicable investor protection regime which is acceptable to the Commission.

A person may apply to ASX Settlement in the form prescribed by ASX Settlement to have a class of Batch Instruction included in DvP Batch Settlement.

A Batch Instruction in which the obligation is to deliver or receive Financial Products for value will be settled in DvP Batch Settlement.

Introduced 11/03/04 Origin SCH 7.1.3 Amended 23/10/09

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10.5.1 Removal of Batch Instructions from Batch Settlement by ASX Settlement

ASX Settlement may remove a Batch Instruction from either Batch Settlement or DvP Batch Settlement and (if applicable) reschedule the Batch Instruction for settlement in Batch Settlement or DvP Batch Settlement on another Business Day if:

(a) ASX Settlement reasonably considers it necessary in order to maintain the orderly operation and integrity of the Settlement Facility;

(b) it is requested to do so by an Approved Market Operator in accordance with the Terms of Trade Acceptance Service, or by an Approved Clearing Facility, in order to ensure the efficiency, orderly operation, integrity or proper functioning of the market or facility; or

(c) it is notified by an Approved Market Operator in accordance with the Terms of Trade Acceptance Service, or by an Approved Clearing Facility, that a Batch Instruction scheduled for settlement has been cancelled,

and if it removes or reschedules the Batch Instruction ASX Settlement will immediately notify:

(d) the affected Settlement Participants that the Batch Instruction has been removed from, or rescheduled for, Batch Settlement or DvP Batch Settlement; and

(e) where relevant, the Approved Market Operator or the Approved Clearing Facility that the Batch Instruction has been removed from, or rescheduled for, Batch Settlement or DvP Batch Settlement.

Introduced 11/03/04 Origin SCH 7.5A.1, 7.5A.2 Amended 27/06/11

10.5.2 Removal of Batch Instructions from Batch Settlement by a Settlement Participant

If a Settlement Participant that is obliged to deliver or receive Financial Products:

(a) wishes to use an Alternative Settlement Facility other than ASX Settlement to settle a Batch Instruction; or

(b) wishes to remove a Batch Instruction from DvP Batch Settlement or from Batch Settlement; ~~or~~

~~(c) wishes to settle a Batch Instruction on a Real Time Gross Settlement basis under Section 11;~~

and the Settlement Participant:

(c~~d~~) obtains the consent of the other Settlement Participant to the Batch Instruction; and

(d~~e~~) complies with the Rules relating to the removal of Batch Instructions from DvP Batch Settlement or, if relevant, Batch Settlement,

the Settlement Participant may remove the Batch Instruction from DvP Batch Settlement or Batch Settlement~~ or may settle the Batch Instruction under Section 11~~, as the case may be. This Rule 10.5.2 does not apply to CCP Batch Instructions.

Note: Settlement Participants may seek the cancellation of CCP Isolate Counterparty Batch Instructions in accordance with Rule 10.9.1.

Introduced 11/03/04 Origin SCH 7.1.4A

10.5.3 Cancellation of Batch Instruction by Settlement Participant

If within the Scheduled Time the parties to a Batch Instruction that is a Direct Batch Instruction or a ~~Dual Entry~~Bilateral Batch Instruction Transmit a Valid Message that requests cancellation of the Batch Instruction and the Messages are Matched by ASX Settlement, ASX Settlement will:

(a) remove the Batch Instruction from Batch Settlement; and

(b) notify the Settlement Participants that the Batch Instruction has been removed from Batch Settlement.

Introduced 11/03/04 Origin SCH 7.12.1

10.5.4 If Message not Matched

If a Message Transmitted under Rule 10.5.3 has not been Matched, the party that Transmitted the Message may cancel the request by Transmitting a further Valid Message to ASX Settlement revoking the initial request.

Introduced 11/03/04 Origin SCH 7.12.3

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10.9 BATCH INSTRUCTIONS

10.9.1 ~~Change~~ Cancellation of ~~to~~ CCP ~~Gross~~ Isolate Counterparty Batch Instructions

If in relation to CCP Isolate Counterparty Batch Instructions that arose as the result of a request from a Clearing Participant to isolate a counterparty in accordance with the operating rules of the Approved Clearing Facility:

(a) the receiving Settlement Participant under a CCP Isolate Counterparty Batch Instruction Transmits a Valid Message to ASX Settlement within the Scheduled Time that requests the cancellation of the CCP Isolate Counterparty Batch Instruction; and

(b) the delivering Settlement Participant or ~~and the receiving~~ Settlement Participants ~~to~~ under a CCP ~~Gross~~ Isolate Counterparty Batch Instructions that (in total) match the number of Financial Products in the

CCP Isolate Counterparty Batch Instruction referred to in paragraph (a) above, each Transmit a Valid Message to ASX Settlement within the Scheduled Time that requests the cancellation of those CCP Isolate Counterparty Batch Instructions, ~~Transmit a Valid Message to ASX Settlement within the Scheduled Time that requests a change to the settlement obligations under the instruction, then ASX Settlement will take the following action:~~

~~(a) if the Messages are Matched ASX Settlement will:~~

~~(i) change the settlement obligations in accordance with the Matched Messages;~~

~~(ii) within the Scheduled Time, notify the Settlement Participants that the change has been effected; and~~

~~(iii) include the CCP Gross Batch Instruction in a Surveillance Report of changed Batch Instructions; or~~

~~(b) if the Messages are not Matched and the Settlement Participant that Transmitted the Message cancels the request by Transmitting a further Valid Message to ASX Settlement revoking the initial request ASX Settlement will:~~

~~(i) cancel the initial request; and~~

~~(ii) notify the Settlement Participant that the request has been cancelled.~~

then ASX Settlement will cancel the CCP Isolate Counterparty Batch Instructions referred to in paragraph (a) and (b) above and notify the Settlement Participants accordingly~~may provide the Surveillance Report referred to in paragraph (a)(iii) to the relevant Approved Market Operator or as required by these Rules or the law~~.

Introduced 11/03/04 Origin SCH 7.14.1, 7.14.2, 7.14.3,7.14.4 Amended 27/06/11

10.9.1A Notification of CCP ~~Net~~ Batch Instructions~~, and CCP Gross Batch Instruction~~ to Settlement Agent

Within the Scheduled Time, ASX Settlement will for each Business Day, send to a Settlement Participant acting as a Settlement Agent for a Clearing Participant for settling Cash Market Transactions (as applicable):~~, CCP Net Batch Instructions containing the details specified in Rule 12.6.2 of the ASX Clear Operating Rules and, if applicable, CCP Gross Batch Instructions containing the details specified in Rule 12.7.4 of the ASX Clear Operating Rules~~.

(a) CCP Rescheduled Batch Instructions containing the details specified in Rule 12.6.2B of the ASX Clear Operating Rules;

(b) CCP Offsetting Transaction Arrangement Batch Instructions containing the details specified in Rule 12.6.2A(c) of the ASX Clear Operating Rules; and

(c) CCP Isolate Counterparty Batch Instructions containing the details specified in Rule 12.9.1 of the ASX Clear Operating Rules.

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10.9.13 ~~Standing~~ Nominated Settlement HINs

A CCP ~~Net~~ Batch Instruction will be taken to specify:

(a) the ~~Standing~~ Nominated Settlement HIN of the Settlement Participant as the HIN for the Source Holding or the Target Holding, as the case requires; and

(b) the ~~Standing~~ Nominated Settlement HIN of CCP as the HIN for the Source Holding or Target Holding, as the case requires.

~~If a Settlement Participant Transmits:~~

~~(a) a Bilateral Dual Entry Batch Message; or~~

~~(b) a Unilateral Single Entry Batch Message,~~

~~and the relevant HIN for the Target or Source Holding as the case requires is not specified, ASX Settlement will apply the Settlement Participant's Standing Settlement HIN as the case requires.~~

Note: ASX Settlement will reject a message that does not specify a HIN or imply a ~~Standing~~ Nominated Settlement HIN.

Introduced 11/03/04 Origin SCH 7.10, 7.18.1, 7.18.2, 7.18.3

10.9.14 Part Settlement designated by a Settlement Participant

Subject to Rule 10.9.17, a Settlement Participant may designate a Batch Instruction other than a CCP Derivatives Payment Batch Instruction or CCP Batch Instruction as available or not available for settlement in part.

In the event of a Payment Shortfall by a Settlement Participant (or to limit a Settlement Participant's net obligation to make payment in respect of that Payment Facility to the amount notified under Rule 10.10.4(a)), ASX Settlement may in its absolute discretion override any designation by the Settlement Participant under this Rule and designate a Batch Instruction as available or not available for settlement in part.

Introduced 11/03/04 Origin SCH 7.19.1 Amended 28/04/14 Amended 25/05/2015

10.9.15 Financial Products Shortfall may be settled in part

If:

(a) (i) a Source Holding; or

(ii) during an Ex Period, a Cum Entitlement Balance for a Source Holding,

specified in one or more Batch Instructions scheduled for settlement on a Business Day would give rise to a Financial Products Shortfall; and

(b) the instruction is available for settlement in part,

ASX Settlement may apply such lesser number of Financial Products or Entitlements as are available for settlement, in settling the Batch Instruction.

~~*Note: A Batch Instruction removed from DvP Batch Settlement under Rule 10.6.1, 10.6.2 or 10.6.3 will not be available for settlement in part under Section 11.*~~

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10.9.18 Linked Instructions (Bilateral Batch Instructions and Unilateral Batch Instructions)

If two or more Bilateral Batch Messages under Rule 10.9.2, or Unilateral Batch Messages under Rule 10.9.11, are Transmitted to ASX Settlement by the same Settlement Participant, where:

(a) one or more of the Messages involves the delivery of a particular Financial Product or Entitlement from a HIN;

(b) one or more of the Messages involves the receipt of the same Financial Product or Entitlement and into the same HIN;

(c) each of the Messages under paragraphs (a) and (b) specify the same Settlement Link ID;

(d) the Messages specify the same Settlement Date; and

(e) the HIN referred to in paragraphs (a) and (b) is not for an Accumulation Account or a Settlement Account,

and each of those Bilateral Batch Messages are Matched and treated as a Bilateral Batch Instruction under Rule 10.9.3, or each of those Unilateral Batch Messages are treated as a Unilateral Batch Instruction under Rule 10.9.11, ASX Settlement will:

(f) apply to those Instructions the same Settlement Link ID as the Message from which they result; and

(g) link, for the purpose of Batch Settlement, the Instructions with the same Settlement Link ID, so that if one of the Linked Instructions is Failed or Failed in part on a Business Day, the Linked Instruction(s) with the same Settlement Link ID will also be Failed or Failed in part (as applicable) on that Business Day.

10.9.19 Linked CCP Instructions (CCP Isolate Counterparty Batch Instructions)

If two or more CCP Isolate Counterparty Batch Instructions have been received by ASX Settlement from an Approved Clearing Facility, ASX Settlement will:

(a) apply to those Instructions the unique identifier code notified by the Approved Clearing Facility in respect of the CCP Isolate Counterparty Batch Instructions; and

(b) link, for the purpose of Batch Settlement, the CCP Isolate Counterparty Batch Instructions with the same unique identifier code, so that if one of

the linked CCP Isolate Counterparty Batch Instructions is Failed or Failed in part on a Settlement Date, the linked CCP Isolate Counterparty Batch Instructions with the same unique identifier code will also be Failed or Failed in part (as applicable) on that Business Day.

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10.10A CLIENT TRUST ACCOUNT SETTLEMENT OBLIGATIONS

10.10A.1 Calculation by ASX Settlement of Client Trust Account Settlement Obligations

On each Business Day, ASX Settlement will calculate for each Settlement Participant's PID for that Business Day a net obligation to make payment to or net entitlement to receive payment from the Client Trust Account in respect of Client Trust Account Amount Messages scheduled for settlement on that Business Day that is equal to the difference between:

(a) the total of all amounts payable to the Client Trust Account on that Business Day as specified in each Client Trust Account Amount Message under Rules 6.3B.2 and 6.3B.3 scheduled for settlement on that Business Day for that PID; and

(b) the total of all amounts receivable from the Client Trust Account on that Business Day as specified in each Client Trust Account Amount Message under Rule 6.3B.4 scheduled for settlement on that Business Day for that PID.

Introduced 25/05/2015

10.10A.2 Notification by ASX Settlement of net obligations for Client Trust Account

Within the Scheduled Time on each Business Day, ASX Settlement will notify each Settlement Participant, in respect of each PID, of its net obligation to make payment to or net entitlement to receive payment from the Client Trust Account in respect of Client Trust Account Amount Messages scheduled for settlement on that Business Day.

Notwithstanding that the net amount to be paid to or received from the Client Trust Account under this Rule 10.10A.2 is not a Settlement Amount to be paid or received in Batch Settlement, the Settlement Participant:

(a) must, where a net amount is required to be paid to the Client Trust Account, pay that amount through its Payments Provider to the Client Trust Account concurrent with Batch Settlement on that Business Day;

(b) may, where a net amount is entitled to be received from the Client Trust Account, receive that amount through its Payments Provider from the Client Trust Account concurrent with Batch Settlement on that Business Day.

Note: The net amount notified by ASX Settlement under Rule 10.10A does not represent "Customer Net Funds" to be paid into or received from Payment Facilities made available by a Payments Provider to the Settlement

Participant and is not an amount payable or receivable in relation to the Payment Facility established in respect of that PID under the Standard Payments Provider Deed. Payment to, or receipt from, the Client Trust Account of that net amount occurs separately to Batch Settlement and the Standard Payments Provider Deed.

Introduced 25/05/2015

10.10A.3 Net obligations for Client Trust Account where multiple Settlement Accounts

Where each of the following applies:

(a) a Settlement Participant operates multiple Settlement Accounts for the settlement of Batch Instructions in respect of a PID of the Participant;

(b) the Settlement Participant has more than one Payment Facility linked to those Settlement Accounts; and

(c) Client Trust Account Amount Messages scheduled for settlement on a Business Day relate to more than one of those Settlement Accounts,

ASX Settlement will calculate and notify a separate net obligation to make payment to or net entitlement to receive payment from the Client Trust Account under Rule 10.10A.1 and 10.10A.2 in respect of each Payment Facility linked to a Settlement Account to which the Client Trust Account Amount Messages relate.

10.10 SETTLEMENT OBLIGATIONS

10.10.1 Calculation by ASX Settlement of Settlement Obligations

On each Business Day, ASX Settlement will calculate for each Settlement Participant's PID for that Business Day:

(a) a net obligation to deliver or net entitlement to receive Financial Products or during an Ex Period, Entitlements due to be:

(i) deducted from each Source Holding or the Cum Entitlement Balance for the Source Holding; or

(ii) entered into each Target Holding or the Cum Entitlement Balance for the Target Holding,

specified in each Batch Instruction scheduled for settlement on that Business Day;

(b) a net obligation to make payment from or net entitlement to receive payment into each Payment Facility identified in each Batch Instruction scheduled for settlement in DvP Batch Settlement on that Business Day; and

(c) a net obligation to make payment from or net entitlement to receive payment into each Payment Facility identified in each Payment Batch Instruction scheduled for settlement on that Business Day.

Note: For the purposes of calculating the net obligations of a Settlement Participant in respect of a PID under this Rule 10.10.1, ASX Settlement will have regard to the relevant Novated Net Delivery Position(s) (as defined in the ASX Clear Operating Rules) calculated by ASX Clear and notified to ASX Settlement at the commencement of the Settlement Processing Phase on that Business Day in accordance with Rule 12.6.1A of the ASX Clear Operating Rules in respect of the Settlement Participant's CCP Market Trade Batch Instructions.

Introduced 11/03/04 Origin SCH 7.24.1 Amended 08/08/13

10.10.2 Notification by ASX Settlement of projected net obligations [Deleted]

~~Within the Scheduled Time on each Business Day, ASX Settlement will notify each Settlement Participant, in respect of each PID, of its:~~

~~(a) projected net obligation to make payment from a Payment Facility identified in one or more Batch Instructions scheduled for settlement in DvP Batch Settlement on that Business Day;~~

~~(b) projected net obligation to make payment from a Payment Facility identified in one or more Payment Batch Instructions scheduled for settlement on that Business Day.; and~~

~~(c) if:~~

~~(i) a Source Holding; or~~

~~(ii) during an Ex Period, the Cum Entitlement Balance for a Source Holding,~~

~~specified in one or more Batch Instructions scheduled for settlement on that Business Day, would give rise to a Financial Products Shortfall, the number of Financial Products or Entitlements required to meet that shortfall.~~

Introduced 11/03/04 Origin SCH 7.24.2 Amended 08/08/13

10.10.3 No legal set off – [Deleted]

Introduced 11/03/04 Origin SCH 7.24.3 Deleted 01/05/07

10.10.4 Notification by ASX Settlement of net obligations

Within the Scheduled Time on each Business Day, ASX Settlement will notify each Settlement Participant, in respect of each PID, of its:

(a) net obligation to make payment from or net entitlement to receive payment into each Payment Facility identified in one or more Batch Instructions scheduled for settlement on that Business Day, and

(b) its revised net obligation (if any) to make payment from or revised net entitlement (if any) to receive payment into each Payment Facility

identified in one or more Batch Instructions scheduled for settlement on that Business Day.

Introduced 11/03/04 Origin SCH 7.24A1 Amended 08/08/13

10.11 FAILING BATCH INSTRUCTIONS

10.11.1 Failure in Part

If a Batch Instruction is designated as available for settlement in part, ASX Settlement may Fail the Batch Instruction in part under this Rule 10.11.

Introduced 11/03/04 Origin SCH 7.25.1

10.11.2 Failure of Batch Instructions

If, by the Scheduled Time, on a Business Day either:

(a) (i) a Source Holding; or

(ii) during an Ex Period, a Cum Entitlement Balance for a Source Holding,

specified in one or more Batch Instructions scheduled for settlement on that Business Day, would give rise to a Financial Products Shortfall; or

(b) a Settlement Participant's net obligation to make payment from a Payment Facility identified by one or more Batch Instructions scheduled for settlement on that Business Day is not authorised by the Payments Provider that operates the Payment Facility;

ASX Settlement will subject to Rule 10.11.6:

(c) in the case of a Financial Products Shortfall, Fail one or more Batch Instructions, that specify the Holding as a Source Holding, to remove the Financial Products Shortfall; or

(d) in the case of a Payment Shortfall, Fail one or more Batch Instructions that identify the Payment Facility to remove the Payment Shortfall.

Note: The removal of a Financial Products Shortfall will result in a Source Holding having a balance after Batch Settlement equal to or greater than zero. The removal of a Payment Shortfall will reduce the Settlement Participant's net obligation to make payment from that Payment Facility to zero, or will create a net entitlement to receive payment into that Payment Facility.

Introduced 11/03/04 Origin SCH 7.25.2

10.11.3 Consequential failing of Batch Instructions

If a Batch Instruction that is Failed under Rule 10.11.2 causes:

(a) a Financial Products Shortfall for a Target Holding that is also specified as a Source Holding in other Batch Instructions scheduled for settlement on that Business Day; or

(b) an increase in a Settlement Participant's net obligation to make payment from a Payment Facility identified in one or more Batch Instructions scheduled for settlement on that Business Day;

ASX Settlement will subject to Rule 10.11.6:

(c) in the case of a Financial Products Shortfall, Fail one or more Batch Instructions that specify the Holding as a Source Holding to remove the Financial Products Shortfall; and

(d) in the case of a Settlement Participant's increased net obligation to make payment in respect of a Payment Facility, Fail one or more Batch Instructions that identify that Payment Facility to limit the Settlement Participant's net obligation to make payment in respect of that Payment Facility to the amount notified under Rule 10.10.4(a) or, within the Scheduled Time, ASX Settlement may request the Payments Provider that operates the Payment Facility to authorise the increased net obligation to make payment.

Note: The removal of a Financial Products Shortfall will result in a Source Holding having a balance after Batch Settlement equal to or greater than zero. The removal of a Payment Shortfall (or of Batch Instructions to limit a Settlement Participant's net obligation to make payment in respect of that Payment Facility to the amount notified under Rule 10.10.4(a)) will reduce the Participant's net obligation to make payment from that Payment Facility to the amount previously authorised by the Payments Provider (or notified to the Payments Provider under Rule 10.10.4(a)) or will create a net entitlement to receive payment into that Payment Facility.

Introduced 11/03/04 Origin SCH 7.25.3 Amended 28/04/14

10.11.5 Failure of Settlement Participant Batch Instructions in respect of Confirmed FOR Financial Products

Notwithstanding any other provision of this Section, if a Settlement Participant generates a Batch Instruction in relation to Foreign to Foreign Allocation and:

(a) the number of Confirmed FOR Financial Products in the Source Holding specified in the Message is less than the number of Confirmed FOR Financial Products to be transferred; or

(b) the Source Holding which is specified is a Source Holding which does not have a Residency Indicator of foreign (as identified in the User Technical Documentation)~~"F"~~,

ASX Settlement will ~~f~~Fail the Batch Instruction.

Introduced 11/03/04 Origin SCH 7.25A1

10.11.6 Principles that apply to Failing Batch Instructions

In Failing a Batch Instruction under Rules 10.11.2, 10.11.3 or 10.11.4, ASX Settlement will use its best endeavours to:

(a) subject to Linked Instructions or Linked CCP Instructions Failed in accordance with Rule 10.9.18 or 10.9.19, minimise:

(i) Financial Products Shortfalls; or

(ii) increases in the net obligation to make payment from one or more Payment Facilities identified in one or more Batch Instructions;

(b) subject to Rule 10.11.6(a):

(i) give priority to settlement of rescheduled Batch Instructions and to CCP Batch Instructions;

(ii) maximise the total value of Settlement Amounts of Batch Instructions that can be settled on that Business Day;

(iii) maximise the total number of Financial Products that can be settled on that Business Day.

Introduced 11/03/04 Origin SCH 7.271

10.11.7 Consequences of Failing a Batch Instruction

If a Batch Instruction is Failed under Rule 10.9.18, 10.9.19, 10.11.2, 10.11.3 or 10.11.4 ASX Settlement will:

(a) if the Batch Instruction is a Batch Instruction for value, adjust the net obligation to make payment or the net entitlement to receive payment of the Payment Facility of each Settlement Participant affected by the Fail in accordance with Rule 10.11.9 or 10.11.10, as the case requires;

(b) adjust the net obligation to deliver or the net entitlement to receive Financial Products or Entitlements for the Holding of each Participant affected by the Fail;

(ca) adjust the net obligation to make payment to or net entitlement to receive payment from the Client Trust Account under Rule 10.10A for the relevant Settlement Participant affected by the Fail by reference to the Client Trust Receivable Amount or the Client Trust Deductible Amount specified in the Unilateral~~Single Entry~~ Batch Instruction (as applicable);

(c) remove the Batch Instruction or part of the Batch Instruction, as the case requires, from Batch Settlement on that Business Day;

(d) other than where the Batch Instruction is a CCP Derivatives Payment Batch Instruction, a CCP Market Trade Batch Instruction referred to in Rule 10.11.7(e) or a CCP Batch Instruction referred to in Rule 10.11.7A, if the Batch Instruction has been Failed in full, reschedule the Batch Instruction for settlement on the next Business Day;

(e) if the Batch Instruction is a CCP Market Trade Batch Instruction that has been Failed in full due to a Financial Products Shortfall under Rule 10.11.2(c) or 10.11.3(c), notify the Approved Clearing Facility;

(~~e~~f) if the Batch Instruction has been Failed in part:

(i) process the Batch Instruction in respect of that part of the Batch Instruction that is to be settled; ~~and~~

(ii) other than where the Batch Instruction is a CCP Market Trade Batch Instruction referred to in Rule 10.11.7(f)(iii) or a CCP Batch Instruction referred to in Rule 10.11.7A, reschedule that part of the Batch Instruction that is to be Failed, for settlement on the next Business Day; and

(iii) if the Batch Instruction is a CCP Market Trade Batch Instruction that has been Failed due to a Financial Products Shortfall under Rule 10.11.2(c) or 10.11.3(c), notify the Approved Clearing Facility; and

(g~~f~~) notify both Settlement Participants.

Where ASX Settlement has removed a CCP Market Trade Batch Instruction from Batch Settlement and notified that Failed CCP Batch Instruction to the Approved Clearing Facility under Rule 10.11.7(e) or Rule 10.11.7(f)(iii), ASX Settlement has no obligation in relation to that Instruction.

Note: In the case of CCP Market Trade Batch Instructions that have been Failed, notification of their removal occurs on a net basis across those CCP Market Trade Batch Instructions in respect of a Settlement Account of the Settlement Participant for a class of Financial Products and is identified through the generation of a CCP Rescheduled Batch Instruction or a CCP Offsetting Transaction Arrangement Batch Instruction in respect of those CCP Market Trade Batch Instructions.

Introduced 11/03/04 Origin SCH 7.28.1 Amended 28/04/14 Amended 25/05/2015

10.11.7A Failed CCP Batch Instructions due to Payment Shortfall settled through Offsetting Transaction Arrangements

A CCP Batch Instruction (where the CCP is ASX Clear) that has been Failed by ASX Settlement under Rule 10.9.19, 10.11.2, 10.11.3 or 10.11.4 due to a Payments Shortfall (or to limit a Settlement Participant's net obligation to make payment in respect of that Payment Facility to the amount notified under Rule 10.10.4(a)), will be:

(a) removed by ASX Settlement from Batch Settlement on that Business Day;

(b) notified to ASX Clear; and

(c) other than for the defaulting Clearing Participant, subject to set-off against entitlements and obligations under the first leg of an Offsetting Transaction Arrangement entered into in respect of the Failed CCP Batch Instruction under the ASX Clear Operating Rules.

Where ASX Settlement has removed a CCP Batch Instruction from Batch Settlement and notified that Failed CCP Batch Instruction to ASX Clear under this Rule 10.11.7A, ASX Settlement has no obligation in relation to that Instruction.

Introduced 28/04/14

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10.11.9 Consequences of Failing a Batch Instruction for value that is not a CCP ~~Net~~ Batch Instruction

If a Batch Instruction for value that is not a CCP ~~Net~~ Batch Instruction is Failed, ASX Settlement will adjust the net obligation to make payment and the net entitlement to receive payment of each Settlement Participant by reference to the Settlement Amount specified in the Batch Instruction.

Introduced 11/03/04 Origin SCH 7.28.3

10.11.10 Consequences of Failing a Batch Instruction for value that is a CCP ~~Net~~ Batch Instruction

If a Batch Instruction for value that is a CCP ~~Net~~ Batch Instruction is Failed, ASX Settlement will adjust the net obligation to make payment and the net entitlement to receive payment of each Settlement Participant by reference to the Settlement Amount notified to ASX Settlement by the CCP.

Introduced 11/03/04

10.11.11 Fee for Failed Batch Instruction

If a Batch Instruction is Failed under Rule 10.11.2, the delivering Settlement Participant is liable to pay a fee calculated in accordance with the Fees and Charges Schedule.

Note: The effect of Rule 10.11.11 is to cause fail administration fees to be levied only against those Participants that enter the Batch Settlement process with net short positions. It does not cause fail administration fees to be levied against those Participants whose obligations to deliver Financial Products are Failed under Rule 10.11.3 as a result of other Participants Failing to deliver Financial Products to them during the Batch Settlement process.

Introduced 11/03/04 Origin SCH 7.28.4 Amended 30/03/09

10.11.12 Automatic Close Out

Notwithstanding any other provision of these Rules, if a Failed Settlement Shortfall exists in relation to either:

(a) a Source Holding; or

(b) during an Ex Period, a Cum Entitlement Balance for a Source Holding,

specified in a Rescheduled Batch Instruction at the Scheduled Time on the second Business Day after the day on which the Rescheduled Batch Instruction was originally scheduled for settlement, the delivering Settlement Participant must either:

(c) close out the Failed Settlement Shortfall on the next Business Day (or if that is not a Trading Day, the next Trading Day) by entering into one or more transactions, or causing a Market Participant to enter into one or more transactions on its behalf, on a market conducted by an Approved Market Operator, to acquire the number of Financial Products of the relevant class equal to the Failed Settlement Shortfall; or

(d) acquire under a securities lending arrangement the number of Financial Products of the relevant class equal to the Failed Settlement Shortfall and deliver those Financial Products pursuant to the Rescheduled Batch Instruction no more than two Business Days later.

Note: The effect of Rule 10.11.12 is to impose a close out obligation only on those Participants that enter the Batch Settlement process with a net short position where the resulting settlement shortfall remains after Batch Settlement is completed two Business Days later. It does not impose a close out obligation on those Participants whose obligations to deliver Financial Products are Failed under Rule 10.11.3 as a result of other Participants Failing to deliver Financial Products to them during the Batch Settlement process.

Introduced 30/03/09

10.12 SETTLEMENT

10.12.1 Settlement

If, within the Scheduled Time, ASX Settlement is satisfied, having regard to Batch Instructions that have Failed, that:

(a) (i) each Source Holding; and

(ii) during an Ex Period, each Cum Entitlement Balance for a Source Holding,

specified in a Batch Instruction included in Batch Settlement on that Business Day will not give rise to a Financial Products Shortfall;

(b) each Payment Facility identified in a Batch Instruction included in Batch Settlement on that Business Day will not give rise to a Payment Shortfall;

(c) each Payments Provider has registered payment instructions in the CHESS Payments Provider User Group in accordance with the terms of the Standard Payments Provider Deed; and

(d) DvP Declaration has been given to ASX Settlement by:

(i) the Bank; or

(ii) where ASX Settlement any time acts in the capacity of Bank, by the Reserve Bank of Australia as administrator of RITS,

for that Business Day,

ASX Settlement will:

(e) Transfer Financial Products in accordance with those Batch Instructions by:

(i) in the case of a Batch Instruction other than a CCP ~~Net~~ Batch Instruction, simultaneously generating Communications that:

A. deduct the number of Financial Products specified in each Batch Instruction from the Source Holding specified in each Batch Instruction; and

B. enter the number of Financial Products specified in each Batch Instruction into the Target Holding specified in each Batch Instruction; and

(ii) unless an Approved Clearing Facility notifies ASX Settlement that it is entitled to acquire title in the Financial Products, in the case of a CCP ~~Net~~ Batch Instruction, simultaneously generating Communications that transfer title directly from Source Holdings controlled by delivering Settlement Participants to those Target Holdings controlled by Receiving Settlement Participants in the manner contemplated by Rule 10.12.4(b);

(f) record the net effect of those Transfers by:

(i) offsetting the number of Financial Products, if any, that are entered into a Holding by virtue of a Communication against the number of Financial Products, if any, that are deducted from the same Holding by virtue of a Communication; and

(ii) recording the offsetting number as a movement of Financial Products against that Holding; and

(g) cause a DvP Notification to be sent to each Payments Provider that operates a Payment Facility identified in a Batch Instruction settled on that Business Day.

Note: A Communication generated by ASX Settlement under Rule 10.12.1(e) in relation to quoted financial products is a proper ASTC transfer for the purposes of the Corporations Act.

Introduced 11/03/04 Origin SCH 7.29.1 Amended 23/10/09

10.12.2 Settlement Transfer attributable to Settlement Participants

A Settlement Transfer in respect of each Batch Instruction included in Batch Settlement for a particular Business Day:

(a) is taken to be effected in respect of each Batch Instruction by the Communication generated by ASX Settlement under Rule 10.12.1(e);

(b) is taken to be effected in respect of each Batch Instruction when ASX Settlement generates that Communication under Rule 10.12.1(e); and

(c) is taken to be effected by:

(i) in the case of a CCP ~~Net~~ Batch Instruction which specifies a ~~net~~ number of Financial Products to be delivered by a Settlement Participant to CCP, that Settlement Participant;

(ii) in the case referred to in Rule 10.12.3, by each Settlement Participant identified by that Rule;

(iii) in any other case, the delivering Settlement Participant.

Introduced 11/03/04 Origin SCH 7.29.2

10.12.3 When transfer of Financial Products is effected

Where:

(a) a CCP ~~Net~~ Batch Instruction requires that a specified ~~net~~ number of Financial Products in a class of Financial Products be delivered by CCP to a receiving Settlement Participant on a particular Business Day is effected in accordance with Rule 10.12.1(e); and

(b) ASX Settlement deducts, or is taken by virtue of Rule 10.12.4 to have deducted, Financial Products of the same class from a Source Holding of one or more delivering Settlement Participants on the same Business Day in satisfaction of the delivering Settlement Participants' respective obligations to deliver Financial Products of that class on that Business Day under CCP ~~Net~~ Batch Instructions,

a transfer of the number of Financial Products deducted from each delivering Settlement Participant's Source Holding is taken to have been effected by the delivering Settlement Participant when ASX Settlement generates the Communication which deducts the Financial Products from that Source Holding.

Introduced 11/03/04 Origin SCH 7.29.3

10.12.4 CCP ~~Net~~ Batch Instructions

Where a CCP ~~Net~~ Batch Instruction is effected under Rule 10.12.2(c)(ii):

(a) CCP's obligation is discharged by effecting settlement in accordance with these Rules;

(b) title is taken to pass to Target Holdings controlled by receiving Settlement Participants directly from those Source Holdings controlled by delivering Settlement Participants from which Financial Products are deducted (or taken under Rule 10.12.1(e) to be deducted), and CCP is not taken to acquire title at any stage; and

(c) each Communication by which a Transfer of Financial Products is taken to be effected under Rules 10.12.1(e), 10.12.2 and 10.12.3 is deemed to include, in respect of the Transfer of the Financial Products specified in those Rules, the PID of the delivering Settlement Participant who is taken by virtue of those Rules to have effected the Transfer.

Introduced 11/03/04 Origin SCH 7.29.4 Amended 31/03/04

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10.12.8 Settlement on each Business Day

Subject to Rule 10.14.1, on~~On~~ each Business Day, ASX Settlement must settle Batch Instructions included in Batch Settlement on that day under this Rule 10.12.

Introduced 01/05/07

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10.13 DISCHARGE OF SETTLEMENT OBLIGATIONS

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10.13.2 Discharge of Settlement obligations for Batch Instructions for value

If ASX Settlement causes a DvP Notification to be sent to each Payments Provider under Rule 10.12.1(g):

(a) each obligation to make a payment under a Batch Instruction included in DvP Batch Settlement:

(i) is discharged irrevocably in full if the Batch Instruction is settled in full; or

(ii) is discharged irrevocably to the extent of the amount paid if the Batch Instruction is settled in part;

(b) each entitlement to receive a payment under a Batch Instruction included in DvP Batch Settlement:

(i) is satisfied irrevocably in full if the Batch Instruction is settled in full; or

(ii) is satisfied irrevocably to the extent of the amount received if the Batch Instruction is settled in part;

(c) each obligation to make a payment under a Payment Batch Instruction included in Batch Settlement:

(i) is discharged irrevocably in full if the Payment Batch Instruction is settled in full; or

(ii) is discharged irrevocably to the extent of the amount paid if the Payment Batch Instruction is settled in part; and

(d) each entitlement to receive a payment under a Payment Batch Instruction included in Batch Settlement:

(i) is satisfied irrevocably in full if the Payment Batch Instruction is settled in full; or

(ii) is satisfied irrevocably to the extent of the amount received if the Payment Batch Instruction is settled in part.

If ASX Settlement, in accordance with a Batch Instruction which initiates a Foreign to Foreign Allocation, Transfers Financial Products to a Target Holding pursuant to Rule 10.12.1(e) and the Target Holding has a Residency Indicator of foreign (as identified in the User Technical Documentation)~~"F"~~, those Financial Products will have the status of Confirmed FOR Financial Products.

Introduced 11/03/04 Origin SCH 7.30.2, 7.30A

10.13.3 Notifications relating to~~of~~ Settlement

(a) Within the Scheduled Time, ASX Settlement will notify a Settlement Participant of:

~~(a) each Batch Instruction that has been settled in Batch Settlement on that Business Day, whether in full or in part; and~~

~~(b) if a Batch Instruction has been settled in part in Batch Settlement on that Business Day, the extent to which that Batch Instruction has been settled,~~

~~to which the Settlement Participant is a party; and~~

(i~~c~~) the net movement of Financial Products and funds for each Holding controlled by the Settlement Participant in accordance with the Procedures; and

(ii~~d~~) the net movement of funds for each Payment Facility held in the name, or operated for the benefit, of the Settlement Participant.

(b) For the purpose of the notification provided under Rule 10.13.3(a)(i), the net movement of Financial Products and funds in respect of CCP Market Trade Batch Instructions will include any Financial Products in a Holding or Settlement Amounts that were specified in a CCP Market Trade Batch Instruction which has been Failed, in full or in part, either due to a:

(i) Financial Products Shortfall, and in respect of which a CCP Rescheduled Batch Instruction has been generated; and

(ii) Payment Shortfall (or to limit the Settlement Participant's net obligation to make payment in respect of a Payment Facility to the amount notified under Rule 10.10.4(a)), and in respect of which a CCP Offsetting Transaction Arrangement Batch Instruction has been generated.

(c) For the purpose of the notification provided under Rule 10.13.3(a)(i), the net movement of Financial Products and funds in respect of CCP Market Trade Batch Instructions will include any Financial Products in a Holding or Settlement Amounts that were specified in a CCP Market Trade Batch Instruction which has been suspended by ASX Settlement under Rule 8.5.1 and in respect of which a CCP Rescheduled Batch Instruction has been generated.

(d) If a Settlement Participant has not been notified by ASX Settlement that a Batch Instruction due for settlement on that Business Day has been Failed in full under Rule 10.9.18, 10.9.19, 10.11.2, 10.11.3, 10.11.4 or 10.11.5 or suspended in full under Rule 8.5.1, by the time the Settlement Participant receives a Message as to the completion of the Settlement Processing Phase under Rule 10.13.4, then:

(i) subject to Rule 10.13.3(d)(ii), that Batch Instruction is declared to have been settled in full in Batch Settlement on that Business Day; and

(ii) if the Settlement Participant has been notified by ASX Settlement that a Batch Instruction due for settlement on that Business Day has been Failed in part under Rule 10.9.18, 10.9.19, 10.11.2, 10.11.3, 10.11.4 or 10.11.5 or suspended in part under Rule 8.5.1, that Batch Instruction is declared to have been settled in part in Batch Settlement on that Business Day to the extent that the Batch Instruction has not been Failed or suspended.

(e) For the purposes of paragraph (d) above, the notification to a Settlement Participant that CCP Market Trade Batch Instructions due for settlement on that Business Day have been Failed or suspended in full or in part will be on a net basis across those CCP Market Trade Batch Instructions by way of a CCP Rescheduled Batch Instruction or a CCP Offsetting Transaction Arrangement Batch Instruction (as applicable).

Note: The notifications referred to in this~~e~~ Rule 10.13 do not apply to obligations to make payment to or entitlements to receive payment from the Client Trust Account of the net amount notified by ASX Settlement under Rule 10.10A in respect of Client Trust Account Amount Messages scheduled for settlement on that Business Day. Payment to, or receipt from, the Client Trust Account of that net amount occurs separately to Batch Settlement and the Standard Payments Provider Deed.

To determine the net movement of Financial Products or funds for each Holding controlled by the Settlement Participant that were specified in CCP Batch Instructions scheduled for settlement on a Business Day, a Settlement Participant must read a Message sent under this Rule 10.13.3(a)(i) subject to any:

(a) CCP Rescheduled Batch Instruction generated by ASX Clear on that Business Day, in respect of CCP Market Trade Batch Instructions Failed due to a Financial Products Shortfall or suspended due to the suspension of approval of the underlying class of Financial Products on that Business Day; and

(b) CCP Offsetting Transaction Arrangement Batch Instruction generated by ASX Clear on that Business Day, to give effect to an Offsetting Transaction Arrangement entered into in respect of a CCP Batch Instruction Failed due to a Payment Shortfall (or to limit the Settlement Participant's net obligation to make payment in respect of a Payment Facility to the amount notified under Rule 10.10.4(a)) on that Business Day.

Introduced 11/03/04 Origin SCH 7.31.1 Amended 25/05/2015

10.13.4 Notification of completion of Settlement Processing Phase

On completion of the Settlement Processing Phase, ASX Settlement will send a Message to each Settlement Participant confirming that the Settlement Processing Phase is complete.

10.14 CANCELLATION OF SETTLEMENT

10.14.1 Cancellation of Batch Settlement

If:

(a) there is an Emergency Situation (as defined in the Standard Payments Provider Deed); or

(b) ASX Settlement is of the opinion that DvP Declaration cannot be achieved; or

(c) ASX Settlement, in its capacity of Bank, has reasonable grounds for believing that a payment to be made to the CHESS Clearing Account by a Payments Provider would, if the Payments Provider were subsequently wound up, be voidable under section 588FE of the Corporations Act,

ASX Settlement may cancel Batch Settlement for that Business Day.

Note: Settlement Participants should note that any of the following events may trigger the application of this Rule 10.14.1. These events may affect ASX Settlement directly (i.e. where it acts in the capacity of Bank) or indirectly (i.e. where ASX Settlement does not act as Bank but its arrangements with the Bank recognise that the Bank is not obliged to proceed with settlement on any of these events occurring):

(a) The Reserve Bank of Australia has directed the Bank not to proceed with settlement.

(b) The Bank would breach a law, regulation or official directive which has the force of law if the Bank proceeded with settlement.

(c) An insolvency event occurs and continues to subsist in relation to a settling Payments Provider which is due to make a payment to the CHESS Clearing Account on the settlement day.

(d) The Bank has reasonable grounds for believing that a payment to be made to the CHESS Clearing Account by a settling Payments Provider on the settlement day would, if the settling Payments Provider were subsequently wound up, be voidable under section 588FE of the Corporations Law.

Introduced 11/03/04 Origin SCH 7.32.1

10.14.2 Notice by ASX Settlement of cancellation of Batch Settlement

If ASX Settlement cancels Batch Settlement under Rule 10.14.1, ASX Settlement will within the Scheduled Time:

(a) notify:

(i) each Settlement Participant; and

(ii) each Payments Provider;

involved in Batch Settlement on that Business Day of the cancellation; and

(iii) the Approved Clearing Facility; and

(b) reschedule all Batch Instructions other than CCP Derivatives Payment Batch Instructions and CCP Market Trade Batch Instructions that were included in Batch Settlement on that Business Day, for settlement on the next Business Day.

For CCP Market Trade Batch Instructions scheduled for settlement on the date that ASX Settlement cancels batch settlement under Rule 10.14.1, ASX Settlement has no obligations in relation to those Instructions.

Note: Where there are CCP Market Trade Batch Instructions scheduled for settlement on the date that ASX Settlement cancels batch settlement under Rule 10.14.1, ASX Clear will generate CCP Rescheduled Batch Instructions in accordance with Rule 12.6.2B of the ASX Clear Operating Rules in respect of those CCP Market Trade Batch Instructions for settlement on the next Business Day.

Introduced 11/03/04 Origin SCH 7.32.2

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10.20 BUYER'S RIGHT TO LAPSE ENTITLEMENT TO RENOUNCEABLE RIGHTS

10.20.1 Receiving Settlement Participant may give Notice

If a receiving Settlement Participant has not received Financial Products from a delivering Settlement Participant in Batch Settlement on the second Business Day before the Business Day on which ASX Settlement ceases to process Transfers before application money for a renounceable rights issue falls due, the receiving Settlement Participant may, within the Scheduled Time, give Notice to the delivering Settlement Participant that it does not require the renounceable rights to be taken up on its behalf. If the receiving Settlement Participant gives such Notice, the receiving Settlement Participant must, within the Scheduled Time:

(a) Transmit a Valid Message requesting cancellation of the Parent Batch Instruction to ASX Settlement; and

(b) if the Parent Batch Instruction is a Parent DvP Batch Instruction, pay the delivering Settlement Participant an amount equal to the Settlement Amount of the Parent DvP Batch Instruction,

and the delivering Settlement Participant must Transmit a Valid Message requesting cancellation of the Parent Batch Instruction to ASX Settlement by the Scheduled Time. This Rule 10.20 does not apply to Parent Batch Instructions that are CCP Batch Instructions.

Note: In the case of CCP Batch Instructions where the receiving Settlement Participant seeks to achieve an outcome provided for under this Rule, it will need to do so through the generation of CCP Isolate Counterparty Batch Instructions pursuant to the isolate counterparty functionality applicable under the ASX Clear Operating Rules and the cancellation of such CCP Isolate Counterparty Batch Instructions by agreement with the relevant delivering Settlement Participant(s) under Rule 10.9.1.

10.21 CASH ADJUSTMENTS FOR NO LIABILITY CALLS, OPTIONS AND CONVERTIBLE NOTES

10.21.1 Parent Batch Instruction

If a Parent Batch Instruction:

(a) is scheduled to settle before End of Day on the last Business Day that ASX Settlement will process Transfers before:

(i) a call for no liability company falls due;

(ii) the final date for the exercise of company issued options; or

(iii) the final date for the conversion of convertible Financial Products;

(b) does not settle in full by End of Day on that Business Day; and

(c) both Settlement Participants have agreed that settlement will be effected by a Transfer of the Financial Products that result from the:

(i) call;

(ii) exercise; or

(iii) conversion,

then each Settlement Participant must Transmit ~~a~~ Valid Messages to ASX Settlement by the Scheduled Time ~~requesting~~ which in effect ~~a~~ change ~~to~~ the Parent Batch Instruction through the cancellation of the Parent Batch Instruction and the generation of a new Batch Instruction with the revised details to reflect the number and class of Financial Products that are to be Transferred as a result of the call, exercise or conversion. This Rule 10.21 does not apply to Parent Batch Instructions that are CCP Batch Instructions.

Note: *Depending upon the nature of the Corporate Action, it may be necessary to change the number and class of Financial Products, the Settlement Amount and the Settlement Date. In the case of a call or an exercise of an option, the delivering Settlement Participant is entitled to be paid the relevant call or exercise money by the receiving Settlement Participant before making an application to the Issuer to take up the resulting Financial Products.*

In the case of CCP Batch Instructions where the receiving Settlement Participant seeks to achieve an outcome provided for under this Rule, it will need to do so through the generation of CCP Isolate Counterparty Batch Instructions pursuant to the isolate counterparty functionality applicable under the ASX Clear Operating Rules and the cancellation of such CCP Isolate Counterparty Batch Instructions by agreement with the relevant delivering Settlement Participant(s) under Rule 10.9.1 and the generation of new Batch Instruction(s) by agreement with those delivering Settlement Participant(s).

Introduced 11/03/04 Origin SCH 7.38.1

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SECTION 11 REAL TIME GROSS SETTLEMENT

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11.6.3 Application~~s~~ to participate as an RTGS Payments Provider

In respect of an application to participate in Real Time Gross Settlement in CHESS in the capacity of an RTGS Payments Provider under Rule 11.6.1:

(a) ASX Settlement may assume the correctness of any representation or warranty made by any applicant and is not required to conduct independent enquiries or verification;

(b) if the applicant satisfies all applicable participation criteria (including execution and delivery of the application in a manner satisfactory to ASX Settlement), ASX Settlement will admit a person to Real Time Gross Settlement in CHESS in the capacity of an RTGS Payments Provider; and

(c) if ASX Settlement rejects an application, it must notify the applicant within 30 days of determining not to accept an application, including the reasons for rejection of the application.

Introduced 11/03/04 Origin SCH 7A.3.1A, 7A.3.1B, 7A.3.1C

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11.25.3 Confirmed FOR Financial Products

If ASX Settlement, in accordance with an Instruction which initiates a Foreign to Foreign Allocation, Transfers Financial Products to a Target Holding pursuant to Rule 11.25 and the Target Holding has a Residency Indicator of foreign (as

identified in the User Technical Documentation)~~"F"~~, those Financial Products have the status of Confirmed FOR Financial Products.

Introduced 11/03/04 Origin SCH 7A.22.4

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11.27 OBLIGATIONS OF RTGS PAYMENTS PROVIDERS

11.27.1 RTGS Payments Provider to make available the gross amount of a Payment obligation

An RTGS Payments Provider must make available to each RTGS Participant that:

(a) is the payee of a Payment Obligation that has settled in accordance with the Rules on a particular RTGS Business Day; and

(b) operates a Payment Facility with the RTGS Payments Provider, ~~that is linked to the Net Position Record against which that Payment Obligation has been recorded as a credit on settlement,~~

~~for value~~ on that RTGS Business Day (at times agreed between them), the gross amount of that Payment Obligation:

(c) in clear funds; and

(d) in the RTGS Bank ~~a~~Account ~~designated by the RTGS Account Identifier~~ specified, or taken to be specified, for that Participant in that RTGS Instruction,

but nothing in this Rule 11.27 will be construed to negate or exclude any right of set-off or other right that may arise, other than under the Rules, as between a Participant and its RTGS Payments Provider.

Introduced 11/03/04 Origin SCH 7A.24

SECTION 12 COMPLIANCE, ENFORCEMENT ACTIONS AND APPEALS

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12.18 NOTICE OF NON COMPLIANCE

12.18.1 Notice by Participant

A Participant must give Notice of non-Compliance to ASX Settlement immediately upon the happening of any of the following Events of Non-Compliance:

(a) the Participant ceases to comply with any Participation Requirement that applies to the Participant and has not been waived under Rule 4.2.3;

(b) the Participant reasonably suspects that the Payments Provider that provides a Payment Facility for the participant will or may not authorise a net payment obligation under Section 10 of these Rules;

(c) the Participant or any of its Employees is the subject of any regulatory, disciplinary or enforcement action by any market licensee, another clearing and settlement facility, the Commission or any other regulatory authority that relates in any way to its activities as a Participant;

(d) the Participant:

(i) takes a step; or

(ii) becomes aware that another person has taken a step,

that may in any way affect the ability or entitlement of ASX Settlement to obtain payment of the relevant amount under the Performance Bond lodged by the Participant;

(e) if the Participant is a body:

(i) that body becomes a Chapter 5 body corporate as defined in section 9 of the Corporations Act;

(ii) that body reasonably suspects that it may become a Chapter 5 body corporate as defined in section 9 of the Corporations Act;

(iii) that body takes a step or becomes aware that another person has taken a step that is intended to lead to the body becoming externally administered;

(iv) someone takes control of the body's property for the benefit of the body's creditors because the body is, or is likely to become, insolvent;

Note: this sub-Rule 12.18.1(e) is intended to cover the definition of external administration in the Payment Systems and Netting Act.

(f) if the Participant is an individual or consists of two or more partners or trustees:

(i) the individual or partner or a trustee becomes an insolvent under administration;

(ii) the individual or partner or a trustee reasonably suspects that it may become an insolvent under administration;

(iii) the individual or a partner or a trustee takes a step or becomes aware that another person has taken a step that is intended to lead to the individual or the partner or trustee, as the case requires, becoming an insolvent under administration; or

(iv) someone takes control of the property of that individual, partner or trustee for the benefit of creditors because the individual, partner or trustee is, or is likely to become, insolvent;

Note: this sub-Rule 12.18.1(f) is intended to cover the definition of external administration in the Payment Systems and Netting Act.

(g) if the Payments Provider that provides a Payment Facility for the Participant becomes a Chapter 5 body corporate as defined in section 9 of the Corporations Act~~an externally administered body corporate~~ or an insolvent under administration;

(h) if the Participant reasonably suspects that the Payments Provider that provides a Payment Facility for the Participant may become a Chapter 5 body corporate as defined in section 9 of the Corporations Act~~an externally administered body corporate~~ or an insolvent under administration;

(i) in the case of a Participant who is a participant of an Approved Market Operator or Approved Clearing Facility, in addition to the Events of Non-Compliance in Rule 12.18.1(a),(b),(c),(d),(e),(f), (g) and (h):

(i) that Participant ceases to be a participant of the relevant Approved Market Operator or Approved Clearing Facility;

(ii) that Participant ceases to be entitled to carry on business as a participant of the relevant Approved Market Operator or Approved Clearing Facility;

(iii) that Participant is suspended from all or any of the privileges in relation to being a participant of the relevant Approved Market Operator or Approved Clearing Facility;

(iv) that Participant is prohibited from transacting any business with or through any participant of the relevant Approved Market Operator or Approved Clearing Facility on such terms and conditions as that Approved Market Operator or Approved Clearing Facility imposes;

(j) if the Participant becomes aware that it has breached any of the Rules or the Procedures and that breach is significant;

(k) the Participant suspects or becomes aware of any Employee has engaged in fraudulent conduct; or

(l) the Participant becomes aware of any other event or circumstance which adversely affects or may adversely affect its financial position or solvency or its ability to comply with the Rules or the Procedures.

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SECTION 16 COMMUNICATIONS WITH ASX SETTLEMENT

16.1.1 Obligations in relation to CHESS interface

Each Facility User must:

(a) establish and maintain an interface with CHESS in accordance with the ~~EIS~~ User Technical Documentation;

(b) ensure that no person other than an Authorised Person has access to that interface with CHESS;

(c) provide Notice to ASX Settlement as soon as practicable if it is aware of any fact or matter or intends to take any action that will or may affect its capacity to communicate reliably with CHESS in accordance with the ~~EIS~~ User Technical Documentation, including (without limitation):

(i) any change to its interface with CHESS;

(ii) a change in any Third Party Provider; or

(iii) any changes to that Facility User's interface with CHESS or computing environment, including any change that may be made by a Third Party Provider that alters or may alter its capacity, or the Third Party Provider's capacity, to communicate with CHESS; and

(d) observe and give effect to any advice or directions given by ASX Settlement under Rule 16.3.

Introduced 11/03/04 Origin SCH 4.1.1, 4.1.2, 4.1.5 Amended 15/06/15

16.2.1 ASX Settlement to give Notice

ASX Settlement must promptly give Notice to a Facility User if ASX Settlement's ability to communicate with that Facility User in accordance with the ~~EIS~~ User Technical Documentation is or may be impaired, except when the impairment will or may result from action taken under Rule 16.21.

Introduced 11/03/04 Origin SCH 4.1.3

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16.3.1 Facility User's capacity to communicate with CHESS impaired

If:

(a) a Facility User gives Notice to ASX Settlement under Rule 16.1(c);

(b) ASX Settlement gives Notice to a Facility User under Rule 16.2; or

(c) ASX Settlement has required a Facility User to undertake additional testing by providing Notice under Rule 16.9 and:

(i) the Facility User has undertaken the testing as required by ASX Settlement; or

(ii) the Facility User has not complied with the Notice from ASX Settlement requiring it to undertake further testing within the time specified by ASX Settlement,

and ASX Settlement reasonably believes that the Facility User's capacity to communicate reliably with CHESS in accordance with the ~~EIS~~ User Technical Documentation is or will be impaired, then ASX Settlement may take such steps as it considers necessary or desirable for the integrity or orderly operation of CHESS, including:

(d) giving advice or directions to the Facility User to:

(i) restore communications; or

(ii) prevent or minimise impairment to communications,

between ASX Settlement and that Facility User, as the case requires; and

(e) suspending processing of Messages or classes of Messages between ASX Settlement and the Facility User.

Introduced 11/03/04 Origin SCH 4.1.4 Amended 18/12/06

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16.4 NOTICE TO BE GIVEN OF THE SUSPENSION OF PROCESSING OF MESSAGES

16.4.1 Effect of suspension

Where ASX Settlement has suspended processing of Messages or classes of Messages under Rule 16.3.1(e):

(a) the suspension takes effect immediately;

(b) ASX Settlement must promptly give Notice of the suspension, including reasons, to:

(i) the Facility User; and

(ii) where the Facility User is:

A. a Clearing Participant, to the Approved Clearing Facility;

B. a participant of an Approved Market Operator, to the relevant Approved Market Operator; or

C. an Issuer, to the Approved Listing Market Operator; and

(c) ASX Settlement may, to the extent that it considers reasonably necessary, give Notice of the suspension to other Facility Users; and

(d) subject to Rule 16.5~~7~~, the suspension will continue until ASX Settlement is satisfied that the circumstances that gave rise to the suspension no longer exist.

Introduced 11/03/04 Origin SCH 4.1.6, 4.1.7 Amended 27/06/11

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16.9.2 ASX Settlement may require Facility User to undertake additional testing

Without in any way limiting the advice or directions that may be given by ASX Settlement to a Facility User, ASX Settlement may on reasonable Notice require a Facility User to undertake additional testing of the Facility User's ability to meet the Technical and Performance Requirements if:

(a) ASX Settlement reasonably believes that the number of erroneous Messages Transmitted by, or electronic communications problems with, that Facility User warrants such action; or

(b) ASX Settlement introduces significant new CHESS Software changes that will or may affect that Facility User's ability to meet those Technical and Performance Requirements;

(c) the Facility User gives Notice to ASX Settlement under Rule 16.1(c);

(d) the Facility User fails to give Notice to ASX Settlement under Rule 16.1(c) but ASX Settlement becomes aware that the Facility User has effected or proposes to effect:

(i) any change to its interface with CHESS;

(ii) any change of Third Party Provider; or

(iii) any changes to its interface with CHESS or computing environment, including any change that may be made by a Third Party Provider that alters or may alter its capacity, or the Third Party Provider's capacity, to communicate with CHESS; or

(e) ASX Settlement reasonably believes that there is some fact or matter that may impair the Facility User's capacity to communicate reliably with CHESS in accordance with the ~~EIS~~ User Technical Documentation and the Facility User has failed to give notice to ASX Settlement under Rule 16.1(c).

Introduced 11/03/04 Origin SCH 4.2.4, 4.2.5 Amended 04/04/05

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16.11 SECURITY KEYS

16.11.1 ASX Settlement to distribute Security Keys

To enable a Facility User to:

(a) encrypt and decrypt Messages; and

(b) authenticate ~~generate MACs to append to~~ outgoing Messages and incoming Messages~~; and~~.

~~(c) authenticate MACs specified in incoming Messages,~~

~~ASX Settlement will distribute two different sets of~~ a Facility User will be allocated the Security Keys specified in the User Technical Documentation~~in respect of each AIC allocated to that Facility User by ASX Settlement~~.

Each Facility User must ensure that the person who holds Security Keys on behalf of that Facility User has procedures in place to:

(c~~d~~) store those Security Keys in a secure location; and

(d~~e~~) restrict access to those Security Keys.

Introduced 11/03/04 Origin SCH 4.3.1, 4.3.3

16.12 ENCRYPTION OF MESSAGES

16.12.1 Faculty User to encrypt Message

Each Facility User must, prior to Transmitting a Message to ASX Settlement:

(a) encrypt; and

(b) ~~append a MAC to~~add a digital signature (where applicable) to,

the Message in the manner specified in the ~~EIS~~User Technical Documentation.

Introduced 11/03/04 Origin SCH 4.3.2

16.13 ALLOCATION OR ATTRIBUTION OF UIC

16.13.1 ASX Settlement to allocate or attribute UIC's to Participants and Issuers

ASX Settlement will allocate or attribute at least one UIC to:

(a) a Participant, on admission to participate in CHESS; and

(b) an Issuer, on the first occasion that any class of Financial Products of that Issuer becomes Approved under Rule 8.1.

Introduced 11/03/04 Origin SCH 4.4.1

16.14 AGGREGATION OF MULTIPLE UICS UNDER A UNIQUE SET OF AUTHENTICATION CREDENTIALS ~~ALLOCATION OF AIC~~

16.14.1 ~~ASX Settlement to allocate an AIC for each Recognised Physical Access Point~~Facility User may request aggregation of multiple UICs

In accordance with the User Technical Documentation, ASX Settlement will allocate on request from a Facility User, a unique set of authentication credentials in relation to two or more UICs allocated or attributed to a Facility User. ~~an AIC for each Recognised Physical Access Point of a Facility User's interface with CHESS.~~

Introduced 11/03/04 Origin SCH 4.4.2 Amended 23/10/09

16.15 TRANSMISSION OF VALID MESSAGES

16.15.1 Messages must comply with ~~EIS~~User Technical Documentation

A Facility User must only Transmit Messages that comply with the Message requirements specified in the ~~EIS~~User Technical Documentation.

ASX Settlement must accept for processing any Valid Message Transmitted to ASX Settlement by a Facility User.

An Issuer must accept for processing any Valid Message Transmitted to the Issuer by ASX Settlement.

Introduced 11/03/04 Origin SCH 4.4.3, 4.4.4, 4.4.5

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16.20 REPORTING UNDER CHESS

16.20.1 ASX Settlement to provide Demand Report

If:

(a) a Facility User requests a Demand Report in accordance with the ~~EIS~~ User Technical Documentation and the Procedures; or

(b) an Issuer requests a Holding Net Movement Report ~~or a Total Security Balance Report~~ in accordance with the ~~EIS~~ User Technical Documentation and the Procedures,

ASX Settlement must promptly provide the Demand Report to the Facility User or the Holding Net Movement Report ~~or Total Security Balance Report~~ to the Issuer as the case may be in accordance with the ~~EIS~~ User Technical Documentation and the Procedures.

Introduced 11/03/04 Origin SCH 4.8.1., 4.8.2

16.20.2 ASX Settlement to provide Standing Report

Within the Scheduled Time, ASX Settlement will make a:

(a) Standing Report available to a Facility User in accordance with the User Technical Documentation and the Procedures; and

(b) Holding Net Movement Report and Total Security Balance Report to an Issuer in accordance with the User Technical Documentation and the Procedures.

16.21 PROCESSING MESSAGES WITHIN SCHEDULED TIME

16.21.1 ASX Settlement may vary times or suspend processing of Messages

ASX Settlement will process within the Scheduled Time, a Valid Message that is not a Message requesting a ~~Standing Report or a~~ Demand Report but may without Notice:

(a) vary the times specified in these Rules for Start of Day or End of Day, as the case requires; and

(b) suspend processing of Messages under this Rule 16.21,

if ASX Settlement reasonably believes that it is necessary to do so in order to protect the integrity or orderly operation of CHESS.

Introduced 11/03/04 Origin SCH 4.9.1, 4.9.2, 4.9.7

16.22 PROCESSING MESSAGES DURING THE SETTLEMENT PROCESSING PHASE

16.22.1 ASX Settlement will not process Messages

ASX Settlement will not process during the Settlement Processing Phase:

(a) a Message requesting a Demand Report ~~or a Standing Report~~; or

(b) a Message that will effect a change to the Holding Balance of any CHESS Holding other than a Message that initiates a Settlement Transfer;

(c) a Message requesting a change to the status of a Participant;

(d) a Message requesting a change to a Holder Record; or

(e) a Message or a Notice requesting ASX Settlement to apply or remove a Holder Record Lock, Holding Lock, Settlement Lock or Demand Lock.~~,~~

Messages that initiate Settlement Transfers in connection with:

(f) Batch Settlement will only be processed by ASX Settlement during the Settlement Processing Phase; or

(g) Real Time Gross Settlement will not be processed during the Settlement Processing Phase.

If, on any Business Day, ASX Settlement receives between Start of Day and Settlement Cut-off:

~~(c) a Valid Message Transmitted by an Issuer to effect a Financial Products Transformation or a Holding Adjustment; or~~

(h~~d~~) a Valid Message Transmitted by ASX Clear or a CHESS Offeror to effect a Transfer of Financial Products reserved in a Subposition from a CHESS Holding,

ASX Settlement will not process the Message until after that day's Settlement Processing Phase has been completed.

If ASX Settlement receives a Valid Message Transmitted by a Facility User after End of Day on a Trading Day, ASX Settlement will not process that Message until after Start of Day on the following Trading Day.

Introduced 11/03/04 Origin SCH 4.9.3, 4.9.4, 4.9.5, 4.9.6 Amended 19/08/09

SECTION 17 TRANSITIONAL ARRANGEMENTS [DELETED]

~~The purpose of this Section is to set out transitional arrangements governing the transition from the SCH Business Rules to these Rules including:~~

~~(a) the grandfathering of Participants, Issuers and Payments Providers under the former Rules to these Rules;~~

~~(b) specifying how the new rules in relation to Sponsorship Agreements are to be applied; and~~

~~permitting disciplinary proceedings to be taken for a breach of the former Rules even though the breach may only have been discovered after these Rules come into effect.~~

~~17.1 INTERPRETATION~~

~~17.1.1 Definitions~~

~~In this Rule 17:~~

~~"**Effective Date**" means the date which ASX Settlement notifies Facility Users as being the date on which these Rules become effective;~~

~~"**Existing Broker**" means a person who immediately before the Effective Date was admitted to participate in CHESS as a Broker under Old Rule 2.1.1;~~

~~"**Existing CDIs**" means those CDIs that immediately before the Effective Date were issued over a class of Principal Financial Products that were CHESS Approved Financial Products under the Old Rules;~~

~~"**Existing CHESS Approved Financial Products**" means those CHESS Approved Financial Products that immediately before the Effective Date were CHESS Approved Financial Products under the Old Rules;~~

~~"**Existing Department and Subsidiary of ASX**" means a person who immediately before the Effective Date was admitted to participate in CHESS as a Broker or NBP under Old Rule 2.5.1;~~

~~"**Existing Exchange other than ASX**" means a person who immediately before the Effective Date was admitted to participate in CHESS as an NBP under Rule 2.5A.1;~~

~~"**Existing FDIs**" means those FDIs that immediately before the Effective Date corresponded to a class of Participating International Financial Products that were CHESS Approved Financial Products under the Old Rules;~~

~~"**Existing Foreign Clearing House**" means a person who immediately before the Effective Date was admitted to participate in CHESS as an NBP under Old Rule 2.5B.1;~~

~~"**Existing Issuer**" means a person who immediately before the Effective Date was recognised as an Issuer under the Old Rules;~~

~~"**Existing NBP**" means a person who immediately before the Effective Date was admitted to participate in CHESS as a NBP under Old Rule 2.3.1 or 2.3.2;~~

~~"**Existing NBP Subject to Restrictions**" means a person who immediately before the Effective Date was admitted to participate in CHESS as an NBP under Old Rule 2.4.1, 2.4.2 or 2.5A;~~

~~"**Existing NSSP**" means a person who immediately before the Effective Date was admitted to participate in CHESS as a NSSP under Old Rule 2.1A.1;~~

~~"**Existing Participant**" means a Participant within the meaning of the Old Rules;~~

~~"**Existing Participant Sponsored Holder**" means a Participant Sponsored Holder within the meaning of the Old Rules;~~

~~"**Existing Payments Provider**" means a person who immediately before the Effective Date was recognised as a Payments Provider under the Old Rules;~~

~~"**Existing RTGS Payments Provider**" means a person who immediately before the Effective Date was recognised as an RTGS Payments Provider under the Old Rules;~~

~~"**Existing Settlement Agent**" means a person who immediately before the Effective Date was appointed as a settlement agent under ASX Business Rule 4.51;~~

~~"**Existing Sponsorship Agreement**" means a Sponsorship Agreement within the meaning of the Old Rules;~~

~~"**Old Rules**" means the SCH Business Rules in force immediately before the Effective Date;~~

~~"**Performance Bond Lodged Under the Old Rules**" has the same meaning as the definition of Performance Bond in the Old Rules;~~

~~"**Scheduled Settlement**" has the same meaning as in the Old Rules.~~

~~From the Effective Date until 10 March 2004 the definition of "**Market Operator**" is modified to include:~~

~~(a) a securities exchange under the Old Corporations Act;~~

~~(b) an exempt stock market under section 771 of the Old Corporations Act; or~~

~~(c) a special stock market under section 770A of the Old Corporations Act,~~

~~and that definition is to be construed accordingly.~~

~~Introduced 11/03/04~~

~~17.2 TRANSITION OF PARTICIPANTS~~

~~17.2.1 Participants taken to be admitted under the Rules~~

~~From the Effective Date:~~

~~(a) each Existing Broker is taken to be admitted as a General Settlement Participant under these Rules;~~

~~(b) each Existing NBP admitted under Old Rule 2.3.1, Old Rule 2.3.2 or Old Rule 2.5A is taken to be admitted as a General Settlement Participant under these Rules;~~

~~(c) each Existing NBP Subject to Restrictions is taken to be admitted as a Specialist Settlement Participant under these Rules;~~

~~(d) each Existing Department and Subsidiary of ASX is taken to be admitted as a General Settlement Participant under these Rules;~~

~~(e) each Existing Exchange Other than ASX is taken to be admitted as a General Settlement Participant under these Rules;~~

~~(f) each Existing Foreign Clearing House is taken to be admitted as a General Settlement Participant under these Rules;~~

~~(g) each Existing NSSP is taken to be admitted as an Account Participant under these Rules; and~~

~~(h) each Existing Settlement Agent is taken to be admitted as a Settlement Agent under these Rules.~~

~~From the Effective Date until 10 March 2004 the requirement in Rule 4.3.1(b)(i) that an applicant for admission as a General Settlement Participant and the requirement in Rule 4.5.1(a) that an applicant for admission as an Account Participant be the holder of an Australian financial services licence under the Corporations Act is satisfied if the applicant for admission is the holder of a dealers licence under the Old Corporations Act, the terms of which do not prevent the applicant from carrying on a securities business in relation to any securities (as defined in section 92(1) of the Old Corporations Act), or the holder of a futures brokers licence under the Old Corporations Act.~~

~~Introduced 11/03/04~~

~~17.3 TRANSITION OF ISSUERS~~

~~17.3.1 Issuers taken to be Issuers under the Rules~~

~~From the Effective Date each Existing Issuer is taken to be an Issuer under these Rules.~~

~~Introduced 11/03/04~~

~~17.4 TRANSITION OF PAYMENTS PROVIDERS~~

~~17.4.1 Payments Providers taken to be Payments Providers under the Rule~~

~~From the Effective Date each Existing Payments Provider is taken to be a Payments Provider under these Rules. From the Effective Date each Existing RTGS Payments Provider is taken to be an RTGS Payments Provider under these Rules.~~

~~Introduced 11/03/04~~

~~17.5 TRANSITION OF APPROVED FINANCIAL PRODUCTS~~

~~17.5.1 CHESS Approved Financial Products taken to be Approved Financial Products~~

~~From the Effective Date:~~

~~(a) all Existing CHESS Approved Financial Products;~~

~~(b) all Existing CDIs; and~~

~~(c) all Existing FDIs,~~

~~are taken to be Approved Financial Products under these Rules.~~

~~Introduced 11/03/04 Amended 06/06/05~~

~~17.6 SPONSORSHIP AGREEMENTS~~

~~17.6.1 Sponsorship Agreements continue to operate~~

~~Where an Existing Participant has entered into a Existing Sponsorship Agreement with an Existing Participant Sponsored Holder in accordance with the Old Rules, the terms of that Sponsorship Agreement continue to operate under these Rules on and from the Effective Date subject to the following:~~

~~(a) Rules 7.2.2(b), 7.2.2(i) and 7.2.4 do not apply until the terms of the Existing Sponsorship Agreement are varied or amended; and~~

~~(b) Existing Participants must, on the next occasion after the Effective Date that they send a written communication to an Existing Participating Sponsored Holder, inform the Holder in writing at that time of the effect of Rules 7.2.2(b), 7.2.2(i) and 7.2.4.~~

~~For the avoidance of doubt, Section 7 of the Rules applies to all Sponsorship Agreements entered into on or after the Effective Date.~~

~~*Note: The effect of Rule 17.6 is that Rules 7.2.2(b, 7.2.2(i)) and 7.2.4 only apply to new Sponsorship Agreements entered into on or after the Effective Date and to former Sponsorship Agreements that are varied on or after the Effective Date but that Existing Participant Sponsored Holders must be informed in writing by their Sponsoring Participant of the effect of the new rules.*~~

~~Introduced 11/03/04 Amended 10/06/04~~

~~17.7 WAIVERS~~

~~17.8.1 Transactions schedule for Scheduled Settlement taken to be Scheduled for Batch Settlement~~

~~Any waivers granted under the Old Rules continue to be effective and operate in accordance with their terms and conditions as if they were made under these Rules.~~

~~Introduced 11/03/04~~

~~17.8 BATCH SETTLEMENT~~

~~Any transaction scheduled for Scheduled Settlement under the Old Rules is taken to be an Instruction scheduled for Batch Settlement under these Rules.~~

~~Introduced 11/03/04~~

~~17.9 EFFECT OF TRANSITION ON EXISTING RIGHTS AND OBLIGATIONS~~

~~17.9.1 Rights and obligations not affected~~

~~This Rule 17 does not affect any accrued rights which ASX Settlement, ASX, ASX Clear or any other person has against an Existing Participant, Existing Issuer or any other person under the Old Rules or any accrued obligations which the Existing Participant, Existing Issuer or any other person has under the Old Rules to ASX Settlement, ASX, ASX Clear or to any other person. Without limiting this Rule 17.9, following the Effective Date:~~

~~(a) ASX Settlement will continue to have jurisdiction in respect of an Existing Participant and Existing Issuer concerning any conduct or any failure to comply with the Old Rules which occurred before the Effective Date whether or not ASX Settlement was or should have been aware of that conduct or failure prior to the Effective Date. ASX Settlement will be permitted to take action against an Existing Participant or an Existing Issuer under the Old Rules for a breach of the Old Rules even if ASX Settlement only became aware of the breach on or after the Effective Date; and~~

~~(b) each Existing Participant, Existing Issuer and any other person continues to be bound by any indemnity given by the Existing Participant, Existing Issuer or person under the Old Rules to ASX Settlement, ASX, ASX Clear or any other person.~~

~~Introduced 11/03/04~~

~~17.10 PERFORMANCE BONDS~~

~~17.10.1 Valid Performance Bond to be a valid Settlement Bond or Sponsorship Bond~~

~~A valid Performance Bond Lodged Under the Old Rules by an Existing NBP is taken to be a valid Settlement Bond or Sponsorship Bond, as the case may be, lodged with ASX Settlement under these Rules subject to the following:~~

~~(a) any reference in the Performance Bond Lodged Under the Old Rules to:~~

~~(i) the SCH Business Rules is taken to be a reference to these Rules; and~~

~~(ii) the NBP requesting the issue of the bond is taken to be a reference to a Sponsorship Participant or Settlement Participant as the case may be; and~~

~~(b) the obligation under these Rules requiring a Participant to lodge a Sponsorship Bond of $500,000 or a Settlement Bond of $500,000 or both can be met by a Participant lodging and maintaining with ASX Settlement one or more bonds, including the Performance Bond Lodged Under the Old Rules, which, in combination, satisfy the required amount.~~

~~*Note: The effect of Rule 17.10 is that a valid Performance Bond Lodged Under the Old Rules in an amount of $500,000 can be used by a Participant as a Sponsorship Bond or a Settlement Bond.*~~

~~*If the Performance Bond Lodged Under the Old Rules is only for an amount of $250,000, or if it is for an amount of $500,000 and the Participant is required to lodge a Sponsorship Bond and a Settlement Bond totalling $1 million, then the Participant will have to lodge an additional bond or bonds for the shortfall so that the total of all bonds lodged with ASX Settlement satisfies the required amount.*~~

~~Introduced 11/03/04~~

~~17.11 NOTICES, CIRCULARS AND BULLETINS~~

~~17.11.1 Notices and other communications taken to be made under the Rules~~

~~Any circulars, notices, bulletins, explanatory memoranda or other communications issued or made by ASX Settlement under the Old Rules are taken to be issued or made under these Rules with such modifications to rule references and terminology as are necessary to give effect to the circular, notice, bulletin, explanatory memorandum or communication.~~

~~Introduced 11/03/04~~

~~17.12 ALLOCATION OF AICS, UICS AND PIDS~~

~~17.12.1 AIC's, UIC's and PID's taken to be allocated under the Rules~~

~~The allocation of any AIC, UIC or PID under the Old Rules is taken to be an allocation under these Rules.~~

~~Introduced 11/03/04~~

~~End of Document~~

SECTION 18 SETTLEMENT OF AQUA PRODUCTS

18.13 SPECIFIC MODIFICATIONS TO RULES

18.13.1 Modifications

The following Rules apply in relation to AQUA Products and Issuers of AQUA Products subject to the modifications specified below:

(a) Rules 5.12.2 and 5.12.3 apply as if references to "Issuer's constitution" were references to the constitution or other governing document of the registered scheme under which the AQUA Products are constituted;

(b) Rules 5.13.1 and 5.13.3 apply as if references to "total issued capital" for a class of Financial Products were references to the total number of issued Financial Products in a class of AQUA Products; ~~and~~ and

~~(c) Rule 5.19A applies as if references to "the Issuer" were references to the relevant "Product Issuer Settlement Participant".~~

(c) Rules 8.19.7 to 8.19.12 apply as if references to the "Issuer" were references to the relevant "Product Issuer Settlement Participant".

…

SECTION 19 TRANSITIONAL ARRANGEMENTS

This Section sets out transitional arrangements governing the transition from the Old System to the New System, including:

(a) the remediation, conversion and migration of Holder Record details;

(b) Messages that Facility Users are required to Transmit by the End of Day of the Old System Close Date;

(c) transitional arrangements for certain Messages and Batch Instructions;

(d) Messages that will not be migrated from the Old System to the New System;

(e) transitional arrangements for applications and redemptions of AQUA Products; and

(f) the commencement timing for the transitional arrangements.

19.1 INTERPRETATION AND GENERAL RULES

19.1.1 Definitions

In this Section 19:

"**AQUA Product Request Cut-Off** means Fund Request Cut-Off on the day that is four Business Days before the Old System Close Date.

"**Effective Period**" in respect of a Rule in this Section 19 means the period during which that Rule is effective, as specified in the Procedure to Rule 19.1.2.

"**Non-Compliance**" means an instance in which the Registration Details recorded in a Holder Record will not comply with the standards specified for Registration Details recorded in a Holder Record in the New System that are published by ASX Settlement as referred to in the Procedures.

"**New System**" means the Clearing House Electronic Subregister System operated by ASX Clear and ASX Settlement from the New System Start Date.

"**New System Start Date**" means the date that ASX Settlement notifies Facility Users as being the date on which the New System commences operation.

"**Old System**" means the Clearing House Electronic Subregister System operated by ASX Clear and ASX Settlement until the Old System Close Date.

"**Old System Close Date**" means the date that ASX Settlement notifies Facility Users as being the date on which the Old System will cease to accept Messages from Facility Users.

"**Transition Period**" means the period starting from the End of Day on the Old System Close Date and ending at the Start of Day on the New System Start Date.

19.1.2 Commencement and effectiveness of Transitional Rules

Each Rule specified in this Section 19 will:

(a) be effective on and from the commencement of the Effective Period for that Rule specified in the Procedures; and

(b) if applicable, will cease to be effective at the end of the Effective Period for that Rule specified in the Procedures.

19.2 MIGRATION OF HOLDER RECORDS

19.2.1 ASX Settlement may direct Participants to consider whether Non-Compliance in Registration Details

If ASX Settlement considers, on or before the Old System End Date, that a Non-Compliance may exist in relation to the Registration Details recorded in a Holder Record for a person on behalf of whom a Participant is authorised to operate one or more CHESS Holdings:

(a) ASX Settlement may direct the Participant to consider whether such a Non-Compliance exists; and

(b) if ASX Settlement directs a Participant under paragraph (a), the Participant must by the time specified by ASX Settlement:

(i) consider whether a Non-Compliance exists in relation to the Registration Details; and

(ii) if a Non-Compliance exists, remediate the Non-Compliance that exists in relation to the Registration Details recorded in the Holder Record in accordance with Rule 19.2.2.

19.2.2 Remediation of Registration Details by Participants prior to Migration

Subject to Rules 8.18.2 and 8.18.9, if before the Old System Close Date, either as a result of a direction under Rule 19.2.1(a) or otherwise, a Participant becomes aware of a Non-Compliance in the Registration Details recorded in a Holder Record for a person on behalf of whom the Participant is authorised to operate one or more CHESS Holdings, the Participant must by the time specified by ASX Settlement take the actions specified in the Procedures to remediate the relevant Registration Details so that they comply with the standards specified for Registration Details in a Holder Record that are published by ASX Settlement as referred to in the Procedures.

Note: If the remediation of a Non-Compliance would involve a change to the substance of the Registration Details, then this is a Change of Registration Details which needs to be performed by Participants in accordance with Rules 8.18.2 or 8.18.9 (as applicable), including receiving written authority from the Holder to effect that change.

19.2.3 Action to be taken by ASX Settlement

Subject to Rule 19.2.4, ASX Settlement, after receipt of a Valid Originating Message in accordance with the Procedures under Rule 19.2.2 for the remediation of Registration Details of the Holder, must:

(a) remediate the Registration Details recorded in the Holder Record in accordance with the details in the Valid Originating Message; and

(b) within the Scheduled Time, give notice to the persons identified in the Procedures of the matters specified in the Procedures.

19.2.4 ASX Settlement may request documentation

Prior to Transmitting a Message under Rule 19.2.2, a Participant must, where applicable, have and maintain documentation to verify that the requested remediation of Registration Details is correct.

ASX Settlement may request that such documentation be provided to it within a specified time and if so, the Participant must within that time:

(a) give ASX Settlement such documentation as ASX Settlement requires to support the requested remediation; and

(b) reference the supporting documentation to the HIN for the relevant Holder Record.

The obligations under this Rule 19.2.4 also apply to remediations of Registration Details of the type referred to in Rule 19.2.2 but which are effected by the Participant prior to the Effective Period for Rule 19.2.2.

19.2.5 Participant indemnities

(a) If a Participant has Transmitted a Message to ASX Settlement, including a Message Transmitted under Rule 19.2.2 or a Message of a type referred to in Rule 19.2.2 but Transmitted prior to the Effective Period for Rule 19.2.2, to remediate a Non-Compliance in the Registration Details recorded in a Holder Record so that they comply with the standards for Registration Details recorded in a Holder Record in the New System that are published by ASX Settlement as referred to in the Procedures, but the Participant has provided incorrect details in the Message requesting the remediation, the Participant indemnifies ASX Settlement and the Issuer from and against all losses, damages, costs and expenses which ASX Settlement or the Issuer may suffer or incur in connection with any inaccuracy in the details provided in that Message.

(b) If a Participant fails to remediate a Non-Compliance that exists in relation to the Registration Details recorded in the Holder Record under Rule 19.2.1 or Rule 19.2.2, the Participant indemnifies ASX Settlement and the Issuer against all losses, damages, costs and expenses that they may suffer or incur as a result of that failure.

19.2.6 Remediation of Registration Details by ASX Settlement during Transition Period

During the Transition Period, if ASX Settlement considers there to be a Non-Compliance in the Registration Details recorded in a Holder Record and:

(a) the Non-Compliance is of a type specified in the Procedures; and

(b) at the End of Day on the Old System Close Date, either:

(i) one or more Holdings are linked to the Holder Record;

(ii) ASX Settlement has scheduled for settlement on or after the New System Start Date a Batch Instruction linked to the Holder Record; or

(iii) ASX Settlement otherwise determines at its absolute discretion to remediate the Registration Details recorded in the Holder Record under paragraph (c) below,

ASX Settlement will:

(c) during the Transition Period remediate the Registration Details recorded in the Holder Record in accordance with the Procedures; and

(d) within the Scheduled Time, give notice to the persons identified in the Procedures of the matters specified in the Procedures.

19.2.7 Conversion and migration of Holder Records

During the Transition Period, ASX Settlement will:

(a) subject to Rule 19.2.8:

(i) convert the Holder Records in the Old System in accordance with the conversion logic that is published by ASX Settlement as referred to in the Procedures; and

(ii) record those converted Holder Records in the New System; and

(b) in respect of each Holder Record in the Old System that pursuant to Rule 19.2.8 ASX Settlement does not convert and migrate under paragraph (a) above:

(i) not record the Holder Record in the New System; and

(ii) within the Scheduled Time, give notice to the persons identified in the Procedures of the matters specified in the Procedures.

Note: For the purposes of converting Holder Records under Rule 19.2.7, where a Holder Record contains Registration Details for more than one Holder and is subject to a Holder Record Lock due to the death or bankruptcy of one or more Holders, ASX will apply a named holder indicator to the first named Holder that is recorded on the relevant Holder Record.

Where a Holder Record has not been recorded in the New System under paragraph (a) above, that Holder Record will not be available for use to record Holdings of that Holder. Accordingly another Holder Record (whether new or existing) will need to be used to record Holdings of that Holder.

19.2.8 Holder Records excluded from conversion and migration

If a Holder Record is of a type specified under the Procedures, ASX Settlement will not convert and migrate the Holder Record under Rule 19.2.7 unless it determines otherwise at its absolute discretion.

19.2.9 Change of Email Purpose by ASX Settlement during Transition Period

If the Registration Details recorded in a Holder Record contain Email Details that include an Email Purpose of either ASX Settlement and Issuer communications or ASX Settlement communications, based on a Message received by ASX Settlement prior to the e-statements commencement date with such Email Purpose, ASX Settlement will:

(a) during the Transition Period, in the case of an Email Purpose of ASX Settlement and Issuer communications, change the Registration Details by converting such communication preference to Issuer communications only and record that the Holder wishes to receive communications by post from ASX Settlement regarding Financial Products in a CHESS Holding linked to the Holder Record;

(b) during the Transition Period, in the case of an Email Purpose of ASX Settlement communications, change the Registration Details by removing the preference to receive ASX Settlement communications by delivery to an email address and record that the Holder wishes to receive communications by post from ASX Settlement regarding Financial Products in a CHESS Holding linked to the Holder Record; and

(c) within the Scheduled Time, give notice to the persons identified in the Procedures of the matters specified in the Procedures.

ASX Settlement will not give Notice of any change to Registration Details to Participant Sponsored Holders under paragraphs (a) and (b) above.

Note: The changes referred to in paragraphs (a) and (b) above will update the Email Purpose recorded in the New System in respect of a Holder's Registration Details (where applicable) so as to reflect the existing approach for ASX Settlement communications pursuant to which ASX Settlement delivers communications by post and does not deliver communications to an email address unless a Message which contains Email Details that include an Email Purpose of either ASX Settlement and Issuer communications or ASX Settlement communications has been received by ASX Settlement on or after the e-statements commencement date.

Where such a Message has been received by ASX Settlement on or after the e-statements commencement date, the Email Purpose is not affected by the changes referred to in paragraphs (a) and (b) above and accordingly will continue unchanged in the New System.

19.2.10 Removal of Email Details by ASX Settlement during Transition Period

If the Registration Details recorded in a Holder Record contain Email Details in relation to which a Non-Compliance exists, ASX Settlement will, unless it determines otherwise at its absolute discretion:

(a) during the Transition Period, change the Registration Details so as to:

(i) remove the Email Details;

(ii) record that the Holder wishes to receive communications by post from ASX Settlement and the Issuer regarding Financial Products in a CHESS Holding linked to the Holder Record; and

(b) within the Scheduled Time, give notice to the persons identified in the Procedures of the matters specified in the Procedures.

ASX Settlement will not give Notice of any change to Registration Details to Participant Sponsored Holders under paragraph (a) above.

Note: The changes referred to in this Rule 19.2.10 do not in practice impact the receipt of communications by Holders as the email addresses affected under this Rule 19.2.10 are invalid and therefore not usable.

19.2.11 Limitation of ASX Settlement liability

ASX Settlement has no liability to:

(a) Issuers;

(b) Participants;

(c) Holders; or

(d) any other person,

with respect to the remediation, conversion and migration of Holder Records by ASX Settlement under Rule 19.2.6 or Rule 19.2.7 or the change of Email Purpose or removal of Email Details by ASX Settlement under Rule 19.2.9 or Rule 19.2.10 unless it acts negligently or in wilful default.

19.2.12 Confirmation of Entity Type for uncategorised Holder Records from New System Start Date

If the Entity Type for a Holder is recorded as "Unknown (UNKN)" in the Holder Record, a Participant Transmitting a Message on or after the New System Start Date under Rule 8.18.2, 8.18.6, 8.18.9, or 8.18.12 to notify ASX Settlement of a change to details recorded in a Holder Record must either:

(a) include in that Message the Entity Type for each Holder recorded in the Holder Record in accordance with the Procedures; or

(b) first Transmit to ASX Settlement a Valid Message in accordance with the Procedures to change the Entity Type for each Holder recorded in the Holder Record.

19.3 UNACTIONED AND UNMATCHED MESSAGES

19.3.1 Reducing to End of Day on Old System Close Date the time for Facility Users to comply with requirements on Messages received

Notwithstanding the relevant Scheduled Time specified in Appendix 1 for a Rule referred to in this Rule 19.3.1:

(a) if:

(i) a Facility User receives a Valid Message from ASX Settlement of a type specified in the Procedures before the End of Day on the Old System Close Date; and

(ii) but for this Rule 19.3.1, the Scheduled Time for the Facility User to comply with a corresponding requirement (including to respond to the Message) under the relevant Rule specified in the Procedures ends after the End of Day on the Old System Close Date,

(b) then:

(i) the Scheduled Time for the Facility User to comply with a requirement (including to respond to a Message) under the relevant Rule specified in the Procedures is by the End of Day on the Old System Close Date; and

(ii) the Facility User must comply with the requirements (including to respond to a Message) under the relevant Rule specified in the Procedures by the End of Day on the Old System Close Date.

Note: If a Facility User receives a Message of a type specified in the Procedure to Rule 19.3.1(a) before the End of Day on the Old System Close Date and the relevant Facility User does not respond to the Message by the End of Day on the Old System Close Date, pursuant to Rule 19.3.4 the Message will not be migrated to the New System unless the Message is of a type specified in the Procedure to Rule 19.3.4.

If the Message is a notification to the Controlling Participant of a takeover offer acceptance submitted by the Participant Bidder under Rule 14.14.8, and the Controlling Participant fails to respond to that Message under Rule 14.14.9 by the End of Day on the Old System Close Date, the indemnity provided by the Controlling Participant under Rule 14.15.8(b) applies such that the Scheduled Time for the purpose of that indemnity is by the End of Day on the Old System Close Date.

19.3.2 Reducing to End of Day on Old System Close Date the time for Matching of Messages by ASX Settlement

Notwithstanding the relevant Scheduled Time specified in Appendix 1 for a Rule referred to in this Rule 19.3.2:

(a) if:

(i) ASX Settlement receives a Valid Message from a Participant of a type specified in the Procedures before the End of Day on the Old System Close Date; and

(ii) but for this Rule 19.3.2 the Scheduled Time for that Message to be Matched by ASX Settlement with a corresponding Message Transmitted by the counterparty Participant under the relevant Rule specified in the Procedures ends after the End of Day on the Old System Close Date,

(b) then the Scheduled Time for the Message to be Matched by ASX Settlement with a corresponding Message Transmitted by the counterparty Participant under the relevant Rule specified in the Procedures is by the End of Day on the Old System Close Date.

Note: If ASX Settlement receives a Message from a Participant of a type specified in the Procedure to Rule 19.3.2(a) before the End of Day on the Old System Close Date and the Message is not Matched by ASX Settlement with a corresponding Message from the counterparty Participant by the End of Day on the Old System Close Date, pursuant to Rule 19.3.4 the Message will not be migrated to the New System unless the Message is of a type specified in the Procedure to Rule 19.3.4.

19.3.3 Reducing to End Of Day on Old System Close Date the time for processing change of Controlling Participant requests

(a) If, in relation to a change of the Controlling Participant for a Holding under Rule 8.17:

(i) the Participant assuming control of the Holding gives notice of the change to ASX Settlement under Rule 8.17.1 before the Old System Close Date; and

(ii) the Participant relinquishing control of the Holding has not accepted or rejected the change in accordance with the necessary CHESS Subregister administration processes by 4:00 pm on the End of Day on the Old System Close Date,

the Participant assuming control of the Holding must cancel the change in accordance with the necessary CHESS Subregister administration processes by the End of Day on the Old System Close Date.

Note: If ASX Settlement receives a Message from a Participant assuming control of a Holding of a change of Controlling Participant but has not also received a Message from the Participant relinquishing controlling of the Holding of the change of Controlling Participant under Rule 8.17.1 before the End of Day on the Old System

Close Date, pursuant to Rule 19.3.4 the Message will not be migrated to the New System unless the Message is of a type specified in the Procedure to Rule 19.3.4.

For the purposes of this Rule 19.3.3, Controlling Participants are expected to liaise with one another to facilitate the orderly acceptance, rejection or cancellation (as applicable) of change requests arising on or just prior to the Old System Close Date.

19.3.4 Unactioned or unmatched Messages at end of Day on Old System Close Date not migrated

Notwithstanding any other Rule:

(a) if a Message is:

(i) Transmitted by a Facility User or ASX Settlement through the Old System before the End of Day on the Old System Close Date;

(ii) not responded to by another Facility User or otherwise Matched by ASX Settlement (as applicable) through the Old System, by the End of Day on the Old System Close Date; and

(iii) not of a type specified in the Procedures,

ASX Settlement will not migrate the Message from the Old System to the New System and will not give effect to the Message; and

(b) if a Facility User Transmits a Message to ASX Settlement on or after the New System Start Date responding, or purporting to respond, to a Message that is not migrated by ASX Settlement under paragraph (a), ASX Settlement will not give effect to the Message Transmitted by the Facility User.

Note: Subject to these Rules, requests, notifications or other actions relating to Messages Transmitted through the Old System that are not migrated by ASX Settlement may be re-initiated by Facility Users in the New System from the New System Start Date.

Where a Valid Message Transmitted through the Old System is of a type specified in the Procedure to Rule 19.3.4(a)(iii) and that Message has not otherwise been purged under these Rules (including under Rule 16.16.12), ASX Settlement may give effect to that Message through the New System from the New System Start Date.

19.3.5 Rejection by Participant Bidder of Offer Accepted Subposition after Old System Close Date

For the purposes of Rule 14.14.5, where the Participant Bidder rejects the reservation of Financial Products in an Offer Accepted Subposition for which:

(a) the Participant Bidder received notification from ASX Settlement under Rule 14.5.1 on or prior to the Old System Close Date; and

(b) the Scheduled Time under Rule 14.14.5 for notifying a rejection of the reservation of Financial Products in the Offer Accepted Subposition ends after the Old System Close Date,

the Participant Bidder may only notify the rejection of the reservation of Financial Products in the Offer Accepted Subposition after the Old System Close Date by Transmitting a Message to ASX Settlement as specified in the Procedures (rather than by Message rejecting the reservation in accordance with ASXSOR 14.14.5).

Note: For the purposes of Rule 19.3.5, ASX expects that if the Participant Bidder is aware that it will not be accepting the relevant Offer Accepted Subposition that it will reject the reservation of Financial Products in an Offer Accepted Subposition by End of Day on the Old System Close Date by Transmitting a Message to ASX Settlement rejecting the reservation in accordance with ASXSOR 14.14.5.

19.4 BATCH INSTRUCTIONS

19.4.1 Migration of CCP Batch Instructions

Each CCP Batch Instruction received or deemed to be received by ASX Settlement by Start of Day on the New System Start Date from an Approved Clearing Facility in respect of the Old System which is yet to be discharged in full, is to be recorded in the New System and scheduled for settlement in DvP Batch Settlement on the Settlement Date notified by the Approved Clearing Facility as a:

(a) CCP Rescheduled Batch Instruction, unless paragraph (b), (c) or (d) applies;

(b) CCP Offsetting Transaction Arrangement Batch Instruction, where the CCP Batch Instruction deemed to be received by ASX Settlement was a CCP Batch Instruction deemed to be generated by the Approved Clearing Facility in relation to obligations and entitlements under the second leg of an Offsetting Transaction Arrangement entered into in respect of a Failed CCP Batch Instruction;

(c) CCP Isolate Counterparty Batch Instruction, where the CCP Batch Instruction received by ASX Settlement was a CCP Gross Batch Instruction created by the Approved Clearing Facility under ASX Clear Operating Rule 12.9.1;

(d) CCP Market Trade Batch Instruction, where the Settlement Date notified by the Approved Clearing Facility in the CCP Batch Instruction received by ASX Settlement is the third Business Day from the New System Start Date or a subsequent Business Day.

Note: Rule 19.4.1(d) above applies where ASX Clear has classified a Cash Market Transaction which underlies a CCP Batch Instruction as "deferred delivery" or "deferred settlement", in which case the Cash Market Transaction is to be settled on a date later than the standard second Business Day following the date that the transaction was created or reported to the Approved Market Operator.

ASX Settlement will also record in the New System, Batch Instructions other than those referred to in Rule 19.4.1 (e.g. Dual Entry Batch Instructions (renamed as Bilateral Batch Instructions in the New System) and Single Entry Batch Instructions (renamed as Unilateral Batch Instructions in the New System), where those Batch Instructions are scheduled for Batch Settlement in respect of the Old System and are yet to be discharged in full.

19.4.2 Linked CCP Batch Instructions

(a) For each CCP Gross Batch Instruction migrated to the New System as a CCP Rescheduled Batch Instruction under Rule 19.4.1(a) for which the Approved Clearing Facility notifies ASX Settlement that it has determined the underlying Cash CCP Transaction (as defined in the ASX Clear Operating Rules) to be of a type under ASX Clear Operating Rule 24.4.2(a) and notifies ASX Settlement of a unique identifier code in respect of that CCP Gross Batch Instruction, ASX Settlement will:

(i) apply to the CCP Rescheduled Batch Instruction recorded in the New System and scheduled for settlement in DvP Batch Settlement in respect of the CCP Gross Batch Instruction, the unique identifier code notified by the Approved Clearing Facility in respect of the CCP Gross Batch Instruction; and

(ii) link, for the purpose of Batch Settlement, the CCP Rescheduled Batch Instructions with the same unique identifier code, so that if one of the linked CCP Rescheduled Batch Instructions is Failed or Failed in part on a Settlement Date, the linked CCP Rescheduled Batch Instructions with the same unique identifier code will also be Failed or Failed in part (as applicable) on that Business Day.

(b) For each CCP Gross Batch Instruction migrated to the New System as a CCP Isolate Counterparty Batch Instruction under Rule 19.4.1(b) for which the Approved Clearing Facility notifies ASX Settlement of a unique identifier code in respect of that CCP Gross Batch Instruction, ASX Settlement will:

(i) apply to the CCP Isolate Counterparty Batch Instruction recorded in the New System and scheduled for settlement in DvP Batch Settlement in respect of the CCP Gross Batch Instruction, the unique identifier code notified by the Approved Clearing Facility in respect of the CCP Gross Batch Instruction; and

(ii) link, for the purpose of Batch Settlement, the CCP Isolate Counterparty Batch Instructions with the same unique identifier

code in the manner set out in Rule 10.9.19 as applies from the New System Start Date.

19.4.3 Cancellation of suspended Batch Instruction

Notwithstanding Rules 8.5.1(c), 8.25.1(f), 10.16.1(c) or 10.21.2(b), if a Batch Instruction has been suspended under Rules 8.5.1(a), 8.25.1(f), 10.16.1(a), 10.16.1(aa), 10.21.2(a) or 12.19.8(c) and the Batch Instruction remains suspended at End of Day on the Old System Close Date, ASX Settlement may, at its discretion, cancel and remove the Batch Instruction during the Transition Period. If ASX Settlement cancels or removes the Batch Instruction under this Rule 19.4.3, it will not migrate the Batch Instruction from the Old System to the New System and will not give effect to the Batch Instruction.

19.5 SETTLEMENT OF AQUA PRODUCTS

19.5.1 Initiation of application and redemption requests

Despite any other Rule:

(a) a Settlement Participant may not initiate a request:

(i) for issue or redemption of AQUA Products in accordance with Rule 18.3.1 during the period commencing at the AQUA Product Request Cut-Off and ending at Start of Day on the New System Start Date; or

(ii) to Switch between AQUA Products in accordance with Rule 18.4.1 on or after AQUA Product Request Cut-Off;

(b) if, despite Rule 19.5.1(a), a Settlement Participant Transmits a Valid Originating Message in accordance with Rule 18.3.1 or 18.4.1 during the relevant period specified in Rule 19.5.1(a), ASX Settlement is not required to Transmit a Message to a Product Issuer Settlement Participant in accordance with Rule 18.3.3(a) or 18.4.3(a) (as applicable);

(c) if, despite Rule 19.5.1(b), a Message is Transmitted by ASX Settlement to the relevant Product Issuer Settlement Participant in accordance with Rule 19.5.1(b) in respect a request for issue or redemption of AQUA Products or to Switch between AQUA Products, initiated during the relevant period specified in Rule 19.5.1(a):

(i) the Product Issuer Settlement Participant must Transmit a Valid Message to ASX Settlement rejecting the request and specifying the information required by the Procedure to Rule 18.3.3(b); and

(ii) if ASX receives a Valid Message from the Product Issuer Settlement Participant in accordance with Rule 19.5.1(c)(i), ASX Settlement must Transmit a Message to the Settlement Participant that initiated the request notifying it that the request has been rejected.

19.5.2 Initial application for issue of AQUA Products

Subject to Rule 19.5.1, in respect of a request for the issue of AQUA Products initiated by a Settlement Participant in accordance with Rule 18.3.1 before AQUA Product Request Cut-Off, if ASX Settlement has not received a Valid Originating Message containing all the matters required under Rule 18.3.1 by End of Day on the Old System Close Date, ASX Settlement will cancel the Originating Message relating to the request and notify the Settlement Participant of such cancellation.

Note: This Rule 19.5.2 is subject to Rule 19.5.1. If ASX Settlement has not received a Valid Originating Message in respect of the relevant request for issue of AQUA Products before AQUA Product Request Cut-Off, a Sponsoring Participant will next be able initiate the relevant request on or after the New System Start Date.

19.5.3 Product Issuer Settlement Participant must reject certain requests by Old System Close Date

Subject to Rule 19.5.1, if a Product Issuer Settlement Participant receives a Message from ASX Settlement in accordance with Rule 18.3.3(a) on or before the Old System Close Date, notifying of a request for the issue or redemption of AQUA Products, then despite any other Rule, the Product Issuer Settlement Participant must reject the request if accepting the request would result in:

(a) an AQUA Payment Batch Instruction being scheduled for settlement in Batch Settlement on or after the New System Start Date; or

(b) the Holding Adjustment under Rule 18.3.6(b) in respect of the request occurring on or after the New System Start Date.

Note Rule 19.3.1 applies to a Message Transmitted in accordance with Rule 18.3.3(b).

19.5.4 Payment for issue or redemption scheduled after the Old System Close Date

If a Product Issuer Settlement Participant receives notification from ASX Settlement under Rule 18.3.6(a)(ii) on or before the Old System Close Date that an AQUA Payment Batch Instruction is scheduled for settlement in Batch Settlement after the Old System Close Date, the Product Issuer Settlement Participant must request cancellation of that request under Rule 18.5.1 by the End of Day on the End System Close Date.

Note: In the case of a request cancelled under this Rule 19.5.4, the relevant payment and holding adjustment must be completed outside CHESS.

19.5.5 Payment for redemption not settled by the Old System Close Date

(a) If, in respect of a request for redemption of AQUA Products accepted by the Product Issuer Settlement Participant under Rule 18.3.3(b), an AQUA Redemption Payment Batch Instruction is Failed on the Old System Close Date and rescheduled for settlement after the Old System Close Date under Rule 10.11.7(d), the Product Issuer Settlement

Participant must request cancellation of the request under Rule 18.5.1 by the End of Day on the End System Close Date.

(b) If the Product Issuer Settlement Participant fails to request cancellation of the request under Rule 18.5.1 in accordance with Rule 18,5,5(a), ASX Settlement may, at its discretion, cancel and remove the relevant AQUA Redemption Payment Batch Instruction during the Transition Period. If ASX Settlement cancels or removes the AQUA Redemption Payment Batch Instruction under this Rule 19.5.5, it will not migrate that AQUA Redemption Payment Batch Instruction from the Old System to the New System and will not give effect to the AQUA Redemption Payment Batch Instruction.

Note: In the case of a request for redemption of AQUA Products where a Holding Adjustment has been processed by the End of Day on the Old System Close Date in respect of the request, payment must be completed outside CHESS.

19.5.6 Reinitiated requests after the Old System Close Date are new requests

If:

(a) a request for issue or redemption of AQUA Products is initiated by a Settlement Participant under Rule 18.3.1 before the Old System Close Date;

(b) the request is cancelled or rejected in accordance with this Rule 19.5; and

(c) on or after the New System Start Date, the Controlling Participant initiates a request for issue or redemption of AQUA Products in respect of the request cancelled under paragraph (b),

the request initiated under paragraph (c) will be a new request, initiated on or after the New System Start Date under the Rules applicable to the New System.

19.5.7 ASX Settlement limitation of liability

ASX Settlement has no liability to:

(a) Issuers;

(b) Settlement Participants;

(c) any client of a Settlement Participant that has lodged a request for issue or redemption or Switch of AQUA Products;

(d) Holders of AQUA Products; or

(e) any other person claiming an interest in AQUA Products,

with respect to any action or failure to take action by an Issuer, Product Issuer Settlement Participant or other Settlement Participant in connection with a request for issue or redemption or Switch of AQUA Products, including (without limitation):

(f) an Issuer's failure to issue or redeem AQUA Products or to make available redemption moneys;

(g) failure by a Product Issuer Settlement Participant or other Settlement Participant to deliver AQUA Products or to settle an AQUA Payment Batch Instruction;

(h) failure by the Product Issuer Settlement Participant to provide an income advice for AQUA Products or the accuracy or completeness of any such income advice for AQUA Products provided by the Product Issuer Settlement Participant; or

(i) failure by the Product Issuer to process a request for a change to details of a Holder's standing instructions for the issue or redemption of AQUA Products,

in connection with this Rule 19.5.

End of Document

APPENDIX 1 SCHEDULED TIMES

Rule Number	Requirement	Sydney Time
Rule 8.19.8	ASX Settlement to notify the Issuer and the Controlling Participant of the addition or cancellation of bank ~~Australian ADI A~~account details	within 4 hours of receiving notification from a Participant under Rule 8.19.7.
Rule 8.19.9	Issuer to notify ASX Settlement that it accepts or rejects the bank ~~Australian ADI A~~account details	by End of Day on the Business Day following the Business Day on which the notification under Rule 8.19.8 was received from ASX Settlement.
Rule 8.19.10	Issuer to record bank ~~Australian ADI~~ details	before the End of Day on the day the Issuer notifies ASX Settlement of acceptance under Rule 8.19.9(a).
Rule 8.19.11	Issuer to remove bank ~~Australian ADI~~ details	before the End of Day on the day on which the notification under Rule 8.19.8 was received from ASX Settlement.
Rule 8.18.3	ASX Settlement to ~~process~~ give notice of an amendment to Registration Details~~a Holder Record~~	within 5~~2~~ Business Days of amending the Registration Details ~~receiving the documentation required under the Procedures relating to Rule 8.18.3.~~
Rule 8.18.13	ASX Settlement to give notice of an amendment to a Holder Record	within 5~~2~~ Business Days of amending the Holder Record
Rule 10.5.3	Participants to Match removal request for Direct Batch Instruction or Bilateral Batch Instruction from Scheduled Settlement. Amended 27/06/11	before Settlement Cut-Off on the Settlement Date notified to ASX Settlement by the relevant Approved Market Operator.
Rule 10.9.1	Settlement Participants to request ~~change~~ cancellation of CCP Isolate Counterparty Batch Instructions~~to settlement obligations~~.	~~before End of Day on the Business Day before the Settlement Date notified to ASX Settlement by an Approved Market Operator.~~ by Settlement Cut-Off on the Settlement Date.
~~Rule 10.9.1(a)(ii)~~	~~ASX Settlement to notify that change effected.~~	~~within 60 minutes of ASX Settlement effecting the change.~~
Rule 10.9.1A	Notification of CCP ~~Net~~ Batch Instructions ~~and CCP Gross Batch Instructions~~ to Settlement Agent	At or about the time the relevant CCP Batch Instructions would have been notified to the Clearing Participant that the Settlement Participant acts as Settlement Agent for, under the ASX Clear Operating Rules~~By Start of Day on the Business Day before the Settlement Date~~

Rule Number	Requirement	Sydney Time
Rule 10.9.2	Participant to transmit Bilateral~~Dual Entry~~ Batch Message.	• if the instruction involves a Settlement Amount – before Trade Instruction Cut-Off on the Settlement Date specified by the Participants; • otherwise – before Settlement Cut-Off on the Settlement Date specified by the Participants.
Rule 10.9.3(c)	Bilateral ~~Dual Entry~~ Batch Messages ~~or Dual Entry Payment Batch Messages~~ to be matched.	• if the instruction involves a Settlement Amount – by Trade Instruction Cut-Off on the Settlement Date specified by the Participants; • otherwise – by Settlement Cut-Off on the Settlement Date specified by the Participants.
Rule 10.9.3(d)	Bilateral ~~Dual Entry~~ Batch Messages ~~or Dual Entry Payment Batch Messages~~ unmatched.	• if the instruction involves a Settlement Amount – by Trade Instruction Cut-Off on the Settlement Date specified by the Participants; • otherwise – by Settlement Cut-Off on the Settlement Date specified by the Participants.
Rule 10.9.3(d)(ii)	ASX Settlement to notify Participant that message cancelled.	within 60 minutes of ASX Settlement cancelling the Bilateral~~Dual Entry~~ Batch Message ~~or Dual Entry Payment Batch Message~~.
Rule 10.9.5	Participant to transmit Message to ASX Settlement to request change to Bilateral~~Dual Entry~~ Batch Instruction.	• if the instruction involves a Settlement Amount – before Trade Instruction Cut-Off on the Settlement Date specified by the Participants; • otherwise – before Settlement Cut-Off on the Settlement Date specified by the Participants.
Rule 10.9.5(e)	ASX Settlement to notify Participant that Bilateral~~Dual Entry~~ Batch Instruction changed.	within 60 minutes of ASX Settlement effecting the change to the Settlement Instruction.
Rule 10.9.6	Participant to transmit message requesting cancellation of Message.	• if the instruction involves a Settlement Amount – before Trade Instruction Cut-Off on the Settlement Date specified by the Participants; • otherwise – before Settlement Cut-Off on the Settlement Date specified by the Participants.

Rule Number	Requirement	Sydney Time
Rule 10.9.7	Messages to cancel Bilateral~~Dual Entry~~ Batch Instruction ~~or a Dual Entry Payment Batch Instruction~~ are Matched.	• if the instruction involves a Settlement Amount – by Trade Instruction Cut-Off on the Settlement Date specified by the Participants; • otherwise – by Settlement Cut-Off on the Settlement Date specified by the Participants.
Rule 10.9.7(b)	Participant to transmit Message to cancel original request.	at any time before the Messages are Matched by ASX Settlement under Rule 10.9.7(a).
Rule 10.9.11	Participant to transmit Unilateral~~Single Entry~~ Batch Message.	before Settlement Cut-Off on the Settlement Date specified by the Participant.
Rule 10.9.12	Participant to cancel Unilateral~~Single Entry~~ Batch Message	• if the instruction involves a Settlement Amount – before Trade Instruction cut-off on the Settlement Date specified by the Participants; • otherwise – before Settlement Cut-Off on the Settlement Date specified by the Participants.
~~Rule 10.10.2~~	~~ASX Settlement to notify Participant of projected net obligations for payment and Financial Products~~.	~~if the instruction involves a Settlement Amount – immediately after Trade Instruction Cut-Off on the Settlement Date specified by the Participants;~~ ~~otherwise – immediately after Settlement Cut-Off on the Settlement Date specified by the Participants.~~
Rule 10.10.4(a)	ASX Settlement to notify Participant of payment obligation or entitlement.	concurrent with or prior to ASX Settlement notifying the Participant's Payments Provider in relation to the Participant's Payment Facility pursuant to clause 3.1(a) of the Standard Payments Provider Deed~~Standard Client Bank Deed.~~
Rule 10.10.4(b)	ASX Settlement to notify Participant of revised payment obligation or entitlement.	concurrent with or prior to ASX Settlement notifying the Participant's Payments Provider in relation to the Participant's Payment Facility pursuant to clause 3.3(a) of the Standard Payments Provider Deed ~~Standard Client Bank Deed~~.
Rule 10.10A.2	ASX Settlement to notify Participant of net Client Trust Account payment obligation or entitlement. Introduced 25/05/15	concurrent with or after~~prior to~~ ASX Settlement notifying the Participant's Payments Provider in relation to the Participant's PID.

Rule Number	Requirement	Sydney Time
Rule 10.11.2(a)	If Source Holding would give rise to a Financial Products Shortfall.	by Settlement Cut-Off on the Business Day on which the Batch Instructions fall due for Batch Settlement.
Rule 10.11.2(b)	If Participant's net obligation to make payment is not authorised.	by Authorisation Response Cut-Off as defined in the Standard Payments Provider Deed~~Standard Client Bank Deed~~.
Rule 10.11.3(d)	ASX Settlement may request Payments Provider to authorise increased net obligation to make payment.	by ~~Revised~~ Authorisation Response Cut-Off as defined in the Standard Payments Provider Deed~~Standard Client Bank Deed~~.
Rule 10.11.12	Failed Settlement Shortfall exists. Introduced 30/03/09	by Settlement Cut-Off on the second Business Day after the day on which the Rescheduled Batch Instruction was originally scheduled for settlement.
Rule 10.12.1	ASX Settlement to be satisfied that Source Holding will not give rise to a Financial Products Shortfall.	before ~~Inter-Bank Payment System Closure~~RITS Closure as defined in the Standard Payments Provider Deed ~~Standard Client Bank Deed~~.
Rule 10.13.3	ASX Settlement to notify Participant of net movement of Financial Products and funds for each Holding and funds for each Payment Facility~~if Batch Instruction has settled~~.	within 30 minutes of ASX Settlement transferring Financial Products under Rule 10.12.1(e).
Rule 10.14.2	ASX Settlement to notify cancellation of Batch Settlement.	within 30 minutes of ASX Settlement cancelling settlement under Rule 10.14.1.
Rule 10.15.1(a)	Payments Provider to authorise net obligation to make payment.	before Authorisation Response Cut-Off as defined in the Standard Payments Provider~~Client Bank~~ Deed.
Rule 10.15.1(b)	Payments Provider to authorise increased net obligation to make payment.	before ~~Revised~~ Authorisation Response Cut-Off as defined in the Standard Payments Provider ~~Client Bank~~ Deed.
Rule 16.20.2	ASX Settlement to provide a Standing Report to a Facility User and Holding Net Movement Report and Total Security Balance Report to an Issuer	after End of Day on each Business Day
Rule 19.2.3	ASX Settlement to give notice of a remediation of Registration Details	To Participants and Issuers (as applicable) - within 2 Business Days of remediating the Registration Details. To Participant Sponsored Holders (as applicable) – within 5 Business Days of remediating the Registration Details.

Rule Number	Requirement	Sydney Time
Rule 19.2.6	ASX Settlement to give notice of a remediation of Registration Details	To Participants and Issuers (as applicable) - within 2 Business Days of remediating the Registration Details To Participant Sponsored Holders (as applicable) – within 5 Business Days of remediating the Registration Details.
Rule 19.2.7(b)	ASX Settlement to give notice that a Holder Record has not been recorded in the New System	To Participants - within 2 Business Days of not recording the Holder Record in the New System To Participant Sponsored Holders (as applicable) - within 5 Business Days of not recording the Holder Record in the New System
Rule 19.2.9	ASX Settlement to give notice of a change of Email Purpose	within 2 Business Days of changing the Email Purpose
Rule 19.2.10	ASX Settlement to give notice of removal of Email Details	within 2 Business Days of not recording Email Details in New System

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APPENDIX 2 [DELETED]

~~DEMAND TRANSFER MESSAGES INITIATED BY PARTICIPANTS FOR WHICH A STANDING HIN MAY BE NOMINATED~~

~~Message Type~~	~~Message Number and Name~~
~~1. Messages where the nominated Standing HIN is applied if the HIN for the Holder of the Target Holding is not specified by the Participant that Transmits the Message initiating the Transfer~~	~~015 Issuer Sponsored to CHESS Transfer Request~~ ~~021 Certificated to CHESS Transfer Request~~
~~2. Messages where the nominated Standing HIN is applied if the HIN for the Holder of the Source Holding is not specified by the Participant that Transmits the Message initiating the Transfer:~~	~~003 Transferor Submitted Demand Transfer~~ ~~007 Demand CHESS to Issuer Sponsored Transfer Request~~ ~~009 Demand CHESS to Certificated Transfer Request~~
~~3. Messages where the nominated Standing HIN is applied if:~~ ~~(i) the HIN for the Holder of the Target Holding; or~~ ~~(ii) the HIN for the Holder of the Source Holding,~~ ~~is not specified by the Participant that Transmits the Message initiating the Transfer provided that either the Source Holding or the Target Holding has been specified in the Message by that Participant.~~	~~001 Demand Single Entry CHESS to CHESS Transfer Request~~

ASX SETTLEMENT OPERATING RULE PROCEDURES

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SECTION 2 DEFINITIONS AND INTERPRETATION

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~~"**Guarantor**" means a third party approved by ASX Settlement to provide an unconditional and irrevocable guarantee in favour of the Holder, issuer and any party entitled to claim against the Settlement Participant for an unauthorised transfer of Financial Products under the Corporations Regulations.~~

~~Introduced 18/12/19~~

…

"**PID**" – where requested by a Participant in accordance with any requirements (including the payment of any fee) notified by ASX Settlement from time to time, ASX Settlement may allocate or attribute more than one PID per Participant up to a maximum number of five (5) PIDs per Participant.

Introduced 08/08/13

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"**User Technical Documentation**" – the documentation published by ASX Settlement for the purposes of this definition are available at the following website:

https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/overview

…

SECTION 4 ADMISSION OF OTHER SETTLEMENT PARTICIPANTS

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PROCEDURE 4.18.1 ORGANISATIONAL REQUIREMENTS

In order to satisfy ASX Settlement that it meets Rule 4.18.1, an applicant must provide to ASX Settlement on or before its admission as a Participant a certification in the form prescribed by ASX Settlement from time to time that the applicant has the resources and processes in place to comply with its obligations under the Rules.

For these purposes, "resources" and "processes" have the same meaning as in Rule 4.18.1.

In providing this certification to ASX Settlement the applicant must have regard to:

(a) the Rules;

(b) where the application is in respect of admission as a Participant other than as a Specialist Settlement Participant admitted for the limited purpose of acting as a Participant Bidder or a Participant Offeror:

(i) ASX Settlement Operating Rules Guidance Note 1 Admission as a Participant;

(ii) ASX Settlement Operating Rules Guidance Note 9 Offshoring and Outsourcing;

(iii) ASX Settlement Operating Rules Guidance Note 10 Business Continuity and Disaster Recovery; and

(iv) the standards expected of financial services licensees set out in ASIC Regulatory Guide 104 Licensing: Meeting the general obligations and ASIC Regulatory Guide 105 Licensing: Organisational competence (this applies even if the applicant does not hold an Australian Financial Services Licence);

(c~~d~~) any other matters specified in the form prescribed by ASX Settlement for these purposes.

If required by ASX Settlement, the applicant must be able to demonstrate to the satisfaction of ASX Settlement, at any time, the basis on which the certification is or was provided.

Introduced 01/01/12 Amended 15/06/15, 05/12/19

PROCEDURE 4.19.1 CUSTODIAL SETTLEMENT PARTICIPANT ELIGIBILITY [DELETED]

~~**Eligibility criteria**~~

~~To be eligible to be classified as a Custodial Settlement Participant, a Settlement Participant must:~~

~~(a) provide a custodial or depository service to Holders;~~

~~(b) either:~~

~~(i) hold an Australian financial services licence authorising the Settlement Participant to provide a custodial or depository service; or~~

~~(ii) be exempt from the requirement to hold an Australian financial services licence to provide a custodial or depository service pursuant to Corporations Regulation 7.6.01(1)(k); and~~

~~(c) either:~~

~~(i) at a minimum, hold at all times the amount of NTA specified in either section 912AA(4)(b) or section 912AC(4)(a) of the Corporations Act and the amount of cash or cash equivalents and liquid assets specified in section 912AA(8) or section 912AC(7) of the Corporations Act; or~~

~~(ii) have a Guarantor which meets the criteria in paragraph (c)(i) above who has provided an unconditional and irrevocable guarantee in the form acceptable to ASX Settlement in favour of the Holder, issuer and any party entitled to claim~~

~~against the Settlement Participant for an unauthorised transfer of Financial Products under the Corporations Regulations.~~

~~Supporting documentation~~

~~In order to be eligible to be classified as a Custodial Settlement Participant, a Settlement Participant must provide ASX Settlement with:~~

~~(d) either~~

~~(i) a copy of its Australian financial services licence; or~~

~~(ii) a legal opinion in a form acceptable to ASX Settlement confirming that the Settlement Participant is eligible to rely on the exemption from the requirement to hold an Australian financial services licence under Corporations Regulation 7.6.01(1)(k);~~

~~(e) one of the following:~~

~~(i) a copy of the most recent audit opinion and balance sheet the Settlement Participant is required to lodge with ASIC under either section 912AA(9)(a) or section 912AC(10)(a) of the Corporations Act;~~

~~(ii) a copy of an audit opinion and balance sheet in respect of the Settlement Participant substantially in the form contemplated by section 912AA(9)(a) or section 912AC(10)(a) of the Corporations Act;~~

~~(iii) a copy of the executed guarantee referred to in paragraph (c)(ii) above, together with a copy of an audit opinion and balance sheet in respect of the Guarantor substantially in the form contemplated by section 912AA(9)(a) or section 912AC(10)(a) of the Corporations Act; or~~

~~(iv) in the case of a Settlement Participant or Guarantor that is not subject to the financial requirements referred to in paragraph (c)(i) above, a certification in a form acceptable to ASX Settlement,~~

~~which demonstrates to ASX Settlement that the Settlement Participant or Guarantor (as applicable) meets the financial requirements referred to in paragraph (c)(i) above; and~~

~~(f) any other information ASX Settlement may reasonably require to determine whether a Settlement Participant meets the criteria to be classified as a Custodial Settlement Participant.~~

Introduced 18/12/19

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SECTION 6

PROCEDURE 6.3.4 SETTLEMENT AND ACCUMULATION ACCOUNTS

A Settlement Participant which is a Clearing Participant must establish both a Settlement Account and an Accumulation Account in respect of each PID allocated or attributed by ASX Clear to the Clearing Participant under the ASX Clear Operating Rules.

A Settlement Participant which is a Clearing Participant must establish both a Settlement Account and an Accumulation Account with a residence indicator of foreign (as identified in the User Technical Documentation)~~"F"~~ to facilitate Foreign to Foreign Allocations in respect of each PID allocated or attributed by ASX Clear to the Clearing Participant under the ASX Clear Operating Rules.

All other Settlement Participants need not establish both a Settlement Account and Accumulation Account but may do so if they wish to.

Introduced 11/03/04 Amended 08/08/13

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SECTION 8 APPROVAL OF ISSUERS AND FINANCIAL PRODUCTS

…

PROCEDURE 8.7.2 ESTABLISHING A HOLDER RECORD

The matters to be specified in the Message from the Participant to ASX Settlement requesting the establishment of a Holder Record are:

(a) the Participant's PID;

(b) a Holder Type;

(c) Registration Details;~~a Residency Indicator; and~~

(d) in the case of a Clearing Account, a designation to identify that Clearing Account as either:

(i) a Settlement Account; or

(ii) for a Clearing Participant, an Accumulation Account, ~~and~~

(e) where the Clearing Account is to be used for the purposes of Foreign to Foreign Allocations, a Residency Indicator of foreign (as identified in the User Technical Documentation)~~"F"~~;

(f) Entity Type for each ~~named~~ Holder;

(g) for a Participant Sponsored Holding, the Communication Preference and if the Communication Preference indicated is receipt of communications electronically, the Email Details; and

(h) Ownership Type.

Introduced 11/03/04

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PROCEDURE 8.16.11 ACTION FOLLOWING THE REMOVAL OF A SETTLEMENT LOCK

The Notice to be given by ASX Settlement is a Notice notifying the Participant controlling the Source Holding that the Settlement Lock has been removed.

...

PROCEDURE 8.18.3

The Notice to be given by ASX Settlement is a n~~N~~otice:

(a) notifying:

(i) the Controlling Participant that the requested change has been made; and

(ii) in respect of each class of Financial Products in a CHESS Holding of that person, the Issuer of those Financial Products that there has been a change of Holder Record details for that person; and

(b) if the Holder Record has been established on behalf of a Participant Sponsored Holder, ASX Settlement must:

(i) give Notice of the change to that Participant Sponsored Holder; and

(ii) if the change to the Holder Record includes is a change of address, send the Notice to the old address of that Participant Sponsored Holder.

Introduced 11/03/04

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PROCEDURE 8.19.3 ACTION BY ASX SETTLEMENT FOLLOWING RECEIPT OF TFN, ABN OR EXEMPTION CODE DETAILS

The n~~N~~otice to be given by ASX Settlement is a n~~N~~otice notifying:

(a) the Issuer of the Financial Products, of the TFN, ABN or Exemption Code details; and

(b) the Controlling Participant that the TFN, ABN or Exemption Code details have been notified to the Issuer; or

(c) the Issuer of those details by including them in the Message Transmitted by ASX Settlement to the Issuer under Rule ~~[~~9.7.2(b).~~]~~

Introduced 11/03/04

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PROCEDURE 8.20.2 SUPPRESSION OR REINSTATEMENT OF PRODUCTION OF HOLDING STATEMENTS [DELETED]

~~The entities are:~~

~~(a) a related body corporate of the Participant making the request; or~~

~~(b) an entity that is any one of the following:~~

~~(i) a bank;~~

~~(ii) a merchant bank;~~

~~(iii) a building society or credit union;~~

~~(iv) a life insurance company;~~

~~(v) a general insurance company;~~

~~(vi) a superannuation fund with net assets of not less than $5 million at the date of its last audited balance sheet;~~

~~(vii) an investment company or investment trust with net assets of not less than $5 million at the date of its last published audited balance sheet; and~~

~~(viii) such other bodies corporate as ASX Settlement may from time to time determine.~~

Introduced 11/03/04

~~PROCEDURE 8.20.2~~

~~The Notice must:~~

~~(a) quote the HIN of the Participant Sponsored Holder; and~~

~~(b) be accompanied by written instructions signed by the Participant Sponsored holder in support of the request.~~

Introduced 11/03/04

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SECTION 9

PROCEDURE 9.4.1 VALID ORIGINATING MESSAGE FOR ~~SINGLE ENTRY~~UNILATERAL DEMAND TRANSFER

A Valid Originating Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Message:

(a) includes a Participant's PID as that of the Participant Transmitting the Message;

(b) specifies as the Source Holding, a CHESS Holding Controlled by the Participant;

(c) specifies as the Target Holding, a different CHESS Holding;

(d) specifies the number and class of Financial Products to be Transferred; and

(e) in the case of a Foreign to Foreign Allocation~~:~~

~~(i) includes a Confirmed FOR Indicator; and~~

~~(ii)~~ specifies a Source Holding which has a Residency Indicator of foreign (as identified in the User Technical Documentation)~~"F"~~.

PROCEDURE 9.5.1 INITIATION OF ~~DUAL ENTRY~~BILATERAL DEMAND TRANSFER

A ~~Dual Entry~~Bilateral Demand Message will be ~~t~~Transmitted to ASX Settlement in accordance with the Procedures if the Message:

(a) includes the PID of:

(i) the Participant Transmitting the Message; and

(ii) the counterparty Participant;

(b) specifies:

(i) the number and class of Financial Products to be Transferred;

(ii) if the Participant Transmitting the Message is the delivering Participant, specifies as the Source Holding, a Holding controlled by the Participant;

(iii) if the Participant Transmitting the Message is the receiving Participant, specifies as the Target Holding, a Holding controlled by the Participant;

(c~~d~~) designates the transaction as: ~~either~~

(i) On Market; ~~or~~

(ii) Off Market;

(iii) IPO;

(iv) Securities Lending; or

(v) Non Reportable.

as the case requires;

(d~~e~~) designates the transaction as Cum Entitlement or Ex Entitlement.

(e~~f~~) in the case of a Foreign to Foreign Allocation:

(i) includes a Confirmed FOR Indicator; and

(ii) if the Participant Transmitting the Message is the Delivering Participant, specifies a Source Holding which has a Residency Indicator of foreign (as identified in the User Technical Documentation)~~"F"~~.

PROCEDURE 9.7.1 TRANSFERS AND CONVERSIONS FROM CHESS HOLDINGS

A Valid Originating Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Message:

(a) includes a Participant's PID as that of the Participant Transmitting the Message;

(b) specifies as the Source Holding, a CHESS Holding controlled by the Participant;

(c) in the case of a Message initiating a Transfer, specifies the Registration Details for a Target Holding on the Issuer Sponsored Subregister;

(d) specifies the number of Financial Products to be Transferred or Converted, as the case requires; ~~and~~

(e) in the case of a Foreign to Foreign Allocation

(i) includes a Confirmed FOR Indicator; and

(ii) specifies a Source Holding which has a Residency Indicator of foreign (as identified in the User Technical Documentation)~~"F"~~;

(f) includes the relevant movement reason; and

(g) includes the relevant transaction basis.

A CHESS to Issuer Sponsored Demand Transfer or Conversion is not permitted for Government Bond Depositary Interests.

Introduced 11/03/04 Amended 21/05/13

PROCEDURE 9.8.1 TRANSFERS AND CONVERSIONS INTO CHESS HOLDINGS

A Valid Originating Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Message:

(a) includes a Participant's PID as that of the Participant Transmitting the Message;

(b) specifies as the Source Holding, an Issuer Sponsored Holding by quoting the SRN for the Holder of that Holding;

(c) in the case of a Message initiating a Transfer, specifies the Registration Details for a Source Holding on the Issuer Sponsored Subregister;

(~~c~~d) specifies as the Target Holding, a CHESS Holding controlled by that Participant;

(e~~d~~) specifies the number of Financial Products to be Transferred or Converted, as the case requires; ~~and~~

(f~~e~~) in the case of a Foreign to Foreign Allocation:

(i) includes a Confirmed FOR Indicator; and

(ii) specifies a Source Holding which has a Residency Indicator of foreign (as identified in the User Technical Documentation)~~"F"~~;

(f) includes the relevant movement reason; and

(g) includes the relevant transaction basis.

Introduced 11/03/04 Amended 23/09/05

PROCEDURE 9.9.1 STANDING HINS [DELETED]

~~The manner for determining whether a Message of a type listed in Appendix 2 specifies a Source Holding or a Target Holding is as follows:~~

~~(a) If:~~

~~(i) the Message does not specify a HIN for the Source Holding; and~~

~~(ii) the Participant specified in the Message as the Transmitting Participant has given Notice of a Standing HIN for that Message type,~~

~~the Message will be taken to specify that Standing HIN as the HIN of the Source Holding;~~

~~(b) If:~~

~~(i) the Message does not specify a HIN for the Target Holding;~~

~~(ii) the Participant specified in the Message as the Controlling Participant for the Target Holding has given Notice of a Standing HIN for that Message type; and~~

~~(iii) paragraph (a) applies to the Message and the Transmitting Participant is not the Controlling Participant for the Target Holding, the Message will be taken to specify the Standing HIN as the HIN of the Target Holding.~~

Introduced 11/03/04

SECTION 10

PROCEDURE 10.4.5B DESIGNATION OF BATCH INSTRUCTIONS

A Settlement Participant must designate **using a Transaction Basis of foreign** (as identified in the User Technical Documentation)~~"F"~~:

1. any Batch Instruction in respect of which the Settlement Participant is required (or would, but for the grant of a waiver by ASX Settlement, be required) to give notice to ASX Settlement under Rule 10.4.5; and

2. any Batch Instruction which is for one of the purposes mentioned in paragraphs 1(a) – (c) of Procedure 10.4.5 where the Approved Market Operator on whose market the transaction was executed or to whom the off-market transaction was reported (as the case may be) is provided with a Settlement Facilitation Service under Rule 4.1A.

Introduced 28/12/11

PROCEDURE 10.9.2 ~~DUAL ENTRY~~BILATERAL BATCH INSTRUCTIONS

(1) A Valid ~~Dual Entry~~Bilateral Batch Message will be Transmitted in accordance with the Procedures if the Message:

(a) specifies:

(i) the number and class of Financial Products to be Transferred;

(ii) a Source Holding controlled by the delivering Settlement Participant, or a Target Holding controlled by the receiving Settlement Participant, as the case requires;

(iii) in the case of a DvP Batch Instruction, the Settlement Amount;

(iv) in the case of a DvP Batch Instruction (excluding a Wholesale Loan or a Wholesale Return Loan), a Trade Date;

(v) a Settlement Date;

(vi) in the case of a Foreign to Foreign Allocation:

(A) a Confirmed FOR Indicator; and

(B) if the Settlement Participant Transmitting the Message is the Delivering Participant, a Source Holding controlled by the Participant which has a Residency Indicator of foreign (as identified in the User Technical Documentation)~~"F"~~, and

(b) includes the PID of:

(i) the Settlement Participant Transmitting the Message; and

(ii) the counterparty Settlement Participant; and

(c) designates the transaction as On Market, ~~or~~ Off Market, IPO, Securities Lending, or Non Reportable as the case requires; and

(d) if from the Settlement Participant that is a delivering Settlement Participant and requests ASX Settlement to apply a Settlement Lock to the Financial Products identified in the Bilateral Batch Message, the Message specifies whether the Settlement Participant requests ASX Settlement to apply the Settlement Lock:

(i) promptly on receipt of the Valid Bilateral Batch Message; or

(ii) from the time that the Message is Matched in accordance with Rule 10.9.3.

(2) Without limiting paragraph (1) of this Procedure 10.9.2, a Valid Bilateral Batch Message may, but is not required to, include a Settlement Link ID.

Introduced 11/03/04

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PROCEDURE 10.9.11 ~~SINGLE ENTRY~~UNILATERAL BATCH INSTRUCTIONS

(1) The details to be specified in a ~~Single Entry~~ Unilateral Batch Message are:

(a) the Source Holding and another Holding as the Target Holding, each of which must be controlled by the Participant that Transmits the Message;

(b) the number and class of Financial Products to be Transferred;

(c) the Settlement Date;

(d) includes the PID of the Participant Transmitting the Message;

(e) designates the transaction as On Market or Off Market, as the case requires; and

(f) in the case of a Foreign to Foreign Allocation,~~:~~

~~(i) a Confirmed FOR Indicator; and~~

~~(ii)~~ a Source Holding which has a Residency Indicator of foreign (as identified in the User Technical Documentation)~~"F"~~;

(2) Without limiting paragraph (1) of this Procedure 10.9.11, a Valid ~~Bilateral~~Unilateral Batch Message may, but is not required to, include a Settlement Link ID.

Introduced 11/03/04

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PROCEDURE 10.13.3 SETTLEMENT MOVEMENT CONFIRMATION

For Rule 10.13.3(a), a notification of the net movement of Financial Products and funds for a Holding will be made in accordance with the Procedures if the notification includes:

(a) the identifier for the relevant Settlement Processing Phase;

(b) the PID of the Participant;

(c) the HIN to which the settlement movement confirmation relates;

(d) the number and class of Financial Products in respect of each type of Batch Instruction comprising the settlement movement confirmation;

(e) the total number of Batch Instructions in respect of each type of Batch Instruction, comprising the settlement movement confirmation, including the number of:

(i) CCP Market Trade Batch Instructions included in the settlement movement confirmation in respect of that Settlement Date;

(ii) CCP Rescheduled Batch Instructions, CCP Offsetting Transaction Arrangement Batch Instructions and CCP Isolate Counterparty Batch Instructions (in aggregate) included in the settlement movement confirmation in respect of that Settlement Date;

(iii) Bilateral Batch Instructions included in the settlement movement confirmation in respect of that Settlement Date;

(iv) Unilateral Batch Instructions included in the settlement movement confirmation in respect of that Settlement Date;

(v) Accrued Batch Instructions included in the settlement movement confirmation in respect of that Settlement Date; and

(vi) Direct Batch Instructions included in the settlement movement confirmation in respect of that Settlement Date.

(f) the new Holding balance for the HIN following completion of the Settlement Processing Phase; and

(g) the amount of money in respect of each type of Batch Instruction comprising the settlement movement confirmation.

Note: For the purpose of the settlement movement confirmation, CCP Rescheduled Batch Instructions, CCP Offsetting Transaction Arrangement Batch Instructions and CCP Isolate Counterparty Batch Instructions are together referred to as Novated Rescheduled Instructions (NRIN).

For the purpose of determining the number and class of Financial Products comprising the settlement movement confirmation in respect of each type of Batch Instruction on a Business Day during an Ex-Period, regard is to be had to whether the Financial Product is to be transferred with or without the relevant Entitlement.

SECTION 11

...

PROCEDURE 11.4.3 BANK ACCOUNT DETAILS

For the purpose of Rule 11.4.3(c), the prescribed particulars of each bank account to be given by an RTGS Participant are as follows:

(a) Name of the RTGS Payments Provider;

(b) BSB number; and

(c) Account number.

...

SECTION 19 TRANSITIONAL ARRANGEMENTS

PROCEDURE 19.1.1 DEFINITIONS

The standards published by ASX Settlement for the purposes of the definition of "Non-Compliance" in Rule 19.1.1 are specified in the User Technical Documentation available at the following website:

https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/856719933/Exceptions+Warnings+and+Errors

PROCEDURE 19.1.2 COMMENCEMENT

For the purposes of Rule 19.1.2, the Rules in Section 19 become effective from the dates specified in the table below:

Rule	**Effective Period**
Rule 19.1.1	The period commencing on the date [6 months prior to the Old System Close Date *(insert earliest start date in this table)*] [and ending on the date which ASX Settlement notifies Facility Users on which Section 19 ceases to be effective].
Rule 19.1.2	The period commencing on the date [6 months prior to the Old System Close Date *(insert earliest start date in this table)*] [and ending on the date which ASX Settlement notifies Facility Users on which Section 19 ceases to be effective].
Rule 19.2.1	The period commencing on the date that is [6 months prior to the Old System Close Date] and ending [at the start of the Transition Period]
Rule 19.2.2	The period commencing on the date that is [6 months prior to the Old System Close Date] and ending [at the start of the Transition Period]
Rule 19.2.3	The period commencing on the date that is [6 months prior to the Old System Close Date] and ending on [at the end of the Transition Period]
Rule 19.2.4	The period commencing on the date that is [6 months prior to the Old System Close Date].
Rule 19.2.5	The period commencing on the date that is [6 months prior to the Old System Close Date].
Rule 19.2.6	The Transition Period.
Rule 19.2.7	The Transition Period.

Rule 19.2.8	The Transition Period. [***Consider if this should be open ended***.]
Rule 19.2.9	The period commencing [at the end of the Transition Period].
Rule 19.2.10	The period commencing [at the end of the Transition Period].
Rule 19.2.11	The period commencing [at the end of the Transition Period].
Rule 19.2.12	The period commencing [at the end of the Transition Period].
Rule 19.3.1	The period commencing [at the start of the Transition Period].
Rule 19.3.2	The period commencing on the date that is [2 Business Days prior to the Old System Close Date].
Rule 19.3.3	The period commencing on the date that is [2 Business Days prior to the Old System Close Date].
Rule 19.3.4	The period commencing on the date that is [2 Business Days prior to the Old System Close Date].
Rule 19.4.1	The period commencing on the date that is [2 Business Days prior to the Old System Close Date].
Rule 19.4.2	The period commencing on the date that is [2 Business Days prior to the Old System Close Date].
Rule 19.4.3	The period commencing on the date that is [2 Business Days prior to the Old System Close Date].
Rule 19.5.1	The period commencing on the date that is [4 Business Days prior to the Old System Close Date] and ending [at the end of the Transition Period].
Rule 19.5.2	The period commencing on the date that is [4 Business Days prior to the Old System Close Date] and ending [at the end of the Transition Period].
Rule 19.5.3	The period commencing on the date that is [4 Business Days prior to the Old System Close Date] and ending [at the end of the Transition Period].
Rule 19.5.4	The period commencing on the date that is [4 Business Days prior to the Old System Close Date] and ending [at the end of the Transition Period].
Rule 19.5.5	The period commencing on the date that is [4 Business Days prior to the Old System Close Date].

Rule 19.5.6	The period commencing on the date that is [4 Business Days prior to the Old System Close Date].
Rule 19.5.7	The period commencing on the date that is [4 Business Days prior to the Old System Close Date].

PROCEDURE 19.2.2 REMEDIATION OF REGISTRATION DETAILS BY PARTICIPANTS PRIOR TO MIGRATION

The action to be taken by a Participant where there is a remediation of a Non-Compliance in relation to the Registration Details recorded in a Holder Record is as follows:

(a) other than as specified below in this Procedure 19.2.2, the Participant must Transmit a Valid Originating Message that specifies the existing HIN for the Holder Record and the remediated Registration Details to be recorded in the Holder Record;

(b) where applicable, the Controlling Participant must maintain documentation to verify that the Registration Details relating to the remediation noted in the Valid Originating Message, are correct;

(c) on receipt of notification from ASX Settlement that the remediation of the Registration Details has been made in accordance with the Valid Originating Message, the Participant must check to make sure that the remediation of the Registration Details of the Holder has been made to the correct Holding; and

(d) if the remediation of the Registration Details were not made to the correct Holding, then the Controlling Participant must liaise with ASX Settlement as soon as possible, and in any event no later than two Business Days, to rectify the error.

The Participant is not required to take the action specified in Procedure 19.2.2(a) where the standards published by ASX Settlement for the purposes of Rule 19.2.2 classify the relevant Non-Compliance in relation to the Registration Details recorded in a Holder Record as a "Warning" for which remediation is not required.

The standards published by ASX Settlement for the purposes of Rule 19.2.2 are specified in the User Technical Documentation available at the following website:

https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/856719933/Exceptions+Warnings+and+Errors

PROCEDURE 19.2.3 ACTION TO BE TAKEN BY ASX SETTLEMENT

The notice to be given by ASX Settlement is a notice:

(a) notifying:

(i) the Participant that the requested remediation has been made;

(ii) in respect of each class of Financial Products in a CHESS Holding of that person, the Issuer of those Financial Products that there has been a remediation of Registration Details for that person; and

(b) if the Holder Record has been established on behalf of a Participant Sponsored Holder, notifying the Participant Sponsored Holder that there has been a remediation of the Registration Details.

PROCEDURE 19.2.5 PARTICIPANT INDEMNITIES

The standards published by ASX Settlement the purposes of Rule 19.2.5 are specified in the User Technical Documentation available at the following website:

https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/856719933/Exceptions+Warnings+and+Errors

PROCEDURE 19.2.6 REMEDIATION OF REGISTRATION DETAILS BY ASX SETTLEMENT DURING TRANSITION PERIOD

For the purposes of Rule 19.2.6(a), the types of Non-Compliance are:

(a) more than one Holder name is recorded and the Holder Record relates to a Direct Account or Clearing Account;

(b) more than four Holder names are recorded and the Holder Record relates to a Participant Sponsored Account;

(c) no comma character is recorded;

(d) more than one comma character is recorded;

(e) one or more characters is recorded between:

(i) a closed angle bracket which ASX Settlement reasonably considers to represent the end of a designation; and

(ii) a comma character which ASX Settlement reasonably considers to represent the end of the Holder name and designation field;

(f) an invalid country code is recorded;

(g) a Holder name is recorded that contains more than 80 characters;

(h) a designation is recorded that contains more than 35 characters;

(i) no character or characters are recorded for the Holder name or address;

(j) no character or characters are recorded for the Holder name after plus ("+") character;

(k) a Residency Indicator of "M" is recorded and the Holder Record relates to a Clearing Account;

(l) no "EST" is recorded before the name of the deceased Holder in a Holder Record to which a Holder Record Lock has been applied due to Notice of Death of the relevant Holder; or

(m) any other Non-Compliance exists as determined by ASX Settlement in its absolute discretion.

For the purposes of Rule 19.2.6(c), where ASX Settlement identifies a Non-Compliance of a type specified in the Procedure for Rule 19.2.6(a) as reproduced below, ASX Settlement will make the following remediations of Registration Details:

(a) where more than one Holder name is recorded and the Holder Record relates to a Direct Account or Clearing Account, ASX Settlement will remove the name of each Holder other than the first-named Holder;

(b) where more than four Holders are recorded and the Holder Record relates to a Participant Sponsored Account, ASX Settlement will remove the Holder names that are recorded after the fourth-named Holder;

(c) where the Registration Details do not contain a comma character, ASX Settlement will insert a comma character immediately after what ASX Settlement reasonably considers to be:

(i) if a designation is present, the closed angle bracket at the end of the designation;

(ii) if a designation is not present, the name of the Holder (in the case of a Holder Record with a single Holder) or last-named Holder (in the case of a Holder Record with joint Holders);

(d) where the Registration Details contain more than one comma character, ASX Settlement will remove any comma character that is not placed immediately after what ASX Settlement reasonably considers to be:

(i) if a designation is present, the closed angle bracket at the end of the designation;

(ii) if a designation is not present, the name of the Holder (in the case of a Holder Record with a single Holder) or last-named Holder (in the case of a Holder Record with joint Holders);

(e) where the Registration Details contain one or more characters between:

(i) a closed angle bracket which ASX Settlement reasonably considers to represent the end of a designation; and

(ii) a comma character which ASX Settlement reasonably considers to represent the end of the Holder name and designation field,

ASX Settlement will move that comma character so that it is located immediately after the closed angle bracket;

(f) where the Registration Details contain an invalid country code, ASX Settlement will:

(i) if ASX Settlement can reasonably infer the correct country code by reference to the address specified in the Registration Details, replace the country code with what ASX Settlement reasonably considers to be the correct country code; or

(ii) if ASX is unable to reasonably infer the correct country code by reference to the address specified in the Registration Details, change the country code to "ZZ";

(g) where a Holder name in the Registration Details contains more than 80 characters, ASX Settlement will remove the characters in the name of that Holder which occur after the 80th character;

(h) where a designation in the Registration Details contains more than 35 characters, ASX Settlement will remove the characters in the designation which occur after the 35th character;

(i) where the address or name in the Registration Details is missing, ASX Settlement will insert one dash character ("-") as the relevant address or name (as applicable);

(j) where no character or characters are recorded for the Holder name after a plus ("+") character, ASX Settlement will remove the plus ("+") character;

(k) where a Residency Indicator of "M" is recorded and the Holder Record relates to a Clearing Account, ASX Settlement will change the Residency Indicator if it is notified of a change to the Residency Indicator during the Transition Period;

(l) where no "EST" is recorded before the name of the deceased Holder in a Holder Record to which a Holder Record Lock has been applied due to Notice of Death of the relevant Holder, ASX Settlement will prepend "EST" before the name of the deceased Holder; or

(m) where any other kind of Non-Compliance exists in the Registration Details, ASX Settlement may change the Registration Details as it considers appropriate to address the Non-Compliance.

For the purposes of Rule 19.2.6(d), the notice to be given by ASX Settlement is a notice:

(a) notifying:

(i) the Participant authorised to operate one or more Holdings linked to the Holder Record that there has been a remediation of the Registration Details recorded in the Holder Record;

(ii) in respect of each class of Financial Products in a CHESS Holding linked to the Holder Record, the Issuer of those Financial Products that there has been a remediation of Registration Details recorded in the Holder Record; and

(b) if the Holder Record has been established on behalf of a Participant Sponsored Holder, notifying the Participant Sponsored Holder that there has been a remediation of Registration Details recorded in the Holder Record.

PROCEDURE 19.2.7 CONVERION AND MIGRATION OF HOLDER RECORDS

The conversion logic published by ASX Settlement for the purposes of Rule 19.2.7 is specified in the User Technical Documentation available at the following websites:

https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/856719909/Cutover+and+Migration+-+Registration+Details+Tool

https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/25297080/Email+Address

For the purposes of Rule 19.2.7(b), the notice to be given by ASX Settlement is a notice notifying:

(a) the Participant authorised to operate one or more Holdings linked to the Holder Record that the Holder Record has not been recorded in the New System;

(b) if the Holder Record has been established on behalf of a Participant Sponsored Holder, notifying the Participant Sponsored Holder that the Holder Record has not been recorded in the New System.

PROCEDURE 19.2.8 HOLDER RECORDS EXCLUDED FROM CONVERSION AND MIGRATION

For the purposes of Rule 19.2.8, ASX Settlement will not, unless it determines otherwise at its absolute discretion, convert and migrate a Holder Record under Rule 19.2.7 if the Holder Record satisfies each of the following criteria:

(a) at the End of Day on the Old System Close Date:

(i) no Holding is linked to the Holder Record; and

(ii) ASX Settlement has not scheduled for settlement on or after the New System Start Date any Batch Instruction linked to the Holder Record; and

(b) the Holder Record contains Registration Details with any of the following types of Non-Compliance:

(i) more than one Holder name is recorded and the Holder Record relates to a Direct Account or Clearing Account;

(ii) more than four Holder names are recorded and the Holder Record relates to a Participant Sponsored Account;

(iii) no comma character is recorded;

(iv) more than one comma character is recorded;

(v) one or more characters is recorded between:

(A) a closed angle bracket which ASX Settlement reasonably considers to represent the end of a designation; and

(B) a comma character which ASX Settlement reasonably considers to represent the end of the Holder name and designation field;

(vi) an invalid country code is recorded;

(vii) a Holder name is recorded that contains more than 80 characters;

(viii) a designation is recorded that contains more than 35 characters;

(ix) no character or characters are recorded for the Holder name or address;

(x) a Residency Indicator of "M" is recorded and the Holder Record relates to a Clearing Account; or

(xi) any other Non-Compliance exists as determined by ASX Settlement in its absolute discretion.

PROCEDURE 19.2.9 CHANGES TO EMAIL PURPOSE

The notice to be given by ASX Settlement is a notice notifying:

(a) the Participant authorised to operate one or more Holdings linked to the Holder Record that there has been a change to the Email Purpose in respect of a Holder's Registration Details recorded in the Holder Record; and

(b) in respect of each class of Financial Products in a CHESS Holding linked to the Holder Record, the Issuer of those Financial Products that there has been a change to the Email Purpose in respect of a Holder's Registration Details recorded in the Holder Record.

PROCEDURE 19.2.10 REMOVAL OF EMAIL DETAILS

The notice to be given by ASX Settlement is a notice notifying:

(a) the Participant authorised to operate one or more Holdings linked to the Holder Record that there has been a change of Holder Record details for that Holder Record; and

(b) in respect of each class of Financial Products in a CHESS Holding linked to the Holder Record, the Issuer of those Financial Products that there has been a change of Holder Record details for that Holder Record.

PROCEDURE 19.2.12 CONFIRMATION OF ENTITY TYPE FOR UNCATEGORISED HOLDER RECORDS

The matters to be specified in the Message from a Participant to ASX Settlement notifying of a change to the Entity Type are:

(a) the existing HIN for the Holder Record;

(b) for each Holder in relation to the Holder Record:

(i) the relevant holder identifier for that Holder;

(ii) the name of the Holder; and

(iii) the relevant Entity Type for that Holder.

PROCEDURE 19.3.1 REDUCING TO OLD SYSTEM CLOSE DATE THE TIME FOR FACILITY USERS TO COMPLY WITH REQUIREMENTS ON MESSAGES RECEIVED

The following types of Messages received by Facility Users are specified for the purposes of Rule 19.3.1(a)(i).

The following Rules dealing with the corresponding requirements of Facility Users (including to respond to the Message) are specified for the purposes of Rule 19.3.1(a)(ii) and 19.3.1(b):

Type of Message received by Facility User (for purpose of Rule 19.3.1(a)(i))	**Rules dealing with corresponding requirements of Facility User (for purpose of Rules 19.3.1(a)(ii) and 19.3.1(b))**
Notification to an Issuer of Australian ADI Account details under Rule 8.19.8	Rule 8.19.9
Request to an Issuer for an Issuer Sponsored to CHESS Demand Transfer or Conversion under Rule 9.8.2	Rule 9.8.5 or 9.8.6
Notification to a Controlling Participant of a takeover offer acceptance submitted by a Participant Bidder under Rule 14.14.8	Rule 14.14.9
Request to a Participant Bidder for authorisation for the release of Financial Products from an Offer Accepted Subposition under Rule 14.16.2	Rule 14.16.3
Request to a Product Issuer Settlement Participant for the issue or redemption of AQUA Products under Rule 18.3.3(a)	Rule 18.3.3(b)

PROCEDURE 19.3.2 REDUCING TO OLD SYSTEM CLOSE DATE THE TIME FOR MATCHING OF MESSAGES BY ASX SETTLEMENT

The following types of Messages received by ASX Settlement are specified for the purposes of Rule 19.3.2(a)(i).

The following Rules dealing with Matching of Messages by ASX Settlement are specified for the purposes of Rule 19.3.2(a)(ii) and 19.3.2(b):

Type of Message received by ASX Settlement (for purpose of Rule 19.3.2(a)(i))	**Rules dealing with Matching of Messages by ASX Settlement (for purpose of Rule 19.3.2(a)(ii) and 19.3.2(b))**
Dual Entry Demand Message under Rule 9.5.2	Rule 9.5.8
Request to cancel a Direct Batch Instruction or a Dual Entry Batch Instruction under Rule 10.5.3	Rule 10.5.3
Dual Entry Batch Message or Dual Entry Payment Batch Message under Rule 10.9.2	Rule 10.9.3(d)
Request to change to a Dual Entry Batch Instruction or Dual Entry Payment Batch Instruction under Rule 10.9.4	Rule 10.9.4
Request to change the designation of the Dual Entry Batch Instruction as available or not available for settlement in part under Rule 10.9.5	Rule 10.9.5

PROCEDURE 19.3.4 UNACTIONED OR UNMATCHED MESSAGES AT END OF DAY ON OLD SYSTEM CLOSE DATE NOT MIGRATED

For the purposes of Rule 19.3.4(a)(iii), the following Messages are specified:

(a) a Valid Originating Message Transmitted to ASX Settlement by a Controlling Participant under Rule 14.14.2, notifying of a takeover offer acceptance under a takeover bid for Financial Products.

PROCEDURE 19.3.5 REJECTION BY PARTICIPANT BIDDER OF OFFER ACCEPTED SUBPOSITION AFTER OLD SYSTEM CLOSE DATE

For the purposes of Rule 19.3.5(b), rejections of an Offer Accepted Subposition after the Old System Close Date may only be notified by the Participant Bidder Transmitting a Valid Corporate Action Cancellation Request (evnt_746) Message to ASX Settlement.

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ASX CLEAR OPERATING RULES

2.10 DEFINITIONS AND INTERPRETATION

2.10.1 Definitions used in the Rules

In these Rules and in the Procedures, unless the context otherwise requires:

...

"**Accrued Batch Instruction**" has the meaning given in the ASX Settlement Operating Rules.

...

"**BIC**" stands for business identifier code.

...

"**Buyer**" means:

(a) in relation to a Cash Market Transaction, the party who has an obligation to pay money under the terms of the transaction;

(b) in relation to:

(i) a Cash CCP Transaction; or

(ii) a CCP ~~Net~~ Batch Instruction,~~;~~

~~(iii) a CCP Gross Batch Instruction,;~~

~~(iv) a CCP RTGS Instruction,~~

the Participant responsible to ASX Clear for performing the obligations of the buyer under the terms of the relevant Cash Market Transaction or Offsetting Transaction Arrangement;

(c) in relation to a Direct ~~Settlement~~ Batch Instruction, the Participant who has an obligation to pay money under the terms of the relevant Cash Market Transaction;

(d) in relation to a Derivatives Market Contract which is an Options Market Contract, the party with the exercisable rights under the terms of the contract;

(e) in relation to a Derivatives Market Contract which is a Futures Market Contract, the party specified as buyer under the terms of the contract;

(f) in relation to a Derivatives CCP Contract, being a Futures CCP Contract or an Options CCP Contract, the Participant responsible to ASX Clear for performance of the obligations of the buyer under the terms of the relevant Derivatives Market Contract; and

(g) ASX Clear where a specific Rule refers to ASX Clear as buyer.

Amended 28/04/14

...

"**CCP Batch Instruction**" means ~~either a CCP Gross Batch Instruction or~~ a CCP ~~Net~~ Market Trade Batch Instruction, a CCP Rescheduled Batch Instruction, a CCP Offsetting Transaction Arrangement Batch Instruction or a CCP Isolate Counterparty Batch Instruction.

Introduced 28/04/14

"**CCP Isolate Counterparty ~~Gross~~ Batch Instruction**" means an instruction generated by ASX Clear for notification to the Approved Settlement Facility and which contains details of payment and delivery obligations in relation to CCP Rescheduled Batch Instructions, CCP Offsetting Transaction Arrangement Batch Instructions or Accrued Batch Instructions (as applicable) pursuant to a request to isolate a counterparty~~a Cash CCP Transaction that has been excluded from netting in accordance with Rule 12.7.3 and includes an instruction which contains payment and delivery obligations under an Offsetting Transaction Arrangement entered into in respect of a Failed CCP Gross Batch Instruction~~.

Amended 28/04/14

"**CCP ~~Net~~ Market Trade Batch Instruction**" means an instruction generated by ASX Clear for notification to the Approved Settlement Facility and which contains details of payment and delivery obligations in relation to a Cash CCP Transaction that has been netted in accordance with Rule 12.6.1~~ and includes an instruction which contains payment and delivery obligations under an Offsetting Transaction Arrangement entered into in respect of a Failed CCP Net Batch Instruction~~.

Amended 28/04/14

"**CCP Offsetting Transaction Arrangement Batch Instruction**" means an instruction generated or deemed to be generated by ASX Clear for notification to the Approved Settlement Facility and which contains details of payment and delivery obligations under the second leg of an Offsetting Transaction Arrangement entered into in respect of a Failed CCP Batch Instruction.

"**CCP Rescheduled Batch Instruction**" means an instruction generated by ASX Clear for notification to the Approved Settlement Facility and which contains details of payment and delivery obligations in relation to CCP Market Trade Batch Instructions that are:

(a) Failed by an Approved Settlement Facility due to a Financial Products Shortfall;

(b) suspended by an Approved Settlement Facility due to the suspension of the approval of a class of Financial Products; or

(c) due for settlement on a Business Day that Batch Settlement is cancelled by the Approved Settlement Facility.

...

"**Fail**" means the removal by the Approved Settlement Facility of the whole or part of~~:~~

~~(a)~~ a CCP ~~Net~~ Batch Instruction~~; or~~

~~(b) a CCP Gross Batch Instruction; or~~

~~(c) a CCP RTGS Instruction,~~

from settlement in accordance with the operating rules of the Approved Settlement Facility.

Note: A Failed CCP Batch Instruction removed from Batch Settlement (as defined in the operating rules of the Approved Settlement Facility) may be notified by the Approved Settlement Facility to ASX Clear for settlement on that day through an Offsetting Transaction Arrangement entered into between ASX Clear and the respective non-defaulting Participant in accordance with Rule 12.8A.

Amended 28/04/14

...

"**Financial Products Shortfall**" has the meaning given to that term under the operating rules of the Approved Settlement Facility.

...

"**Instruction**" means~~:~~

~~(a)~~ a CCP ~~Net~~ Batch Instruction.~~; or~~

~~(b) a CCP Gross Batch Instruction.; or~~

~~(c) a CCP RTGS Instruction.~~

...

"**Novated Net Delivery Position**" means, in respect of a PID of a Participant and each relevant Business Day, the net delivery and payment obligations or entitlements (as applicable) for all Cash CCP Transactions in a class of Financial Product due for settlement on that Business Day by way of CCP Market Trade Batch Instructions.

Note: The Novated Net Delivery Position in respect of a PID of a Participant will not include delivery or payment obligations or entitlements for Cash CCP Transactions due for settlement by way of CCP Offsetting Transaction

Arrangement Batch Instructions, CCP Rescheduled Batch Instructions or CCP Isolate Counterparty Batch Instructions.

Where a Participant (or its Settlement Agent) operates multiple Settlement Accounts for the settlement of CCP Batch Instructions in respect of a PID of the Participant, and CCP Market Trade Batch Instructions in a class of Financial Products due for settlement on a Business Day relate to more than one of those Settlement Accounts, separate Novated Net Delivery Positions apply in respect of each Settlement Account to which the CCP Market Trade Batch Instructions relate.

...

"**PID**" stands for participant identifier and means a unique identification code allocated or attributed by ASX Clear to a Participant that is used as the identification code, or one of the identification codes, of the Participant for the purposes of instructions notified to the Approved Settlement Facility for settlement. ASX Clear may allocate or attribute up to a maximum number of PIDs per Participant as specified in the Procedures.

Note: A code will be 'attributed' by ASX Clear where such code is allocated to the Participant by a person other than ASX Clear but is attributed by ASX Clear to the Participant for the purposes outlined above.

Amended 08/08/13

...

"**Seller**" means:

(a) in relation to a Cash Market Transaction, the party who has an obligation to deliver a particular number and class of transferable Financial Products under the terms of the transaction;

(b) in relation to:

(i) a Cash CCP Transaction; or

(ii) a CCP ~~Net~~ Batch Instruction.~~; and~~

~~(iii) a CCP Gross Batch Instruction,; and~~

~~(iv) a CCP RTGS Instruction,~~

the Participant responsible to ASX Clear for performing the obligations of the seller under the relevant Cash Market Transaction or Offsetting Transaction Arrangement;

(c) in relation to a Direct ~~Settlement~~ Batch Instruction, the Participant who has an obligation to deliver a particular number and class of transferable Financial Products under the terms of the relevant Cash Market Transaction;

(d) in relation to a Derivatives Market Contract which is an Options Market Contract, the party with the obligation to acquire or dispose of a specified quantity of an Underlying Financial Product, an Underlying Derivative or an Underlying Commodity, to pay an amount of money, or to enter into an Underlying Derivative under the terms of the contract;

(e) in relation to a Derivatives Market Contract which is a Futures Market Contract, the party specified as seller under the terms of the contract;

(f) in relation to a Derivatives CCP Contract, being a Futures CCP Contract or an Options CCP Contract, the Participant responsible to ASX Clear for performance of the obligations of the seller under the terms of the relevant Derivatives Market Contract; and

(g) ASX Clear where a specific Rule refers to ASX Clear as seller.

Amended 19/08/09, 28/04/14

...

"**Settlement Account**" has the meaning given in the ASX Settlement Operating Rules.

"**Settlement Agent**" has the meaning given in the ASX Settlement Operating Rules.

...

"**Settlement Processing Phase**" has the meaning given in the ASX Settlement Operating Rules.

...

"Standard Settlement Price" means a price determined by reference to bids/offers and the last sale price of a class of Financial Products on one or more Approved Market Operators (as selected by ASX Clear in its absolute discretion) ~~on the~~ two Business Days before the Settlement Date on which an Instruction Fails in accordance with the operating rules of the Approved Settlement Facility.

Amended 27/06/11

...

4.21.1 Participant irrevocably authorises ASX Clear to include PID

Each Participant irrevocably authorises ASX Clear to include its PID in each:

(a) CCP ~~Net~~ Batch Instruction; and

~~(b) CCP Gross Batch Instruction; and~~

~~(c) CCP RTGS Instruction; and~~

(~~d~~b) each Cash Market Transaction accepted for reporting by ASX Clear under Rule 12.1.2,

as the PID of the delivering Participant or receiving Participant, as the case requires.

Introduced 11/03/04 Origin SCH 9.22.2

...

SECTION 6 COMMUNICATIONS WITH ASX CLEAR

...

6.7 IDENTIFICATION OF CLEARING MESSAGES FROM A PARTICIPANT

6.7.1 Clearing Message taken to have been submitted by Participant

A Clearing Message that:

(a) is submitted into the Clearing System by a Participant; or

(b) in the case of a Cash CCP Transaction, specifies the PID of the Participant,

is taken for all purposes under these Rules to have been submitted by, and with the knowledge of, that Participant.

Introduced 11/03/04 Origin SCH 4.5.1, OCH 3.1.2 Corresponds to ASX Settlement 16.17

6.7.2 Use of BIC as a PID of a Participant

A Participant may request that ASX Clear attribute to the Participant as one of its PIDs the BIC allocated to the Participant by a person other than ASX Clear, for inclusion in Clearing Messages from or to the Participant as an alternative to the inclusion in such Clearing Messages of a PID allocated by ASX Clear to the Participant. Where this occurs:

(a) the Participant must nominate the PID allocated by ASX Clear to the Participant that the BIC is referable to;

(b) a Clearing Message received from the Participant which includes the Participant's BIC will be treated as a Clearing Message from the nominated PID that the BIC is referable to, and not as a Clearing Message from the BIC as a separate PID to that nominated PID;

(c) for the purpose of obligations or entitlements of a Participant under these Rules in respect of each PID, those obligations and entitlements will apply in respect of the nominated PID that the BIC is referable to, and not as obligations and entitlements in respect of the BIC as a separate PID to that nominated PID; and

(d) the BIC will not be included in calculating the maximum number of PIDs per Participant for the purposes of the definition of PID.

SECTION 12 REGISTRATION, NOVATION, NETTING AND SETTLEMENT

This Section deals with the novation, netting and settlement of transactions.

Market Transactions are either Cash Market Transactions or Derivatives Market Transactions. A Derivatives Market Transaction may be a Futures Market Transaction or an Option Market Transaction. A Derivatives Market Transaction comprises the number of Derivatives Market Contracts entered into on the market of an Approved Market Operator, or over the counter in the case of OTC Options Market Transactions. Market Transactions are notified to ASX Clear by an Approved Market Operator, or by the relevant Participant in the case of OTC Options Market Transactions, and (if eligible) will either be accepted by ASX Clear for registration or accepted for reporting but not registration. In the case of Derivatives Market Transactions, ASX Clear will register each of the Derivatives Market Contracts (Futures Market Contracts, Options Market Contracts or OTC Options Market Transactions) comprising the Derivatives Market Transaction.

If a Market Transaction is accepted by ASX Clear for registration and meets the requirements for novation set out in Rule 12.2.1, it will be novated to ASX Clear. Once novated, a Cash Market Transaction is discharged and replaced with two Cash CCP Transactions, a Derivatives Market Contract is discharged and replaced with two Derivatives CCP Contracts, a Futures Market Contract is discharged and replaced with two Futures CCP Contracts and an Options Market Contract is discharged and replaced with two Options CCP Contracts.

Cash CCP Transactions and Derivatives CCP Contracts may then be subject to set off and the netting of delivery obligations and payment obligations. ~~In general terms, in relation to a Cash CCP Transaction both Participants together may, prior to netting and set off, choose to take a transaction out of the Clearing Facility and settle it directly or in an Alternative Settlement Facility.~~ ASX Clear also has power, in certain circumstances to remove a transaction.

~~Once~~ ASX Clear will, for each Business Day, ~~has~~ calculate~~d~~, or cause to be calculated, the Novated Net Delivery Position ~~net delivery and net payment obligations~~ of Participants for all Cash CCP Transactions in a class of Financial Product due for settlement on that Business Day by way of CCP Market Trade Batch Instructions, and notify such Novated Net Delivery Position to the Participant as at the end of each Business Day.

ASX Clear ~~it~~ will also ~~then~~ notify the Approved Settlement Facility of:

(a) each Cash CCP Transaction due for settlement on a particular Business Day by way of a CCP Market Trade Batch Instruction; and

(b) the Novated Net Delivery Position for each Participant for all CCP Cash Transactions in a class of Financial Products due for settlement on that Business Day by way of CCP Market Trade Batch Instructions.

~~(a) those net delivery and net payment obligations which have been set off and netted by way of a CCP Net Batch Instruction; and~~

~~(b) those delivery and payment obligations which have been novated but not netted by way of a CCP Gross Batch Instruction or CCP RTGS Instruction.~~

If a Market Transaction is accepted by ASX Clear for reporting but not registration, ASX Clear will notify the reported transaction to the Approved Settlement Facility and ASX Clear has no other obligation or responsibility for the Market Transaction.

In addition to dealing with the above matters, this section deals with:

(c) when Market Transactions are novated to ASX Clear;

(d) the effect of novation;

(e) the circumstances in which a Cash Market Transaction may be excluded from novation and the consequences of so excluding it;

(f) the circumstances in which a Cash CCP Transaction may be removed from novation and excluded from netting and the consequences of so doing;

~~(g) the circumstances in which a Participant may remove and settle transactions by Real Time Gross Settlement;~~

(g~~h~~) what is to happen if there is a payment or delivery failure in the case of Cash CCP Transactions (including generation of CCP Rescheduled Batch Instructions or CCP Offsetting Transaction Arrangement Batch Instructions) or a payment failure in respect of Derivatives CCP Contracts;

(h~~i~~) the circumstances in which a Buyer (or if the Buyer is not also a Settlement Participant, a Settlement Participant acting as Settlement Agent for a Buyer) may choose to isolate counterparty in respect of CCP Rescheduled Batch Instructions, CCP Offsetting Transaction Arrangement Batch Instructions or Accrued Batch Instructions~~Cash CCP Transactions~~ and what is to happen if that occurs;

(i~~j~~) the discharge of payment and delivery obligations;

(j~~k~~) a Participant's obligation to report positions in relation to Derivatives CCP Contracts to ASX Clear;

(k~~l~~) the giving of trading and clearing information in relation to Derivatives Market Contracts and Derivatives CCP Contracts by ASX Clear to Participants, the Participant's obligation to check that information and report any errors to ASX Clear;

(l~~m~~) the correction of errors by ASX Clear; and

(m~~n~~) the cancellation and amendment of Derivatives Market Contracts.

This section also deals with the Offsetting Transaction Arrangements which will apply between ASX Clear and Participants for failed CCP Batch Instructions notified by the Approved Settlement Facility in order to facilitate the settlement (rather than rescheduling) of those instructions for the purposes of Sub-standard 7.9 of the Financial Stability Standards for Central Counterparties. Delivery and payment obligations under such Offsetting Transaction Arrangements are to be dealt with on the same basis as delivery and payment obligations under other Cash CCP Transactions and be subject to set-off against those obligations.

12.1 REGISTRATION AND NOTIFICATION OF MARKET TRANSACTIONS

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12.1.4 Reliance on particulars of Market Transactions

ASX Clear is entitled to rely on the particulars of any Market Transaction notified to it by an Approved Market Operator as being correct and, subject to Rule 12.21 in relation to Derivatives Market Contracts, is not bound to recognise any error in relation to those particulars. Without limiting the generality of the foregoing, but subject to Rule 12.21 in relation to Derivatives Market Contracts:

(a) where:

(i) an Approved Market Operator submits a Market Transaction to ASX Clear for registration in the name of a Participant (that is, the particulars of the Market Transaction notified to ASX Clear by the Approved Market Operator identify the Participant, by its PID or otherwise, as a clearing counterparty to the Market Transaction); and

(ii) the Participant is authorised under these Rules to clear one or more categories of Market Transactions effected through the Approved Market Operator, or

(b) where a Participant is directed a Misdirected Market Transaction;

the Participant is taken for all purposes under these Rules to have agreed to clear the Market Transaction and has the corresponding obligations in respect of the Market Transaction, notwithstanding any actual or alleged error concerning the identification of the Participant as a clearing counterparty to the Market Transaction.

Note: In relation to Cash Market Transactions which are notified to ASX Clear by an Approved Market Operator with incorrect particulars of Buyer or Seller, refer Rule 12.7.1 under which ASX Clear may remove Cash CCP Transactions from transactions to be notified for settlement under Rule 12.6.2~~1~~ if it is notified by an Approved Market Operator that the original Cash Market Transaction has been cancelled.

Introduced 11/03/04 Origin OCH 5.4.9 Amended 27/06/11

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12.2 NOVATION

12.2.1 ASX Clear to novate Cash Market Transactions and Derivatives Market Contracts

ASX Clear will novate a Cash Market Transaction which is registered in accordance with Rule 12.1.1 if and only if the delivering PID and the receiving PID for~~specified in the particulars of~~ the Cash Market Transaction submitted to ASX Clear by the Approved Market Operator relate to two different legal entities.

If the delivering PID and the receiving PID relate to the same legal entity, ASX Clear will~~, unless instructed otherwise in accordance with the Procedures,~~ register the Cash Market Transaction and notify the relevant Participant that the Cash Market Transaction has been registered for information only.

ASX Clear will novate a Cash Market Transaction subject to and in accordance with this Rule 12.2.1 with effect from:

(a) if the Cash Market Transaction is the result of the matching of bids and offers on the market of the Approved Market Operator, immediately after the matching of those bids and offers; or

(b) if the Cash Market Transaction is the result of a transaction being recorded by the Approved Market Operator, immediately after the transaction is recorded.

ASX Clear will novate a Derivatives Market Contract, if the Derivatives Market Transaction to which it relates has been registered under Rules 12.1.1 or 12.1.1A, at the time of registration.

Note: A Cash Market Transaction which is submitted by an Approved Market Operator to ASX Clear for registration must be validated by ASX Clear in accordance with the Terms of Trade Acceptance Service in order to confirm that the Cash Market Transaction is registrable under Rule 12.1.1. If the Cash Market Transaction is determined by ASX Clear to be registrable and if it meets the requirements for novation in this Rule 12.2.1, then it is novated with effect from the point in time specified by Rule 12.2.1.

For the avoidance of doubt, Derivatives Market Contract includes an Options Market Contract executed on the over the counter market and a Derivatives Market Transaction includes an OTC Options Market Transaction.

Introduced 11/03/04 Origin OCH 5.4.4, SCH 7.7 Amended 27/06/11, 28/05/12, 07/06/13, 03/12/18

12.2.2 Effect of novation

Upon novation of a Cash Market Transaction or a Derivatives Market Contract under Rule 12.2.1:

(a) the Cash Market Transaction is discharged and replaced with two Cash CCP Transactions; and

(b) the Derivatives Market Contract is discharged and replaced with two Derivatives CCP Contracts,

with the following effect, subject to these Rules:

(c) the obligations owed by a Seller to a Buyer are replaced by obligations in the same terms owed by the Seller to ASX Clear, and by obligations owed by ASX Clear to the Buyer;

(d) the obligations owed by a Buyer to a Seller are replaced by obligations in the same terms owed by the Buyer to ASX Clear, and by obligations owed by ASX Clear to the Seller.

ASX Clear and each Participant acknowledge that:

(e) Cash CCP Transactions (excluding Cash CCP Transactions which are removed from novation pursuant to Rule 12.7.1~~ or 12.7.2 and not reinstated pursuant to Rule 12.7.5~~); and

(f) Derivatives CCP Contracts,

are market netting contracts (as defined in the Payment Systems and Netting Act 1998) the terms of which incorporate any and all Rules which provide for or relate to the exercise of default rights, the netting, set-off or termination of obligations, the calculation or payment of termination values or net amounts and obligations to pay deposits or margin calls, or which otherwise affect the rights and obligations of the parties to the contracts, including, without limitation the Recovery Rules and:

(g) in respect of Cash CCP Transactions, Rules 12.4.1, 12.6.1, and 15; and

(h) in respect of Derivatives CCP Contracts, Rules 12.16, 12.17, 13.2, 14 and 15.

Introduced 11/03/04 Origin OCH 5.4.4, SCH 7.8.1 Amended 18/12/06, 13/07/09, 19/08/09, 01/10/15

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12.6 CALCULATION OF NET CLEARING OBLIGATIONS

12.6.1 Calculation, set-off and notification of net payment obligation

Subject to Rule 12.6.2A and Rule 12.7 upon novation of a Cash Market Transaction due for settlement on a particular Business Day, the payment and delivery obligations under the Cash CCP Transaction are immediately set off against all other payment and delivery obligations due for settlement on that Business Day in accordance with the rules of law as follows:

(a) the total of all the amounts that a Participant is obliged to pay ASX Clear on that Business Day for a PID will be set off against the total of all the

amounts that the Participant is entitled to receive from ASX Clear on that Business Day for the same PID; and

(b) the total number of Financial Products of a particular class to be delivered to a Participant by ASX Clear on that Business Day for a PID will be set off against the total number of Financial Products of that class to be delivered to ASX Clear on that Business Day for the same PID.

Note: For the purpose of determining net delivery or payment obligations and entitlements in respect of a class of Financial Products due to be delivered or received on a Business Day during an Ex-Period (as defined in the ASX Settlement Operating Rules), regard is to be had to whether the Financial Product is to be transferred with or without the relevant Entitlement.

Introduced 11/03/04 Origin SCH 7.9.1 Amended 08/08/13, 28/04/14

12.6.1A Calculation of a Participant's Novated Net Delivery Position and netted obligation report

ASX Clear will:

(a) calculate, or cause to be calculated, the Novated Net Delivery Position in respect of a PID of a Participant for all CCP Cash Transactions in a class of Financial Products due for settlement on a Business Day by way of CCP Market Trade Batch Instructions in the manner specified below:

(i) the net delivery obligation or entitlement of a Participant for each PID will be calculated by setting off the total of the number of Financial Products that the Participant is obliged to deliver to ASX Clear on a Business Day by way of all CCP Market Trade Batch Instructions in respect of Cash CCP Transactions in that class of Financial Products for a PID against the total of the number of Financial Products that the Participant is entitled to receive from ASX Clear on that Business Day by way of all CCP Market Trade Batch Instructions in respect of Cash CCP Transactions in that class of Financial Products for the same PID;

(ii) the associated net payment obligation or entitlement of the Participant for each PID will be calculated by setting off the total of the amounts that the Participant is obliged to pay ASX Clear on that Business Day by way of all CCP Market Trade Batch Instructions in respect of Cash CCP Transactions in that class of Financial Products for that PID against the total of the amount that the Participant is entitled to receive from ASX Clear on that Business Day by way of all CCP Market Trade Batch Instructions in respect of Cash CCP Transactions in that class of Financial Products for the same PID;

(b) notify Participants of their projected Novated Net Delivery Position calculated in accordance with paragraph (a) above in respect of a PID of the Participant as at the End of Day of each Business Day that the Participant has CCP Market Trade Batch Instructions in respect of Cash

CCP Transactions in a class of Financial Products due for settlement, in accordance with the Procedures;

(c) notify the Approved Settlement Facility of the Novated Net Delivery Position calculated in accordance with paragraph (a) above in respect of a PID of a Participant as at the commencement of the Settlement Processing Phase in respect of that Business Day; and

(d) where both of the following apply:

(i) a Participant (or its Settlement Agent) operates multiple Settlement Accounts for the settlement of CCP Batch Instructions in respect of a PID of the Participant; and

(ii) CCP Market Trade Batch Instructions in a class of Financial Products due for settlement on a Business Day relate to more than one of those Settlement Accounts,

ASX Clear will calculate, or cause to be calculated, and notify a separate Novated Net Delivery Position in respect of each Settlement Account to which the CCP Market Trade Batch Instructions relate.

Note: For the purpose of determining the relevant Novated Net Delivery Position in respect of a PID of a Participant for a class of Financial Products due to be delivered or received on a Business Day during an Ex-Period (as defined in the ASX Settlement Operating Rules), regard is to be had to whether the Financial Product is to be transferred with or without the relevant Entitlement.

A Settlement Participant that is a Clearing Participant must operate at least two Settlement Accounts, including one Settlement Account with a 'foreign' residency indicator to facilitate foreign to foreign allocations, unless otherwise agreed by ASX Settlement (refer to ASX Settlement Operating Rule 6.3.4).

The Novated Net Delivery Position in respect of a PID of a Participant will not include delivery or payment obligations or entitlements for Cash CCP Transactions due for settlement by way of CCP Offsetting Transaction Arrangement Batch Instructions under Rule 12.6.2A, CCP Rescheduled Batch Instructions under Rule 12.6.2B or CCP Isolate Counterparty Batch Instructions under Rule 12.9.1.

For reconciliation purposes against the projected Novated Net Delivery Position notified to a Participant by ASX Clear under Rule 16.2.1A(b), the Participant in its capacity as Settlement Participant (or if it is not also a Settlement Participant, a Settlement Participant acting as a Settlement Agent for the Participant), may also request an obligation status report in respect of the underlying Cash CCP Transactions due for settlement on the relevant Business Day by way of CCP Market Trade Batch Instructions in respect of a PID for a particular class of Financial Products in accordance with Rule 16.20 of the operating rules of the Approved Settlement Facility.

12.6.2 Notification of Cash CCP Transactions to Approved Settlement Facility

Subject to Rule 12.6.2A, within the time prescribed in the Procedures, ASX Clear will for each Business Day send to the Approved Settlement Facility a CCP Market Trade ~~Net~~ Batch Instruction containing the details specified in the Procedures in respect of each Cash CCP Transaction due for settlement on that Business Day.~~:~~

~~(a) the net delivery obligation or entitlement of a Participant for each PID for all CCP Cash Transactions in a class of Financial Products due for settlement on that Business Day; and~~

~~(b) the associated net payment obligation or entitlement of the Participant for each PID for all Cash CCP Transactions in the class of Financial Products due for settlement on that Business Day which will be calculated by setting off the total of the amounts that the Participant is obliged to pay ASX Clear on that Business Day in respect of transactions in that class of Financial Products for a PID against the total of the amount that the Participant is entitled to receive from ASX Clear in respect of transactions in that class of Financial Products for the same PID,~~

~~and will notify the Participant of the CCP Net Batch Instruction.~~

Introduced 11/03/04 Amended 08/08/13, 28/04/14

12.6.2A Obligations under Offsetting Transaction Arrangement relating to Failed CCP ~~Net~~ Batch Instruction

Where the Approved Settlement Facility notifies ASX Clear of Failed CCP ~~Net~~ Batch Instructions under Rule 12.8A and pursuant to that Rule ASX Clear enters into an Offsetting Transaction Arrangement with the Participant that has obligations or entitlements under the Failed CCP ~~Net~~ Batch Instruction, then:

(a) obligations and entitlements under the first leg of an Offsetting Transaction Arrangement entered into in respect of each such Failed CCP ~~Net~~ Batch Instruction will be set-off against and discharged by equal but opposite obligations and entitlements under the Failed CCP ~~Net~~ Batch Instruction in the manner set out in Rule 12.8A;

(b) obligations and entitlements under the second leg of an Offsetting Transaction Arrangement entered into in respect of each such Failed CCP ~~Net~~ Batch Instruction will also be included as delivery and payment obligations or entitlements (as applicable) of the Participant for the PID to which those Failed CCP ~~Net~~ Batch Instructions related in the class of Financial Products due for settlement on the next Business Day;

(c) where the Failed CCP Batch Instruction is a CCP Market Trade Batch Instruction or a CCP Gross Batch Instruction, ASX Clear will, within the time specified in the Procedures, send to the Approved Settlement Facility a CCP Offsetting Transaction Arrangement Batch Instruction containing the details specified in the Procedures in respect of:

(i) the net delivery obligation or entitlement of a Participant for each PID under the second leg of the Offsetting Transaction Arrangements entered into in respect of all CCP Market Trade Batch Instructions that are Failed on a Settlement Date in that class of Financial Product; and

(ii) the associated net payment obligation or entitlement of the Participant for each PID under the second leg of the Offsetting

Transaction Arrangements entered into in respect of all CCP Market Trade Batch Instructions that are Failed on that Settlement Date in that class of Financial Product; and

(iii) where both of the following apply:

(A) a Participant (or its Settlement Agent) operates multiple Settlement Accounts for the settlement of CCP Batch Instructions in respect of a PID of the Participant; and

(B) the CCP Market Trade Batch Instructions in a class of Financial Products that are Failed on a Settlement Date relate to more than one of those Settlement Accounts,

ASX Clear will send to the Approved Settlement Facility a separate CCP Offsetting Transaction Arrangement Batch Instruction in respect of each Settlement Account to which the Failed CCP Market Trade Batch Instructions relate,

and will notify the Participant of the CCP Offsetting Transaction Arrangement Batch Instruction; and

(d) where the Failed CCP Batch Instruction is a CCP Rescheduled Batch Instruction, a CCP Offsetting Transaction Arrangement Batch Instruction or a CCP Isolate Counterparty Batch Instruction:

(i) the CCP ~~Net~~ Batch Instructions due for settlement on a Business Day in respect of that Participant will ~~, in addition to the CCP Net Batch Instructions notified under Rule 12.6.2, also~~ include separate ~~CCP Net Batch Instructions~~ CCP Offsetting Transaction Arrangement Batch Instructions containing details of delivery and payment obligations and entitlements (as applicable) of the Participant under the second leg of each Offsetting Transaction Arrangement entered into in respect of a CCP Rescheduled Batch Instruction, CCP Offsetting Transaction Arrangement Batch Instruction or CCP Isolate Counterparty Batch Instruction ~~CCP Net Batch Instruction~~ (and representing equivalent delivery and payment obligations and entitlements of the Participant (as applicable) as under the ~~CCP Net Batch Instruction~~CCP Rescheduled Batch Instruction, CCP Offsetting Transaction Arrangement Batch Instruction or CCP Isolate Counterparty Batch Instruction) Failed on the previous Business Day relating to that PID and class of Financial Products; and

(ii~~d~~) ~~an instruction~~ CCP Offsetting Transaction Arrangement Batch Instructions will be deemed to have been generated by ASX Clear and sent to the Approved Settlement Facility which contain~~s~~ the details referred to in (~~c~~d)(i) above.

Introduced 28/04/14

12.6.2B Rescheduling of CCP Market Trade Batch Instructions as CCP Rescheduled Batch Instructions

Where the Approved Settlement Facility notifies ASX Clear of:

(a) Failed CCP Market Trade Batch Instructions due to a Financial Products Shortfall, ASX Clear will, within the time specified in the Procedures, send to the Approved Settlement Facility a CCP Rescheduled Batch Instruction containing the details specified in the Procedures in respect of:

(i) the net delivery obligation or entitlement of a Participant for each PID for all CCP Market Trade Batch Instructions that are Failed on a Settlement Date in a class of Financial Products; and

(ii) the associated net payment obligation or entitlement of the Participant for each PID for all CCP Market Trade Batch Instructions that are Failed on that Settlement Date in that class of Financial Products;

(b) the suspension of CCP Market Trade Batch Instructions scheduled for settlement on the day that ASX Settlement suspends approval of a class of an Issuer's Financial Products or on a subsequent Business Day in accordance with the operating rules of the Approved Settlement Facility, ASX Clear will, within the time specified in the Procedures, send to the Approved Settlement Facility a CCP Rescheduled Batch Instruction containing the details specified in the Procedures in respect of:

(i) the net delivery obligation or entitlement of a Participant for each PID for all CCP Market Trade Batch Instructions that are suspended on a Settlement Date in a class of Financial Products; and

(ii) the associated net payment obligation or entitlement of the Participant for each PID for all CCP Market Trade Batch Instructions that are suspended on that Settlement Date in that class of Financial Products; or

(c) the cancellation of Batch Settlement on a particular Business Day in accordance with the operating rules of the Approved Settlement Facility and there are CCP Market Trade Batch Instruction due for settlement on that Business Day, ASX Clear will, within the time specified in the Procedures, send to the Approved Settlement Facility a CCP Rescheduled Batch Instruction containing the details specified in the Procedures in respect of:

(i) the net delivery obligation or entitlement of a Participant for each PID for all CCP Market Trade Batch Instructions that are due for settlement on that Business Day in a class of Financial Products; and

(ii) the associated net payment obligation or entitlement of the Participant for each PID for all CCP Market Trade Batch Instructions that are due for settlement on that Business Day in that class of Financial Products; and

(d) where both of the following apply:

(i) a Participant (or its Settlement Agent) operates multiple Settlement Accounts for the settlement of CCP Batch Instructions in respect of a PID of the Participant; and

(ii) the CCP Market Trade Batch Instructions in a class of Financial Products that are:

a. Failed or suspended on a Settlement Date; or

b. due for settlement on a Business Day when batch settlement is cancelled,

relate to more than one of those Settlement Accounts,

ASX Clear will send to the Approved Settlement Facility a separate CCP Rescheduled Batch Instruction in respect of each Settlement Account to which those CCP Market Trade Batch Instructions relate,

and will notify the Participant of the CCP Rescheduled Batch Instruction.

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12.7 CANCELLATION AND REMOVAL OF CASH CCP TRANSACTIONS FROM NOVATION, NETTING AND SETTLEMENT

12.7.1 Removal by ASX Clear of a Cash CCP Transaction from settlement notification

ASX Clear may, before the time specified in the Procedures, remove Cash CCP Transactions from transactions to be notified for settlement under Rule 12.6.2~~1~~ if:

(a) ASX Clear reasonably considers it appropriate having regard to Rule 1.15 in order to maintain the orderly operation and integrity of ASX Clear;

(b) it is requested to do so by an Approved Market Operator in accordance with the Terms of Trade Acceptance Service, or by an Approved Settlement Facility, in order to ensure the efficiency, orderly operation, integrity or proper functioning of the market or facility; or

(c) it is notified by an Approved Market Operator in accordance with the Terms of Trade Acceptance Service, or by an Approved Settlement Facility, that the original Cash Market Transaction has been cancelled,

and if it removes the Cash CCP Transactions, ASX Clear will immediately notify:

(d) the affected Participants that the Cash CCP Transactions have been removed; and

(e) where relevant, the Approved Market Operator or the Approved Settlement Facility that the Cash CCP Transactions have been removed,

and Rule 12.7.6 will have effect.

For the purpose of this Rule 12.7.1, requests for removal of Cash CCP Transactions from transactions to be notified for settlement under Rule 12.6.2 can only be made by Approved Market Operators before End of Day on the day that the relevant underlying Cash Market Transaction was submitted to ASX Clear under Rule 12.1.1 by the Approved Market Operator.

Introduced 11/03/04 Origin SCH 7.5A1, 7.5A.2 Amended 27/06/11

12.7.2 Buyer and Seller may request Cash CCP Transactions be removed from novation and set off – [Deleted]

~~If before the time specified in the Procedures, the Buyer and Seller to a Cash Market Transaction request ASX Clear to remove the transaction from novation under Rule 12.2.1 and set off under Rule 12.6.1, in order, for example, to remove the transaction to an Alternative Settlement Facility, ASX Clear will:~~

~~(a) remove the corresponding Cash CCP Transactions from set off; and~~

~~(b) notify the Buyer and Seller accordingly,~~

~~and Rule 12.7.6 will have effect.~~

~~If the Buyer and Seller request it, ASX Clear will send to an Approved Settlement Facility a corresponding Direct Batch Instruction.~~

Introduced 11/03/04 Origin SCH 7.13.1

~~**12.7.3A Cash CCP Transactions excluded from set off**~~

~~ASX Clear must exclude from set off under Rule 12.6.1, the types of Cash CCP Transactions specified in the Procedures.~~

12.7.3 ~~Buyer and Seller may request~~ Cash CCP Transactions may be excluded from set off

ASX Clear may exclude Cash CCP Transactions from set off under Rule 12.6.1 if ASX Clear reasonably considers it appropriate having regard to Rule 1.15 in order to maintain the orderly operation and integrity of ASX Clear.

If ASX Clear excludes the Cash CCP Transactions, ASX Clear will immediately notify:

(a) the affected Participants that the Cash CCP Transactions have been excluded from set-off; and

(b) where relevant, the Approved Market Operator or the Approved Settlement Facility that the Cash CCP Transactions have been excluded from set-off.

~~If before the time specified in the Procedures a Buyer and Seller to a Cash Market Transaction:~~

~~(a) request ASX Clear to remove the corresponding Cash CCP Transactions from set off under Rule 12.6.1; or~~

~~(b) request ASX Clear to remove the corresponding Cash CCP Transactions from set off under Rule 12.6.1 for the purpose of settlement in Real Time Gross Settlement,~~

~~ASX Clear will remove the Cash CCP Transactions from set off.~~

~~Introduced 11/03/04 Origin SCH 7.12~~

12.7.4 Action by ASX Clear where Buyer and Seller request ~~Buyer and Seller request~~ Cash CCP Transaction be ~~be~~ excluded from set off – [Deleted]

~~Subject to Rule 12.7.9, where ASX Clear excludes a Cash CCP Transaction from set off accepts a request under Rule 12.7.3 or 12.7.3A, to exclude a transaction from set off, ASX Clear will, within the time specified in the Procedures, send to the Approved Settlement Facility corresponding :~~

~~(a) CCP Gross Batch Instructions; or~~

~~(b) CCP RTGS Instructions,~~

~~as the case requires and notify the Buyer and Seller accordingly.~~

Introduced 11/03/04 Origin SCH 7.12, 28/04/14

12.7.5 Buyer and Seller may cancel request [Deleted]

~~If before the time specified in the Procedures, the Buyer and Seller to a transaction cancel a request made to ASX Clear to:~~

~~(a) remove the transaction from novation and set off under Rule 12.7.2; or~~

~~(b) remove the transaction from set off under Rule 12.7.3,~~

~~and ASX Clear accepts the request for cancellation, ASX Clear will reinstate the transaction to novation and set off or set off as the case requires.~~

Introduced 11/03/04 Origin SCH 7.1.4A, 7.12, 7.12A, 7.13

12.7.6 Effect of removal of Cash CCP Transaction

If ASX Clear removes Cash CCP Transactions under Rule~~s~~ 12.7.1 ~~or 12.7.2~~:

(a) the Seller and the Buyer are, and are taken from the time the original Cash Market Transaction was entered into, to be in direct contractual relationship with each other on the terms of that transaction;

(b) the CCP Market Trade Batch Instructions generated and sent to the Approved Settlement Facility in respect of the Cash CCP Transactions will be cancelled; and

(c~~b~~) ASX Clear has no obligation in relation to those transactions.

Introduced 11/03/04 Origin SCH 7.5A.2, 7.13.3

12.7.7 Request by Buyer or Seller where counterparty not known – [Deleted]

~~Where a Buyer or Seller (as the case may be) is not aware of the identity of its counterparty for the purpose of making a request to ASX Clear for the removal of a transaction under either Rule 12.7.2 or Rule 12.7.3, the Buyer or Seller may ask ASX Clear, by the time and in the manner set out in the Procedures, to facilitate such a request.~~

Introduced 28/11/05

12.7.8 ASX Clear action where asked to facilitate a request – [Deleted]

~~Upon being asked under Rule 12.7.7 to facilitate a request, ASX Clear will use reasonable endeavours to contact the counterparty to ascertain whether the counterparty is agreeable or otherwise to a request to remove the transaction. ASX Clear will notify the Buyer or Seller as soon as reasonably practicable whether the counterparty is agreeable to the request.~~

Introduced 28/11/05

12.7.9 Obligations under second leg of Offsetting Transaction Arrangement relating to Failed CCP Gross Batch Instruction – [Deleted]

~~Where the Approved Settlement Facility notifies ASX Clear of Failed CCP Gross Batch Instructions under Rule 12.8A and pursuant to that Rule ASX Clear enters into an Offsetting Transaction Arrangement with the Participant that has obligations or entitlements under the Failed CCP Gross Batch Instruction, then:~~

~~(a) obligations and entitlements under the first leg of an Offsetting Transaction Arrangement entered into in respect of each such Failed CCP Gross Batch Instruction will be set-off against and discharged by equal but opposite obligations and entitlements under the Failed CCP Gross Batch Instruction in the manner set out in Rule 12.8A;~~

~~(b) CCP Gross Batch Instructions due for settlement on a Business Day in respect of that Participant will, in addition to the CCP Gross Batch Instructions notified under Rule 12.7.4, also include separate CCP Gross Batch Instructions containing details of delivery and payment obligations and entitlements (as applicable) of the Participant under the second leg of each Offsetting Transaction Arrangement entered into in respect of a CCP Gross Batch Instruction (and representing equivalent delivery and payment obligations and entitlements of the Participant (as applicable) as under the CCP Gross Batch Instruction) Failed on the previous Business Day relating to that PID; and~~

~~(c) an instruction will be deemed to have been generated by ASX Clear and sent to the Approved Settlement Facility which contains the details referred to in (b) above.~~

~~Introduced 28/04/14~~

12.7.10 Cancellation by Approved Settlement Facility of CCP Isolate Counterparty Batch Instructions

Where the Approved Settlement Facility cancels CCP Isolate Counterparty Batch Instructions generated in respect of a request from a Buyer to isolate a counterparty under Rule 12.9.1, pursuant to a request by the receiving Settlement Participant and delivering Settlement Participant(s) to those CCP Isolate Counterparty Batch Instructions, then:

(a) ASX Clear has no obligation in relation to those CCP Isolate Counterparty Batch Instructions; and

(b) the relevant Cash CCP Transactions (or part thereof (as applicable)) which underlie the CCP Isolate Counterparty Batch Instructions are cancelled and ASX Clear and the relevant Buyer and Seller have no obligations in relation to those Cash CCP Transactions.

12.8 PAYMENT OR DELIVERY FAILURE OF CASH CCP TRANSACTIONS

12.8.1 Failure causing an increase in ASX Clear's payment obligations

If an Approved Settlement Facility Fails:

(a) a CCP Market Trade ~~Net~~ Batch Instruction generated by ASX Clear under Rule 12.6.2 ~~or 12.6.2A~~;

(b) a CCP ~~Gross~~ Isolate Counterparty Batch Instruction generated by ASX Clear under Rule 12.9.1~~7.4 or 12.7.9~~; ~~or~~

~~(c) a CCP RTGS Instruction generated by ASX Clear under Rule 12.7.4~~

(c) a CCP Rescheduled Batch Instruction generated by ASX Clear under Rule 12.6.2B; or

(d) a CCP Offsetting Transaction Arrangement Batch Instruction generated or deemed to be generated by ASX Clear under Rule 12.6.2A(c) or 12.6.2A(d),

and as a result of the Failure there is an increase in ASX Clear's obligation to make payment, ASX Clear may make arrangements to meet its increased obligation. Where ASX Clear considers that a Participant's default would trigger a Failure in respect of an Instruction referred to in this Rule 12.8.1, ASX Clear may also make arrangements to make payments to avoid such Instructions being Failed.

Introduced 11/03/04 Origin SCH 7.26.1 Amended 28/04/14

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12.8.5 Application of Standard Settlement Price by ASX Clear

If an Approved Settlement Facility Fails in full or in part:

(a) a CCP ~~Net~~ Market Trade Batch Instruction generated by ASX Clear under Rule 12.6.2 ~~or 12.6.2A~~;

(b) a CCP ~~Gross~~ Isolate Counterparty Batch Instruction generated by ASX Clear under Rule 12.9.1~~7.4 or 12.7.9~~; ~~or~~

~~(c) a CCP RTGS Instruction generated by ASX Clear under Rule 12.7.4,~~

(c) a CCP Rescheduled Batch Instruction generated by ASX Clear under Rule 12.6.2B; or

(d) a CCP Offsetting Transaction Arrangement Batch Instruction generated or deemed to be generated by ASX Clear under Rule 12.6.2A(c) or Rule 12.6.2A(d),

and ASX Clear requests the Approved Settlement Facility to reschedule the Instruction or schedule the resulting Instruction (as applicable) to the next Business Day, ASX Clear will apply a Standard Settlement Price to determine a Revised Settlement Amount for each Instruction or part of Instruction that ASX Clear requests the Approved Settlement Facility to reschedule or schedule (as applicable) for settlement and:

(~~d~~e) if ASX Clear has an entitlement to receive under ~~a rescheduled~~the Instruction and:

(i) if the Revised Settlement Amount is greater than the Settlement Amount of the Instruction that has Failed, the delivering Participant must pay ASX Clear the difference between the two amounts; or

(ii) if the Revised Settlement Amount is less than the Settlement Amount of the Instruction that has Failed, ASX Clear must pay to the delivering Participant the difference between the two amounts;

(~~e~~f) if ASX Clear has an obligation to deliver under ~~a rescheduled~~the Instruction and:

(i) if the Revised Settlement Amount is less than the Settlement Amount of the ~~Settlement~~ Instruction that has Failed, the receiving Participant must pay ASX Clear the difference between the two amounts; and

(ii) if the Revised Settlement Amount is greater than the Settlement Amount of the Instruction that has Failed, ASX Clear must pay the receiving Participant the difference between the two amounts; and

(g~~f~~) ASX Clear will apply the Revised Settlement Amount to each Instruction.

Introduced 11/03/04 Origin SCH 7.28.2 Amended 28/04/14

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12.8A ASX CLEAR TO ENTER INTO OFFSETTING TRANSACTIONS

12.8A.1 Offsetting Transaction Arrangement

Where the Approved Settlement Facility Fails CCP Batch Instructions for a Payment Shortfall (or to limit a Settlement Participant's net obligation to make payment in respect of that Payment Facility to the amount notified under Rule 10.10.4(a) of the operating rules of the Approved Settlement Facility) or for a suspension or termination of a Payments Provider that would affect payment under a CCP Batch Instruction, and notifies ASX Clear of those CCP Batch Instructions:

(a) ASX Clear may, in its absolute discretion, enter into an Offsetting Transaction Arrangement with each non-defaulting Participant (or in the case of a CCP Batch Instruction Failed for a suspension or termination of a Payments Provider, with the affected Participant other than for where the affected Participant's authority to clear the category of Market Transaction that underlies the Failed CCP Batch Instruction has been suspended or terminated) that has obligations or entitlements under the Failed CCP Batch Instruction (reflecting obligations and entitlements under Cash CCP Transactions to which the Participant is a counterparty which underlie such CCP Batch Instruction);

(b) The Offsetting Transaction Arrangement is to provide for:

(i) under the first leg of the Offsetting Transaction Arrangement, obligations and entitlements which are equal but opposite to the outstanding obligations and entitlements of ASX Clear and the Participant under the Failed CCP Batch Instruction;

(ii) under the second leg of the Offsetting Transaction Arrangement, obligations and entitlements which are equal but opposite to the obligations and entitlements of ASX Clear and the Participant under the first leg of the Offsetting Transaction Arrangement (ie equal to the outstanding obligations and entitlements of ASX Clear and the Participant under the Failed CCP Batch Instruction),

on the terms set out in the Procedures.

(c) Nothing further is required to be done by either ASX Clear or the Participant in order to enter into and bring into effect such Offsetting Transaction Arrangement;

(d) At the time of entry into an Offsetting Transaction Arrangement, the delivery and payment obligations and entitlements of the Participant and ASX Clear under the Failed CCP Batch Instruction are to be set-off against the equal but opposite payment and delivery obligations and entitlements of the Participant and ASX Clear under the first leg of the Offsetting Transaction Arrangement relating to the Failed CCP Batch Instruction, with the result that:

(i) each of the obligations of a Participant to deliver Financial Products (or Entitlements relating to those Financial Products) to ASX Clear under the Failed CCP Batch Instruction are discharged by the equal but opposite obligations of ASX Clear to deliver Financial Products (or Entitlements relating to those Financial Products) to the Participant under the first leg of the Offsetting Transaction Arrangement;

(ii) each of the obligations of ASX Clear to make payment to the Participant under the Failed CCP Batch Instruction are discharged by the equal but opposite obligations of the Participant to make payment to ASX Clear under the first leg of the Offsetting Transaction Arrangement;

(iii) each of the obligations of ASX Clear to deliver Financial Products (or Entitlements relating to those Financial Products) to a Participant under the first leg of the Offsetting Transaction Arrangement are discharged by the equal but opposite obligations of the Participant to deliver Financial Products (or Entitlements relating to those Financial Products) to ASX Clear under the Failed CCP Batch Instruction; and

(iv) each of the obligations of a Participant to make payment to ASX Clear under the first leg of the Offsetting Transaction Arrangement are discharged by the equal but opposite obligations of ASX Clear to make payment to the Participant under the Failed CCP Batch Instruction;

(e) payment and delivery obligations and entitlements of a Participant under the second leg of the Offsetting Transaction Arrangement will be due for settlement on the following Business Day and are subject to set-off against all other payment and delivery obligations and entitlements for the PID to which the Failed CCP Batch Instruction related and inclusion for settlement in accordance with Rule~~s~~ 12.6 ~~and 12.7 (as applicable)~~ and discharge by net delivery and net payment in accordance with Rule 12.4.

Introduced 28/04/14 Amended 01/10/15

12.9 ISOLATE COUNTERPARTY – CASH CCP TRANSACTIONS

12.9.1 Where CCP ~~Net~~ Market Trade Batch Instruction has Failed, been suspended or upon cancellation of Batch Settlement

In relation to a CCP ~~Net~~ Market Trade Batch Instruction:

(a) which has Failed in full or in part and results in the generation of a CCP Rescheduled Batch Instruction under Rule 12.6.2B(a), a CCP Offsetting Transaction Arrangement Batch Instruction under Rule 12.6.2A or an Accrued Batch Instruction under the operating rules of the Approved Settlement Facility;

(b) which has been suspended and results in the generation of a CCP Rescheduled Batch Instruction under Rule 12.6.2B(b); or

(c) which was due to settle on a day when Batch Settlement was cancelled and results in the generation of a CCP Rescheduled Batch Instruction under Rule 12.6.2B(c),

a Buyer (or if the Buyer is not also a Settlement Participant, a Settlement Participant acting as Settlement Agent for a Buyer) may request ASX Clear to isolate a counterparty in relation to the CCP Rescheduled Batch Instruction, CCP Offsetting Transaction Arrangement Batch Instruction or Accrued Batch Instruction (as applicable) and ASX Clear may, in its absolute discretion:

(d~~a~~) select one or more Sellers in respect of the CCP Rescheduled Batch Instruction, CCP Offsetting Transaction Arrangement Batch Instruction or Accrued Batch Instruction (as applicable) ~~CCP Net Batch Instruction~~ relating to that particular class of Financial Products so that the Financial Products to be delivered by the Seller or Sellers matches the total number of Financial Products to be received by the Buyer in relation to that particular class of Financial Products;

(e~~b~~) create ~~a~~ CCP ~~Gross~~ Isolate Counterparty Batch Instructions between ASX Clear and the Seller or Sellers and ASX Clear and the Buyer relating to that number of Financial Products and send the ~~i~~Instructions to the Approved Settlement Facility for settlement on the next Business Day;

(f) apply to the CCP Isolate Counterparty Batch Instructions created under paragraph (e) the same unique identifier code for the purpose of the Approved Settlement Facility linking the settlement of those CCP Isolate Counterparty Batch Instructions in Batch Settlement, so that if one of the linked CCP Isolate Counterparty Batch Instructions is Failed in full or in part on a Settlement Date, the linked CCP Isolate Counterparty Batch Instructions with the same unique identifier code will also be Failed in full or in part (as applicable) on that Business Day;

(g~~c~~) reduce the Seller's or Sellers' relevant CCP Rescheduled Batch Instructions, CCP Offsetting Transaction Arrangement Batch Instruction(s) or Accrued Batch Instruction(s) (as applicable) ~~CCP Net Batch instructions~~ by the number of units included in the ~~i~~Instruction created under Rule 12.9.1(e); and

(h~~d~~) reduce the Buyer's relevant CCP Rescheduled Batch Instruction, CCP Offsetting Transaction Arrangement Batch Instruction or Accrued Batch Instruction (as applicable) ~~CCP Net Batch instructions~~ by the number of units included in the Instruction created under Rule 12.9.1(e).

Introduced 11/03/04 Origin SCH 7.45.1 Amended 01/10/15

12.9.2 ASX Clear may take action to isolate counterparties

Even though a Buyer has not requested ASX Clear to act in accordance with Rule 12.9.1, ASX Clear:

(a) may take such action under Rule 12.9.1 as if the identified Buyer had made such request under Rule 12.9.1; and

(b) where such action is taken, will notify all Sellers and Buyers of the resulting settlement obligation.

Introduced 11/03/04 Origin SCH 7.45.4

12.9.3 Application of the Rules

Rule 12.9.1 applies to action taken by ASX Clear under Rule 12.9.2 as if the Buyer had made the request under Rule 12.9.1.

Introduced 11/03/04 Origin SCH 7.45.5

12.10 DISCHARGE OF SETTLEMENT OBLIGATIONS RELATING TO CASH CCP TRANSACTIONS

12.10.1 Time at which discharge of settlement obligations occur

Subject to Rule 12.8A in respect of Cash CCP Transactions underlying a Failed CCP Batch Instruction settled through a Cash CCP Transaction that is a transaction under the first leg of an Offsetting Transaction Arrangement, ASX Clear and Participants will be taken under these Rules to have discharged their settlement obligations in relation to Cash CCP Transactions under Rule 4.20 only upon receipt by ASX Clear and the Participant or the Participant's Settlement Participant of a declaration by an Approved Settlement Facility that in accordance with the operating rules of that Approved Settlement Facility:

(a) each obligation to deliver Financial Products is discharged irrevocably in full;

(b) each entitlement to receive Financial Products or Entitlements is satisfied irrevocably in full;

(c) each obligation to make payment has been discharged irrevocably in full; and

(d) each entitlement to receive a payment has been satisfied irrevocably in full.

Note: A notification from ASX Settlement under Rule 10.13.3 of the ASX Settlement Operating Rules is a relevant declaration for the purposes of this Rule 12.10.1.

Introduced 11/03/04 Origin SCH 7.30.2 Amended 28/04/14

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12.17.3 Single net payment

In addition to Rule 12.17.2A, ASX Clear may determine, and set out in the Procedures, that any net payment rights and net payment obligations arising under Rule 12.16 (including, where the Participant has been allocated or attributed more than one PID, any net payment rights or net payment obligations notified under Rule 12.16.1(c) or any net payment rights or net payment obligations notified under Rule 12.16.2(c)) may be settled through a single net payment of those amounts.

Introduced 11/03/04 Origin OCH 4.3.5A Amended 08/08/13

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SECTION 24 TRANSITIONAL ARRANGEMENTS (TRANSITION TO NEW SYSTEM)

This Section sets out transitional arrangements governing the transition from the Old System to the New System, including:

(a) the processing of Collateral removal requests;

(b) Clearing Messages that will not be migrated from the Old System to the New System;

(c) transitional arrangements for CCP Batch Instructions; and

(d) the commencement timing for the transitional arrangements.

24.1 INTERPRETATION

24.1.1 Definitions

In this Rule 24:

"**Effective Period**" in respect of a Rule in this Section 24 means the period during which that Rule is effective, as specified in the Procedure to Rule 24.1.2.

"**New System**" means the Clearing House Electronic Subregister System operated by ASX Clear and ASX Settlement from the New System Start Date.

"**New System Start Date**" means the date that ASX Clear notifies Participants as being the date on which the New System commences operation.

"**Old System**" means the Clearing House Electronic Subregister System operated by ASX Clear and ASX Settlement until the Old System Close Date.

"**Old System Close Date**" means the date that ASX Clear notifies Participants as being the date on which the Old System will cease to accept Clearing Messages from Participants.

24.1.2 Commencement

Each Rule specified in this Section 24 will:

(a) be effective on and from the commencement of the Effective Period for that Rule specified in the Procedures; and

(b) if applicable, will cease to be effective at the end of the Effective Period for that Rule specified in the Procedures.

24.2 COLLATERAL REQUESTS

24.2.1 Lodgement or withdrawal of Approved Financial Products as Cover against margin obligations

(a) Notwithstanding paragraph 3.4 in Annexure 1 of the Procedures, if in the event that a Participant wishes to exchange Collateral or replace one form of Cover with another form of Cover in respect of margin obligations on the Old System Close Date or the New System Start Date, which involves a process occurring through the Old System on or prior to the Old System Close Date, then:

(i) for an exchange of Collateral under paragraph 3.4(a) in Annexure 1 of these Procedures, ASX Clear can determine, at its absolute discretion, a different time for when the relevant Collateral may be replaced by other Collateral than the times currently specified in that paragraph (i.e. between 8:00 am and 5:00pm on a Business Day);

(ii) for a replacement of Collateral with Cash Cover under paragraph 3.4(b) in Annexure 1 of these Procedures, ASX Clear can determine, at its absolute discretion, a different time for when withdrawal requests must be transmitted by a Participant than the time currently specified in that paragraph (i.e. by 5:00 pm on the Business Day before the release of the Collateral is required); and

(iii) for a replacement of Cash Cover with Collateral under paragraph 3.4(c) in Annexure 1 of these Procedures, ASX Clear can determine, at its absolute discretion, a different time for when the replacement Collateral must be lodged by a Participant than the time currently specified in that paragraph (i.e. by 5:00 pm on the Business Day before the release of the Cash Cover is required).

(b) Without limiting Rule 24.3.1, where in relation to the:

(i) lodgement of Approved Financial Products as Cover or specific Cover for margin obligations;

(ii) exchange of Collateral or replacement of one form of Cover with another form of Cover for margin obligations;

(iii) withdrawal of Approved Financial Products not covering margin obligations; or

(iv) transfer of Collateral from one Participant to another Participant,

the workflow required to be performed through the Old System in respect of such lodgement, exchange or replacement, withdrawal or transfer has not been completed through the Old System by the End of

Day on the Old System Close Date, ASX Clear will not give effect to such lodgement, exchange or replacement, withdrawal or transfer.

Note: ASX Clear will attempt to process requests relating to such lodgement, exchange, replacement, withdrawal or transfer of Cover submitted through the Old System on the Old System Close Date or on the prior Business Day by End of Day on the Old System Close Date.

Subject to these Rules, requests relating to such lodgement, exchange, replacement, withdrawal or transfer of Cover submitted through the Old System that are not given effect to by ASX Clear may be re-initiated by Participants through the New System from the New System Start Date.

24.2.2 Third Party Withdrawals of CHESS Holdings

Notwithstanding paragraph 3.6 in Annexure 1 of the Procedures, for withdrawals of CHESS Holdings lodged as Cover in respect of margin obligations for Derivatives CCP Contracts under Rule 14.6 where the ASX Settlement participant is different to the ASX Clear Participant, if the ASX Clear Participant receives a CHESS *168 – CP Collateral Removal Authorisation Request message* less than 2 Business days prior to the Old System Close Date, the ASX Clear Participant must respond with a CHESS 103 – *CP Collateral Removal Authorisation message* or a CHESS 109 – *CP Collateral Removal Rejection message* by End of Day on the Old System Close Date.

Note: If an ASX Clear Participant receives a Message of a type specified in Rule 24.2.2 less than two Business days before the Old System Close Date and the ASX Clear Participant does not respond to the Message with a CHESS 168 – CP Collateral Removal Authorisation Request message by the End of Day on the Old System Close Date, pursuant to Rule 24.3 the Message will not be migrated to the New System unless the Message is of a type specified in the Procedure to Rule 24.3.1.

24.3 UNACTIONED CLEARING MESSAGES

24.3.1 Unactioned Old System Clearing Messages at End of Day on Old System Close Date not migrated

Notwithstanding any other Rule:

(a) if a Clearing Message is:

(i) submitted by a Participant or ASX Clear through the Old System before the End of Day on the Old System Close Date;

(ii) not responded to by ASX Clear or a Participant (as applicable) through the Old System, by the End of Day on the Old System Close Date; and

(iii) not of a type specified in the Procedures,

ASX Clear will not migrate the Message from the Old System to the New System and will not give effect to the Clearing Message; and

(b) if a Participant submits a Clearing Message to ASX Clear on or after the New System Start Date responding, or purporting to respond, to a Clearing Message that is not migrated by ASX Clear under paragraph (a), ASX Clear will not give effect to the Clearing Message submitted by the Participant despite any other Rule.

Note: This Rule 24.3 only applies to Clearing Messages submitted through CHESS. It does not apply to Clearing Messages submitted through the Derivatives Clearing System or the giving effect to those Clearing Messages. This includes, without limitation, any Exercise Notices submitted by a Buyer of an Options CCP Contract to ASX Clear through the Derivatives Clearing System, which when allocated by ASX Clear to a Seller of an Options CCP Contract will continue to generate in CHESS CCP Batch Instructions notified by ASX Clear to the Approved Settlement Facility for settlement in the Approved Settlement Facility on the relevant Settlement Date.

Subject to these Rules, requests, notifications or other actions relating to Clearing Messages submitted through the Old System that are not migrated by ASX Clear may be re-initiated by Participants through the New System from the New System Start Date.

Where a Clearing Message which has submitted through the Old System is of a type specified in the Procedure to Rule 24.3.1(a)(iii), ASX Clear may give effect to that Clearing Message through the New System from the New System Start Date.

24.4 CCP BATCH INSTRUCTIONS

24.4.1 Migration of CCP Batch Instructions

Each CCP Batch Instruction generated or deemed to be generated by ASX Clear and sent to the Approved Settlement Facility by Start of Day on the New System Start Date in respect of the Old System which is yet to be discharged in full, is to be migrated to the New System and scheduled for settlement in the manner set out in ASX Settlement Operating Rule 19.4.1.

Note: ASX Settlement Operating Rule 19.4.1 deals with the migration to the New System and scheduling in DvP Batch Settlement of CCP Batch Instructions received or deemed to be received by the Approved Settlement Facility from ASX Clear by Start of Day on the New System Start Date in respect of the Old System which are yet to be discharged in full.

24.4.2 Linked CCP Batch Instructions

(a) For each CCP Gross Batch Instruction generated by ASX Clear and sent to the Approved Settlement Facility by Start of Day on the New System Start Date in respect of the Old System which is yet to be discharged in

full, for which the underlying Cash CCP Transaction is of a type specified in the Procedures, ASX Clear will notify the Approved Settlement Facility of a unique identifier code in respect of that CCP Gross Batch Instruction for the purpose of the Approved Settlement Facility linking the settlement of the CCP Rescheduled Batch Instruction recorded in the New System and scheduled for settlement in DvP Batch Settlement in respect of that CCP Gross Batch Instruction, so that if one of the linked CCP Rescheduled Batch Instructions is Failed or Failed in part on a Settlement Date, the linked CCP Rescheduled Batch Instructions will also be Failed or Failed in part (as applicable) on that Business Day.

(b) For each CCP Gross Batch Instruction generated by ASX Clear under Rule 12.9.1 and sent to the Approved Settlement Facility by Start of Day on the New System Start Date in respect of the Old System which is yet to be discharged in full, ASX Clear will notify the Approved Settlement Facility of a unique identifier code in respect of that CCP Gross Batch Instruction for the purpose of the Approved Settlement Facility linking the settlement of the CCP Isolate Counterparty Batch Instruction recorded in the New System and scheduled for settlement in DvP Batch Settlement in respect of that CCP Gross Batch Instruction, so that if one of the linked CCP Isolate Counterparty Batch Instructions is Failed or Failed in part on a Settlement Date, the linked CCP Isolate Counterparty Batch Instructions will also be Failed or Failed in part (as applicable) on that Business Day.

ASX CLEAR OPERATING RULES PROCEDURES

SECTION 1 INTRODUCTION AND GENERAL RULES

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PROCEDURE 1.17.1 GRANT OF CHESS LICENCE

The Procedures referred to in this Rule are contained in the ~~ASX Settlement Participant Guidelines (APG), and the External Interface Specification (EIS).~~ User Technical Documentation.

Introduced 11/03/04 Amended 21/06/05

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SECTION 2 DEFINITIONS AND INTERPRETATION

"PID" – where requested by a Participant in accordance with any requirements (including the payment of any fee) notified by ASX Clear from time to time, ASX Clear may allocate or attribute more than one PID per Participant up to a maximum number of five (5) PIDs per Participant.

Introduced 02/08/13

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PROCEDURE 4.20.1 SETTLEMENT OF CASH MARKET TRANSACTIONS AND CASH CCP TRANSACTIONS

For the purposes of Rule 4.20.1, a Cash Market Transaction may be settled on a day other than the second Business Day following the date the transaction was created on or reported to the Approved Market Operator where:

(a) the Cash Market Transaction is a forward delivery transaction (in which case the Cash Market Transaction must be settled on the agreed forward date); ~~or~~

(b) ASX Clear classifies the Cash Market Transaction as "deferred delivery" or "deferred settlement" (in which case the Cash Market Transaction must be settled on the day specified by ASX Clear); ~~.~~

(c) the Cash Market Transaction is reported to the Approved Market Operator with an "as at" date that is one Business Day prior to the date the transaction was reported to the Approved Market Operator (in which case, the Cash Market Transaction will be settled on the second Business Day following the "as at" date);

(d) the Cash Market Transaction is reported to the Approved Market Operator with an "as at" date that is more than one Business Day prior to the date the transaction was reported to the Approved Market Operator (in which case, the Cash Market

Transaction must be settled on the first Business Day following the date the transaction was reported to the Approved Market Operator); or

(e) a market for dealing in a Financial Product which involves a different basis of quotation to the existing quotation in that Financial Product is established in accordance with the operating rules of the Approved Market Operator, and a Cash Market Transaction for the Financial Product is executed on a 'cum' benefit basis during a period when the existing quotation of the Financial Product is on the basis of 'ex' the benefit (in which case, the Cash Market Transaction must be settled on the first Business Day following the date that the transaction was created on or reported to the Approved Market Operator).

Introduced 27/06/11 Amended 07/03/16

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SECTION 6 COMMUNICATIONS WITH ASX CLEAR

PROCEDURE 6.2 TESTING REQUIREMENTS

ASX Clear may require a Participant to undertake the following testing:

Primary Technical Accreditation – CHESS

Accreditation must be successfully completed for all Participants' ~~EIS~~ software. The extent of the testing required is contained in the applicable ~~CHESS~~ Participant technical accreditation ~~Technical Accreditation~~ document available from ASX Clear.

All tests will be based on specifications and procedures defined in the ~~EIS and APG~~User Technical Documentation.

Connectivity testing – DCS

The connectivity test is an objectively successful status check of the Gateway and server undertaken by the Central Clearing Controller (CCC) as initiated by ASX Clear. Note that this does not require ASX Clear to physically attend the premises of the Participant.

Validation testing – DCS

Validation tests must be successfully completed by Participants using ASX Derivatives Clearing System OIS software. The extent of the testing required is contained in the applicable Derivatives Clearing System Participant Technical Accreditation document available from ASX Clear.

ASX Clear will notify Participants of any amendment or addition to these validation tests.

Introduced 11/03/04 Amended 21/06/05, 27/06/11

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SECTION 12 REGISTRATION, NOVATION, NETTING AND SETTLEMENT

PROCEDURE 12.1.1 MARKET TRANSACTIONS TO BE REGISTERED

Cash Market Transactions:

(a) Subject to paragraph (b), ASX Clear will accept for registration a Cash Market Transaction that is a reportable transaction under the operating rules of an Approved Market Operator that:

(i) results from the process of matching bids and offers in a trading platform of the Approved Market Operator; or

(ii) is recorded by a trading platform of the Approved Market Operator.

(b) ASX Clear will not accept for registration a Cash Market Transaction in a class of Financial Product to which the acceptable considerations for not clearing certain securities apply. The acceptable considerations are set out in the Open Access Principles for a licensed listing market seeking access to ASX Clear published by the Commission and Reserve Bank of Australia.

If the delivering PID and the receiving PID relate to the same legal entity, ASX Clear will~~, unless instructed otherwise in accordance with the Procedures,~~ register the Cash Market Transaction and notify the relevant Participant that the Cash Market Transaction has been registered for information only.

Amended 23/11/20

Derivatives Market Transactions:

~~**CONTRACTS WHICH WILL BE REGISTERED**~~

ASX Clear will accept for registration a Derivatives Market Transaction that comprises:

(a) an Options Market Contract; or

(b) a Futures Market Contract,

traded on a trading platform of ASX.

ASX Clear will notify Participants of any new, or amendments to, Derivatives Market Contracts that it will accept for registration. Notification will be by way of a Notice to Participants.

Introduced 11/03/04 Amended 28/11/05, 27/06/11, 07/06/13

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PROCEDURE 12.1.5 TIMING OF REGISTRATION

Cash Market Transactions:

Registration of a Cash Market Contract will occur immediately upon novation of the Cash Market Transaction under Rule 12.2.1, or in the case of an Offsetting Transaction Arrangement, registration of a transaction under the second leg of the Offsetting Transaction Arrangement will occur immediately upon the entry into of the Offsetting Transaction Arrangement.

Derivatives Market Transactions:

~~**TIME OF REGISTRATION OF MARKET CONTRACTS**~~

Unless ASX Clear notifies Participants of another time, registration of a Derivatives Market Transaction will occur when the Derivatives Market Contract has been properly designated to Accounts of **both** Participants in whose names the Derivatives CCP Contracts will be registered.

Introduced 11/03/04 Amended 28/04/14

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PROCEDURE 12.2.1 NOVATION – [DELETED]

~~Where the delivering PID and the receiving PID relate to the same legal entity, a Participant may instruct ASX Clear in writing and in a manner advised by ASX Clear from time to time, that it is not necessary to register a Cash Market Transaction and notify the Participant that it has been registered.~~

...

PROCEDURE 12.6.1A NETTED OBLIGATION REPORT

For Rule 12.6.1A(b):

(a) unless otherwise notified by ASX Clear, ASX Clear will notify a Participant of its projected Novated Net Delivery Position in respect of each PID for each class of Financial Product before Start of Day on each Business Day; and

(b) the notification will include:

(i) the Participant's projected Novated Net Delivery Position:

a. for each class of Financial Product for the relevant PID;

b. in respect of each Business Day on which a Cash CCP Transaction in that class of Financial Product is due for settlement;

c. calculated as at the time specified in Rule 12.6.1A(b);

(ii) the Settlement Account to which the Novated Net Delivery Position relates;

(iii) the class and number of Financial Products to be delivered or received in relation to the Novated Net Delivery Position;

(iv) whether the relevant Novated Net Delivery Position would result in a net delivery obligation or a net receipt entitlement in relation to that class of Financial Products;

(v) the Settlement Date to which the relevant Novated Net Delivery Position relates;

(vi) the total number of Cash CCP Transactions that comprise the relevant Novated Net Delivery Position; and

(vii) the amount of money to be paid or received in relation to the relevant Novated Net Delivery Position,

in respect of each applicable Settlement Date.

Note: *For the purpose of paragraph (b)(i)a. in determining the relevant Novated Net Delivery Position in respect of a PID of a Participant for a class of Financial Products due to be delivered or received on a Business Day during an Ex-Period (as defined in the ASX Settlement Operating Rules), regard is to be had to whether the Financial Product is to be transferred with or without the relevant Entitlement.*

Pursuant to Rule 12.6.1A(d), where a Participant (or its Settlement Agent) operates multiple Settlement Accounts for the settlement of CCP Batch Instructions in respect of a PID of the Participant, and CCP Market Trade Batch Instructions in a class of Financial Products due for settlement on a Business Day relate to more than one of those Settlement Accounts, ASX Clear will calculate, or cause to be calculated, and notify a separate Novated Net Delivery Position in respect of each Settlement Account to which the CCP Market Trade Batch Instructions relate.

PROCEDURE 12.6.2 NOTIFICATION OF CASH CCP TRANSACTIONS TO APPROVED SETTLEMENT FACILITY

~~The time by which~~ ASX Clear will generate and forward a CCP Market Trade ~~Net~~ Batch Instruction~~s~~ in respect of each Cash CCP Transaction to the Approved Settlement Facility on a continuous basis as the Cash CCP Transaction arises ~~is by Start of Day on the Business Day before the Settlement Date~~.

The CCP Market Trade ~~Net~~ Batch Instruction will:

(a) specify:

(i) the class of Financial Products;

(ii) the ~~net~~ number of Financial Products of that class to be delivered to ASX Clear by the Participant or received from ASX Clear by the Participant ~~for each PID~~;

(iii) the net Settlement Amount to be paid to ASX Clear by the Participant or received from ASX Clear by the Participant ~~for each PID~~;

(iv) if the Participant is obliged to deliver Financial Products, the source ~~PID~~ HIN from which the Financial Products are to be delivered;

(v) if the Participant is entitled to receive Financial Products, the target ~~PID~~ HIN to which the Financial Products are to be delivered; and

(vi) the scheduled Settlement Date;

(b) include the PID of the delivering Participant or receiving Participant, as the case requires; and

(c) be designated as an on market transaction.

Note: For the purpose of determining the number of Financial Products in a class due to be delivered or received on a Business Day during an Ex-Period (as defined in the ASX Settlement Operating Rules), regard is to be had to whether the Financial Product is to be transferred with or without the relevant Entitlement.

Introduced 11/03/04 Amended 27/06/11, 08/08/13

PROCEDURE 12.6.2A OBLIGATIONS UNDER OFFSETTING TRANSACTION ARRANGEMENT RELATING TO FAILED CCP BATCH INSTRUCTION

The time by which ASX Clear will generate and forward a CCP Offsetting Transaction Arrangement Batch Instruction to the Approved Settlement Facility is during the Settlement Processing Phase on a Settlement Date.

The CCP Offsetting Transaction Arrangement Instruction will:

(a) specify:

(i) the class of Financial Products;

(ii) the net number of Financial Products of that class to be delivered to ASX Clear by the Participant or received from ASX Clear by the Participant for each PID;

(iii) the net Settlement Amount to be paid to ASX Clear by the Participant or received from ASX Clear by the Participant for each PID;

(iv) if the Participant is obliged to deliver Financial Products, the source HIN from which the Financial Products are to be delivered;

(v) if the Participant is entitled to receive Financial Products, the target HIN to which the Financial Products are to be delivered; and

(vi) the scheduled Settlement Date, being the next Settlement Date;

(b) include the PID of the delivering Participant or receiving Participant, as the case requires; and

(c) be designated as an on market transaction.

Note: Pursuant to Rule 12.6.2A(c)(iii), where a Participant (or its Settlement Agent) operates multiple Settlement Accounts for the settlement of CCP Batch Instructions in respect of a PID of the Participant, and the CCP Market Trade Batch Instructions in a class of Financial Products that are Failed on a Settlement Date relate to more

than one of those Settlement Accounts, ASX Clear will send to the Approved Settlement Facility a separate CCP Offsetting Transaction Arrangement Batch Instruction in respect of each Settlement Account to which the Failed CCP Market Trade Batch Instructions relate.

PROCEDURE 12.6.2B RESCHEDULING OF CCP MARKET TRADE BATCH TRANSACTIONS AS CCP RESCHEDULED INSTRUCTIONS

The time by which ASX Clear will generate and forward CCP Rescheduled Batch Instructions to the Approved Settlement Facility is during the Settlement Processing Phase on a Settlement Date, or in the case of a cancellation of Batch Settlement on a Business Day, on or about the time of notification by the Approved Settlement Facility to ASX Clear of the cancellation.

The CCP Rescheduled Batch Instruction will:

(a) specify:

(i) the class of Financial Products;

(ii) the net number of Financial Products of that class to be delivered to ASX Clear by the Participant or received from ASX Clear by the Participant for each PID;

(iii) the net Settlement Amount to be paid to ASX Clear by the Participant or received from ASX Clear by the Participant for each PID;

(iv) if the Participant is obliged to deliver Financial Products, the source HIN from which the Financial Products are to be delivered;

(v) if the Participant is entitled to receive Financial Products, the target HIN to which the Financial Products are to be delivered; and

(vi) the scheduled Settlement Date, being the next Settlement Date;

(b) include the PID of the delivering Participant or receiving Participant, as the case requires; and

(c) be designated as an on market transaction.

Note: Pursuant to Rule 12.6.2B(d), where a Participant (or its Settlement Agent) operates multiple Settlement Accounts for the settlement of CCP Batch Instructions in respect of a PID of the Participant, and the CCP Market Trade Batch Instructions in a class of Financial Products that are Failed or suspended on a Settlement Date or that are due for settlement on a Business Day when batch settlement is cancelled (as applicable) relate to more than one of those Settlement Accounts, ASX Clear will send to the Approved Settlement Facility a separate CCP Rescheduled Batch Instruction in respect of each Settlement Account to which those CCP Market Trade Batch Instructions relate.

PROCEDURE 12.7.1 REMOVAL BY ASX CLEAR OF A CASH CCP TRANSACTION FROM SETTLEMENT NOTIFICATION

ASX Clear may remove a Cash Market Transaction from settlement notification under this Rule provided it does so prior to the commencement of the Settlement Processing Phase on the Settlement Date~~netting for scheduled settlement~~.

Introduced 11/03/04

PROCEDURE 12.7.2 BUYER AND SELLER MAY REQUEST CASH MARKET TRANSACTION BE REMOVED FROM NOVATION AND SET OFF – [DELETED]

~~The Buyer and Seller must notify ASX Clear of their request to remove a Cash Market Transaction from novation and set off before netting for scheduled settlement, i.e. before End of Day on the second Business Day before the Settlement Date.~~

Introduced 11/03/04 Amended 27/06/11, 07/03/16

~~PROCEDURE 12.7.3A CASH CCP TRANSACTIONS EXCLUDED FROM SET OFF~~

~~The types of Cash CCP Transactions that are prescribed are:~~

~~(a) those that are ineligible for set-off in accordance with the Terms of Trade Acceptance Service; and~~

~~(b) those that arise from a Cash Market Transaction with a Settlement Date that is less than two Business Days after notification to ASX Clear.~~

PROCEDURE 12.7.3 BUYER AND SELLER MAY REQUEST CASH CCP TRANSACTIONS BE EXCLUDED FROM SET OFF – [DELETED]

~~The Buyer and Seller must notify ASX Clear of their request to exclude a Cash Market Transaction from set off before End of Day on the second Business Day before the Settlement Date.~~

~~The Buyer and Seller must notify ASX Clear of their request to settle a Cash Market Transaction in Real Time Gross Settlement before End of Day on the second Business Day before the Settlement Date.~~

Introduced 11/03/04 Amended 27/06/11, 07/03/16

PROCEDURE 12.7.4 ACTION BY ASX CLEAR WHERE BUYER AND SELLER REQUEST ~~BUYER AND SELLER REQUEST~~ CASH CCP TRANSACTION BE ~~BE~~ EXCLUDED FROM SET OFF – [DELETED]

~~**Requests relating to CCP Gross Batch Instructions:**~~

~~The time by which ASX Clear will generate and forward CCP Gross Batch Instructions to the Approved Settlement Facility is by Start of Day on the Business Day before the Settlement Date of the Cash CCP Transaction.~~

~~**Requests relating to CCP RTGS Instructions:**~~

~~The time by which ASX Clear will generate and forward CCP RTGS Instructions to the Approved Settlement Facility is by Start of Day on the Business Day before the Settlement Date.~~

Introduced 11/03/04 Amended 27/06/11

PROCEDURE 12.7.5 BUYER AND SELLER MAY CANCEL REQUEST – [DELETED]

~~The Buyer and Seller must notify ASX Clear of their cancellation of a request to:~~

~~(a) exclude the Cash CCP Transaction from novation and set off (under Rule 12.7.2),~~

~~(b) exclude the Cash CCP Transaction from set off (under Rule 12.7.3);~~

~~before End of Day on the second Business Day before the Settlement Date.~~

Introduced 11/03/04 Amended 27/06/11

PROCEDURE 12.7.7 REQUEST BY BUYER OR SELLER WHERE COUNTERPARTY NOT KNOWN – [DELETED]

~~A Clearing Participant must notify ASX Clear if it wishes to make a request under either Rule 12.7.2 or Rule 12.7.3, in the following manner:~~

~~By email or telephone to the Help Desk during the operating hours of 8.00 am (Sydney time) to 5.00 pm (Sydney time), prior to the netting process.~~

~~and must include the following information:~~

~~(a) the ASX security code~~

~~(b) the settlement amount~~

~~(c) the unit quantity~~

~~(d) the CHESS transaction id from the CHESSMT 164 (Notified Trade)~~

~~(e) the settlement date~~

Introduced 28/11/05

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SECTION 14 RISK MANAGEMENT

PROCEDURE 14.6.2 DEPOSIT OF EXCESS CASH

Currently ASX Clear only accepts deposits of Excess Cash in respect of Cash Market Accounts and Client Accounts in which Options Market Contracts are registered.

Cash Market Account

A Participant may maintain an Excess Cash balance in its Cash Market Account with ASX Clear if, prior to depositing Excess Cash with ASX Clear, the Participant notifies ASX Clear, in the manner specified by ASX Clear, of its~~lodges a~~ standing settlement instruction ~~by sending a 909 – *Excess Cash Standing Instruction Amendment Request* CHESS message. A standing settlement instruction~~ which must identify the maximum amount of Excess Cash the Participant intends to deposit in its Cash Market Account with ASX Clear. After the Participant receives confirmation from ASX Clear of the application of that standing settlement instruction ~~a 936 – *Effected Excess Cash Standing Instruction Amendment*~~, the standing settlement instruction will become effective for settlement on the next business day.

A Participant may amend an existing standing settlement instruction by ~~sending a 909 – *Excess Cash Standing Instruction Amendment Request* CHESS message to~~ notifying ASX Clear, in the manner specified by ASX Clear. After the Participant receives confirmation from ASX Clear of the amendment ~~a 936 – *Effected Excess Cash Standing Instruction Amendment*~~, the standing settlement instruction will become effective for settlement on the next business day.

Client Accounts for Options Market Contracts

A Participant may maintain Excess Cash with ASX Clear for a Client Account in which Options Market Contracts are registered if the Participant has notified ASX Clear of a total cash amount that ASX Clear is to record in respect of that Client Account. Notification is to be provided by a Clearing Participant to ASX Clear using the method notified by ASX Clear from time to time.

Notification to ASX Clear in respect of a Client Account may be made at any time prior to 7.00pm, however, ASX Clear will only update its records when the cash amount is settled. The total cash amount notified in respect of a Client Account can be less than, equal to or more than Participant's Initial Margin and other margin obligations for the Client Account determined under Rule 14.5.1. However, such notification does not relieve the Participant of its obligation to provide ASX Clear with Cover for its Initial Margin and other margin obligations for the Client Account determined under Rule 14.5.1.

A notification provided by a Participant in respect of a Client Account remains in effect until changed by a further notice from the Participant.

A Participant may amend the total cash amount to be recorded by ASX Clear for a Client Account by:

(a) notifying ASX Clear at any time prior to 7.00pm of an increase in the total cash amount that ASX Clear is to credit to that Client Account; or

(b) complying with Procedure 14.6.6 in order to reduce the total cash amount credited by ASX Clear to that Client Account.

ASX Clear will determine the Excess Cash (if any) to be credited to a Client Account from time to time taking into account:

(a) the Initial Margin and other margin obligations of the Participant in respect of that Client Account;

(b) any Collateral provided in respect of that Client Account; and

(c) the total cash amount (if any) notified to ASX Clear by the Participant in respect of that Client Account.

If no total cash amount is notified by the Participant in respect of a Client Account, then ASX Clear will record nil Excess Cash in respect of that Client Account.

A notice of a total cash amount for a Client Account is not valid if it would result in the aggregate Cash Cover and Excess Cash balances of all Client Accounts of the Participant being greater than the cash deposited by the Participant with ASX Clear for all the Participant's Client Accounts.

Introduced 11/03/04 Amended 07/06/13, 30/11/15

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PROCEDURE 14.6.6 RETURN OF EXCESS CASH

Currently ASX Clear only accepts deposits of Excess Cash in respect of Cash Market Accounts and Client Accounts in which Options Market Contracts are registered.

Cash Market Account

A Participant may request the return of some or all Excess Cash credited to its Cash Market Account by ASX Clear by ~~sending a 909 – *Excess Cash Standing Instruction Amendment Request* CHESS message to~~ notifying ASX Clear of the request in the manner specified by ASX Clear. The Participant is required to notify~~lodge~~ the request on the business day before release of the Excess Cash is required. ASX Clear will undertake to return the Excess Cash to the Participant on the following business day in the normal daily scheduled Austraclear settlement.

Client Accounts for Options Market Contracts

A Participant may request the reduction of the total cash amount recorded by ASX Clear in respect of a Client Account in which Options Market Contracts are registered by notifying ASX Clear of the intended cash withdrawal value by 7.00pm on the business day before the cash is required to be released.

If the requested reduction in total cash amount is greater than the Excess Cash credited by ASX Clear to that Client Account, then the Participant must replace the Cash Cover with cash or Collateral before that cash amount will be released. Thereafter, the total cash amount recorded in respect of that Client Account will be the reduced total cash amount. However, such reduction in the total cash amount recorded does not relieve the Participant of its obligation to provide ASX Clear with Cover for the Initial Margin and other margin obligations for the Client Account determined under Rule 14.5.1.

Introduced 11/03/04 Amended 07/06/13, 30/11/15

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SECTION 24 TRANSITIONAL ARRANGEMENTS

PROCEDURE 24.1.2 COMMENCEMENT

For the purposes of Rule 24.1.2, the Rules in Section 24 becomes effective from the dates specified in the table below:

Rule	Effective Period
Rule 24.1.1	The period commencing on the date [6 months prior to the Old System Close Date *(insert earliest start date in this table)*] [and ending on the date which ASX Clear notifies Facility Users on which Section 24 ceases to be effective].
Rule 24.1.2	The period commencing on the date [6 months prior to the Old System Close Date *(insert earliest start date in this table)*] [and ending on the date which ASX Clear notifies Facility Users on which Section 24 ceases to be effective].
Rule 24.2.1	The period commencing on the date that is [2 Business Days prior to the Old System Close Date].
Rule 24.2.2	The period commencing on the date that is [2 Business Days prior to the Old System Close Date].
Rule 24.3.1	The period commencing on the date that is [1 Business Day prior to the Old System Close Date].
Rule 24.4.1	The period commencing on the date that is [2 Business Days prior to the Old System Close Date].
Rule 24.4.2	The period commencing on the date that is [2 Business Days prior to the Old System Close Date].

PROCEDURE 24.3.1 UNACTIONED OLD SYSTEM CLEARING MESSAGES AT END OF DAY ON OLD SYSTEM CLOSE DATE NOT MIGRATED

For the purposes of Rule 24.3.1(a)(iii), the following Messages are specified:

(a) none currently specified.

PROCEDURE 24.4.2 LINKED CCP BATCH INSTRUCTIONS

For the purpose of Rule 24.4.2(a), the types of Cash CCP Transactions are those that ASX Clear determines, at its discretion, to be ineligible for netting having regard to Financial Product eligibility and condition codes on the underlying Cash Market Transaction.

Note: CHESS currently applies netting eligibility criteria determined by:

- *Financial Product eligibility - where a Financial Product is marked 'ineligible' for complex corporate action event processing purposes, namely where the Financial Product is subject to a corporate action for which diary adjustments (i.e. redress mechanism for a settlement fail) are not supported by ASX Settlement.*

- *Condition codes on the trade – namely OR (Overseas Resident (Foreign to Foreign); P1 (Put through trade report $1M), P2 (Put through trade report $0.5M) and PR (Prompt Rebooking)*

This Procedure 24.4.2 does not apply to CCP Gross Batch Instructions in relation to Cash CCP Transactions with a Settlement Date that is less than two Business Days after the Cash CCP Transaction arises, namely Cash CCP Transactions arising from the exercise of option contracts for settlement on the following Business Day (also referred to as T+1 trades with an 'as at' date of T (being the date on which the exercise notice was allocated)).

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ASX OPERATING RULES

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SECTION 3 TRADING RULES

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SETTLEMENT

Time for settlement

[3600] Trading Participants must ensure that each Cash Market Transaction to which they are a party is settled on the second Business Day following the date that the transaction was created on or reported to the Market, unless otherwise permitted in the Procedures.

Amended 07/03/16

ASX OPERATING RULES PROCEDURES

…

REPORTING

Procedure 3500

…

"OR" condition code – Reporting of foreign to foreign transactions

The purpose of foreign to foreign transactions is to ensure trades can occur in a security with foreign ownership limits, eg Telstra, without these limits being breached.

A foreign to foreign transaction is:

1. A transaction between two Foreign Persons on the basis that settlement of the transaction will be effected pursuant to the ASX Settlement Operating Rules applicable to FOR Financial Products, i.e. the trade will be excluded from settlement netting so that ownership is guaranteed to pass from one foreign owner to another; and

2. In FOR Financial Products being ASX listed securities which:

   (a) are subject to aggregate foreign ownership restrictions;

   (b) have been included in Schedule 1 of the ASX Settlement Operating Rules as FOR Financial Products; and

(c) are held and recorded in a CHESS holding with a residency indicator of foreign (as identified in the User Technical Documentation, as that term is defined in the ASX Settlement Operating Rules)~~"F"~~.

SETTLEMENT

Procedure 3600

For the purposes of Rule [3600], a Cash Market Transaction may be settled on a day other than the second Business Day following the date that the transaction was created on or reported to the Market, where:

(a) the Cash Market Transaction is a Forward Delivery Transaction (in which case, the Cash Market Transaction must be settled on the agreed forward date); ~~or~~

(b) ASX classifies the Cash Market Transaction as "deferred delivery" or "deferred settlement" (in which case, the Cash Market Transaction must be settled on the day specified by ASX);

(c) the Cash Market Transaction is reported to the Market with an "as at" date that is one Business Day prior to the date the transaction was reported to the Market (in which case, the Cash Market Transaction must be settled on the second Business Day following the "as at" date");

(d) the Cash Market Transaction is reported to the Market with an "as at" date that is more than one Business Day prior to the date the transaction was reported to the Market (in which case, the Cash Market Transaction must be settled on the first Business Day following the date the transaction was reported to the Market); or

(e) a market for dealing in a Cash Market Product is established in accordance with Rule [2111] and a Cash Market Transaction for the Cash Market Product is executed on a 'cum' benefit basis during a period when the existing quotation of the Cash Market Product is on the basis of 'ex' the benefit (in which case, the Cash Market Transaction must be settled on the first Business Day following the date that the transaction was created on or reported to the Market).

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Attachment G: Combined Rule Amendments - ASXSORs

ASX SETTLEMENT OPERATING RULES

SECTION 1 INTRODUCTION AND GENERAL RULES

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1.10 NOTICE, NOTIFICATION AND SERVICE OF DOCUMENTS

1.10.1 Interpretation

In these Rules, a reference to notifying a person of any matters includes a reference to:

(a) giving Notice of those matters to the person; or

(b) Transmitting a Message containing those matters to the person.

For the purposes of these Rules, a Message which is Transmitted by ASX Settlement or a Facility User will be taken to be received when the Message is made available for collection by the other party in ~~the~~ a Message collection facility in accordance with the User Technical Documentation~~provided in the Settlement Facility for Messages passing between ASX Settlement and Facility Users~~.

If any Rule requires or permits the giving of Notice of any matters to a person, the Rule requires or permits the giving to that person of a written document containing those matters. Without limiting any other provision of this Rule 1.10, any Notice to be given by a Facility User to ASX Settlement must be given to the person holding the position notified by ASX Settlement to Facility Users and may be given in the manner set out in the Procedures. Any Notice to be given by ASX Settlement to a person, firm or corporation may be given in the manner set out in the Procedures.

Introduced 11/03/04 Origin SCH 21.7.1, 21.7.2, 21.7.3 Amended 09/07/08

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SECTION 2 DEFINITIONS AND INTERPRETATION

This Section contains the definitions and sets out a number of general principles by which these Rules are to be interpreted.

2.1 GENERAL PRINCIPLES OF INTERPRETATION

In these Rules, unless the context otherwise requires:

(a) a reference to any legislation or legislative provision includes any statutory modification or re-enactment of, or legislative provision substituted for, and any regulation or statutory instrument issued under, that legislation or legislative provision;

(b) a reference to the operating rules of an Approved Clearing Facility, the operating rules of an Approved Market Operator, the Listing Rules, the ASX Enforcement and Appeals Rulebook, these Rules, the Procedures or the Fees and Charges Schedule is a reference to the operating rules, the Listing Rules, that rulebook, these Rules, the Procedures or the Schedule as modified or amended from time to time;

(c) the singular includes the plural and vice-versa;

(d) a reference to person, body, corporation, trust, partnership, unincorporated body, firm, association, authority or government includes any of them;

(e) a word denoting any gender includes all genders;

(f) if a word or expression is given a particular meaning, another part of speech or grammatical form of that word or expression has a corresponding meaning;

(g) a reference to power includes a reference to authority and discretion;

(h) a reference to a Rule (eg Rule 2.4) includes a reference to all sub-Rules included under that Rule (eg Rule 2.5.4);

(i) a reference to a Section (eg Section 2) includes a reference to all Rules and sub-Rules within that Section;

(j) a reference to any Rule or Procedure is a reference to that Rule or Procedure as amended from time to time;

(k) a reference to time is to the time in Sydney, Australia;

(l) a reference to currency is a reference to Australian currency;

(m) a reference to writing includes typing, printing, lithography, photography, telex, facsimile or any other mode of representing or reproducing words in a visible form;

(n) where there is a reference to the power of ASX Settlement to make, demand or impose a requirement there is a corresponding obligation of the relevant Participant to comply with that demand or requirement in all respects;

(o) a reference to ASX Settlement notifying or giving notice to a Participant or vice-versa is a reference to notifying or giving notice in accordance with Rule 1.10; ~~and~~

(p) a reference to records includes any documents and any electronic records which ASX Settlement considers are relevant for the purposes of performing its functions under the Rules; and

(q) a reference to a document includes any record of information including when in electronic form.

Introduced 11/03/04 Origin SCH 21.1 Amended 01/08/10, 01/01/12

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2.13 DEFINITIONS

2.13.1 Definitions used in the Rules

In these Rules, unless the context otherwise requires:

...

"**Acceptance Form**" means a document that enables a person to communicate to an Issuer an election in relation to a Corporate Action, including (without limitation):

(a) an entitlement & acceptance form;

(b) a provisional letter of issue; ~~and~~

(c) an application form (whether or not attached to a ~~prospectus~~disclosure document); and

(d) a Valid Election Participant Notification Message.

Amended 04/03/1.

...

~~"**Accrued RTGS Instruction**" mean an RTGS Instruction generated by ASX Settlement to effect a distribution of Financial Products arising from a Corporate Action.~~

...

~~"**AIC**" stands for Access Identification Code and means a unique code allocated by ASX Settlement under Rule 16.14.~~

...

"**Approved Purpose**" means:

(a) performing obligations or taking any action under these Rules;

(b) maintaining the accuracy of the Issuer's register;

(c) sending information to the Holder that is connected to the Holder's Holding with the Issuer;

(d) any other purpose in respect of which each individual whose Personal Information is being used or disclosed has provided consent; or

(e) any other purpose for which the Issuer may use or disclose the Personal Information as permitted by law.

...

"**Available Financial Products**" means Financial Products that are:

(a) not in a Locked Holding;

(b) in the case of Financial Products in an Issuer Sponsored Holding, not reserved under the Listing Rules for the benefit of an Offeror in relation to a takeover scheme;

(c) in the case of Financial Products in a CHESS Holding, not reserved in a Subposition;

(d) not the subject of a Client Trust Account Amount Message which ASX Settlement treats as a Unilateral Batch Instruction that has been scheduled for settlement.

Amended 25/05/15

...

"**Batch Instruction**" means an instruction to ASX Settlement to effect:

(a) a Settlement Transfer in Batch Settlement and, if the instruction is for value, payment in DvP Batch Settlement; or

(b) in respect of a Payment Batch Instruction, payment in Batch Settlement,

and includes:

(a) a CCP Market Trade ~~Net~~ Batch Instruction;

(b) a CCP Rescheduled Batch Instruction;

(c) a CCP Offsetting Transaction Arrangement Instruction;

(d~~b~~) a CCP Isolate Counterparty~~Gross~~ Batch Instruction;

(e~~c~~) a CCP Derivatives Payment Batch Instruction;

(f~~d~~) a ~~Dual Entry~~Bilateral Batch Instruction;

~~(e) a Dual Entry Payment Batch Instruction;~~

(g~~f~~) a ~~Single Entry~~ Unilateral Batch Instruction;

(h) an Accrued Batch Instruction;

(i~~g~~) a Direct Batch Instruction; and

(j~~h~~) an AQUA Payment Batch Instruction.

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Amended 21/03/14

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"**BIC**" stands for business identifier code.

....

"**Bilateral~~Dual Entry~~ Batch Instruction**" means a Batch Instruction that results from Matched Bilateral~~Dual Entry~~ Settlement Messages.

"**Bilateral~~Dual Entry~~ Batch Message**" means a Message that complies with Rule 10.9.2.

"**Bilateral~~Dual Entry~~ Demand Message**" means a Message that complies with Rule 9.5.1.

"**Bilateral~~Dual Entry~~ Demand Transfer**" means a Demand Transfer of Financial Products that gives effect to a Bilateral~~Dual Entry~~ Demand Message.

"**Bilateral Demand Settlement Instruction**" means a RTGS Instruction that results from Matched Bilateral Demand Settlement Messages.

"**Bilateral Demand Settlement Message**" means a Message that complies with Rule 9.5A.1.

"**Bilateral Demand Settlement Transfer**" means a Settlement Transfer of Financial Products that results from Matched Bilateral Demand Settlement Messages and gives effect to a RTGS Instruction.

"**Bilateral Settlement Message**" means a Message that complies with Rule 10.9.2.

...

"**Cash CCP Transaction**" has the meaning given under the operating rules of the Approved Clearing Facility.

...

~~"**Cash Sub-record**" means a CHESS record:~~

~~(a) ancillary to a Participant's Net Position Record; and~~

~~(b) tagged with an RTGS Account Identifier,~~

~~that tracks amounts to be debited or credited, on settlement of an RTGS Instruction, to the account of the Participant linked to that RTGS Account Identifier.~~

...

"**CCP Batch Instruction**" means ~~either~~ a CCP ~~Gross~~ Market Trade Batch Instruction, ~~or~~ a CCP ~~Net~~ Isolate Counterparty Batch Instruction, a CCP Rescheduled Batch Instruction or a CCP Offsetting Transaction Arrangement Batch Instruction.

...

~~"**CCP Gross RTGS Instruction**" means an RTGS Instruction to give effect to a transaction that has been novated to CCP but that has not been netted in accordance with the operating rules of the Approved Clearing Facility.~~

...

"**CCP ~~Gross~~ Isolate Counterparty Batch Instruction**" means a Batch Instruction generated ~~(excluding a Dual Entry Payment Batch Instruction) to give effect to a transaction that has been novated to CCP but that has not been netted~~ in accordance with the operating rules of the Approved Clearing Facility to give effect to a request to isolate a counterparty in relation to a CCP Rescheduled Batch Instruction or a CCP Offsetting Transaction Arrangement Batch Instruction (as applicable) ~~or a Batch Instruction to give effect to an Offsetting Transaction Arrangement entered into in respect of a Failed CCP Gross Batch Instruction~~.

"**CCP ~~Net~~ Market Trade Batch Instruction**" means a Batch Instruction ~~(excluding a Dual Entry Payment Batch Instruction)~~ to give effect to a transaction that has been novated to CCP and netted in accordance with the operating rules of the Approved Clearing Facility ~~or a Batch Instruction to give effect to an Offsetting Transaction Arrangement entered into in respect of a Failed CCP Net Batch Instruction~~.

"**CCP Offsetting Transaction Arrangement Batch Instruction**" means a Batch Instruction generated or deemed to be generated in accordance with the operating rules of the Approved Clearing Facility to give effect to an Offsetting Transaction Arrangement entered into in respect of a Failed CCP Batch Instruction.

"**CCP Rescheduled Batch Instruction**" means a Batch Instruction generated in accordance with the operating rules of the Approved Clearing Facility to give effect to CCP Market Trade Batch Instructions that are:

(a) Failed due to a Financial Products Shortfall;

(b) suspended due to the suspension of the approval of a class of an Issuer's Financial Products; or

(c) scheduled for settlement on a Business Day that Batch Settlement is cancelled.

...

"**Client Trust Account Amount Message**" means a Valid ~~Single Entry~~Unilateral Batch Message to Transfer Financial Products to or from a Settlement Participant's Settlement Account in connection with the sale or purchase of the Financial Products under a Cash Market Transaction as referred to in Rules 6.3B.2, 6.3B.3 and 6.3B.4.

Introduced 25/05/15

....

"**Communication Preference**" means a code used to indicate whether a Holder of a CHESS Holding wishes to receive communications electronically or by post from ASX Settlement and the Issuer regarding Financial Products in the CHESS Holding.

…

"Confirmed FOR Indicator" means, when specified in a Message transmitted by a Participant, that the Participant is seeking to effect a Transfer or Conversion as a Foreign to Foreign Allocation.

Note: the indicator to be set in such instances is ~~"OR"~~identified in the User Technical Documentation

"Confirmed FOR Financial Products" means the lesser of either:

(a) the number of FOR Financial Products in a Holding whose Residency Indicator is recorded by ASX Settlement as ~~"F"~~foreign, calculated as the current Holding Balance of FOR Financial Products; or

(b) the number of FOR Financial Products in a Holding whose Residency Indicator is recorded as ~~"F"~~foreign, at Start of Day, adjusted by:

(i) those Financial Products transferred into the Holding pursuant to a Foreign to Foreign Allocation during that Business Day; and

(ii) any Conversions of those Financial Products into or out of the Holding; and

(iii) those Holding Adjustments initiated by an Issuer pursuant to Rule 5.12.4; less

(iv) that number of Financial Products transferred out of the Holding pursuant to a Foreign to Foreign Allocation during that Business Day.

…

"**Corporate Action Election Status Advice Message**" means a Message pursuant to Rule 5.19A.2(c) or 5.19A.4(c) that enables the Issuer to communicate to the Controlling Participant whether an election or a cancellation of an election in relation to a dividend or other distribution reinvestment plan or bonus share plan communicated by the Controlling Participant under Rule 5.19A.2(a) or 5.19A.4(a) has been acknowledged or rejected by the Issuer.

…

~~**"Custodial Settlement Participant"** means a Settlement Participant that ASX Settlement has determined also meets the requirements set out in Rule 4.19.~~

~~Introduced 18/12/19~~

…

~~**"Debit Cap"** in relation to a Net Position Record for an RTGS Participant, means a facility within the Feeder System that, if activated, enables the Participant's Net Position Record to go into debit up to the Debit Limit, at any time when the relevant RTGS Payments Provider is deemed to have made the election set out in Rule 11.9.2.~~

~~"**Debit Cap Compliant**" in Section 11, has the meaning given in Rule 11.20.2.~~

~~"**Debit Cap Status**" means at any time the status of a Debit Cap as authorised at that time by the RTGS Payments Provider for the relevant RTGS Participant, being either:~~

~~(a) active; or~~

~~(b) null (inactive).~~

~~"**Debit Limit**" in relation to a Debit Cap at any time, means the dollar amount:~~

~~(a) most recently notified in accordance with Rules 11.9.1(c) and 11.9.3(c); and~~

~~(b) recorded by ASX Settlement against the Net Position Record to which that Debit Cap applies.~~

"**Delivery Obligation**" in relation to a DvP~~n~~ RTGS Instruction, means an obligation on the part of one party to deliver certain Financial Products to the other on settlement.

...

"**Demand Lock**" means in relation to a CHESS Holding, a facility which prevents the relevant number of Financial Products (including any Entitlements) from being deducted from a Holding unless pursuant to a:

(a) Bilateral Demand Transfer under Rule 9.5.4; or

(b) Bilateral Demand Settlement Transfer in connection with a Bilateral Demand Settlement Instruction under Rule 9.5A.6.

...

~~"**Dual Entry Payment Batch Instruction**" means a Batch Instruction that results from Matched Dual Entry Payment Batch Messages.~~

~~"**Dual Entry Payment Batch Message**" means a Message that complies with Rule 10.9.2.~~

~~"**Dual Entry RTGS Instruction**" means an RTGS Instruction that results from Matched Dual Entry RTGS Messages.~~

~~"**Dual Entry RTGS Message**" means an RTGS Message that relates to a DvP RTGS Transaction.~~

~~"**Dual Entry Switch to Batch Settlement Message**" in relation to a Dual Entry RTGS Instruction, means a Message that, in accordance with the requirements of the EIS, requests that an RTGS Instruction be removed from Real Time Gross Settlement and included in Batch Settlement under Section 10.~~

~~"**Dual Entry Switch to RTGS Message**" means a Message that, in accordance with the requirements of the EIS, requests that an Batch Instruction be removed from DvP Batch Settlement and included in Real Time Gross Settlement under Section 11.~~

...

"**DvP Notification**" means the notification of DvP and Payments Only Declaration to be given by ASX Settlement to a Payments Provider under the Standard ~~Client Bank Deed~~Payments Provider Deed.

...

"**DvP RTGS Instruction**" means a Bilateral Demand Settlement Instruction~~n RTGS Instruction that identifies a Payment Obligation and a Delivery Obligation~~.

....

"**Election Cancellation Message**" means a Message pursuant to Rule 5.19A.4(a) or 5.19A.4(e) that enables the Controlling Participant or the Issuer to communicate to the Issuer or the Controlling Participant (as applicable) a cancellation of a pending election request or an election in relation to a dividend or other distribution reinvestment plan or bonus share plan for a CHESS Holding.

...

"**Election Option Type**" means an election for cash or for the issue of Financial Products under a dividend or other distribution reinvestment plan or bonus share plan.

"**Election Participant Notification Message**" means a Message pursuant to Rule 5.19A.2(a) that enables the Controlling Participant to communicate to the Issuer an election in relation to a dividend or other distribution reinvestment plan or bonus share plan for a CHESS Holding.

...

"**Entity Type**" means a code used to indicate the entity type of each Holder (for example a natural person or company).

...

"**Excess Financial Products**" means:

(a) those FOR Financial Products determined by an Issuer that cause the Foreign Ownership Percentage Level to be exceeded; or

(b) with the exception of a Foreign to Foreign Allocation, those FOR Financial Products determined by an Issuer, where the Issuer is authorised to do so under its constitution or governing legislation, to have been transferred into a Holding with a Residency Indicator of foreign (as identified in the User Technical Documentation)~~"F"~~, on the day when the Foreign Ownership Percentage Level Foreign Holder Percentage Level is exceeded.

...

~~"**Excluded Cash Sub-record**" means a Cash Sub-record so designated by an RTGS Participant for the purposes of Rule 11.20.~~

....

"**Feeder System Queue**" means the facility within the Feeder System to:

(a) enable an RTGS Payments Provider to authorise within CHESS a Payment Obligation it is required to perform in respect of an RTGS Instruction ~~test RTGS Instructions within CHESS~~ in the manner contemplated by Rule~~s~~ 11.22.1~~18, 11.19 and 11.20~~; and

(b) hold and allow ASX Settlement to monitor unsettled RTGS Instructions during the RTGS Settling Phase.

....

"**Financial Products Shortfall**" means (the number that is greater than zero, where the number is calculated by the total number of Financial Products of a class projected to be delivered from a Holding in Scheduled Settlement on a Business Day) less the sum of the available number of Financial Products of that class in that Holding at Settlement Cut-Off on that Business Day and of the total number of Financial Products of that class projected to be received into that Holding in Scheduled Settlement on that Business Day where:

SS = D - (H + R) and:

SS is the Financial Products Shortfall

D is the total number of Financial Products of a class projected to be delivered from the Holding

H is the number of available Financial Products of a class in the Holding

R is the total number of Financial Products of a class projected to be received into the Holding.

...

~~"**Foreign Confirmed Holding Net Movement Report**" means a report that:~~

~~(a) for the specified period; and~~

~~(b) in respect of each CHESS Holding containing Confirmed FOR Financial Products in the specified~~

~~sets out a summary on a daily basis of:~~

~~(c) total units added to the Holding pursuant to Foreign to Foreign Allocations;~~

~~(d) total units deducted from the Holding pursuant to Foreign to Foreign Allocations;~~

~~(e) total units added to the Holding of Confirmed FOR Financial Products as a result of registry authorised transactions;~~

~~(f) total units deducted from the Holding of Confirmed FOR Financial Products as a result of registry authorised transactions; and~~

~~(g) the end of day closing balance for the Holding.~~

"**Foreign Bank**" means a foreign corporation that is authorised to carry on banking or deposit-taking business in a country other than Australia.

"**Foreign Bank Account**" means an account held with a Foreign Bank.

...

"**Foreign Person**" means, where specified pursuant to Rule 8.7.2, that the Holder has notified the Controlling Participant that the beneficial owner of the Financial Products in the Holding, for the purposes of legislation or under the constitution of an Issuer whose Financial Products are included in Schedule 1:

(a) is a foreign person;

(b) is an associate of a foreign person; or

(c) has a beneficial interest in the Financial Products, part of that beneficial interest vesting in a Foreign Person,

other than persons, associates or interests which the legislation or constitution ignores or excludes for the purposes of aggregate foreign ownership restrictions.

Note: a Residency Indicator of foreign (as identified in the User Technical Documentation)~~"F"~~ denotes a Foreign Person

...

"**Foreign to Foreign Allocation**" means a Transfer or Conversion of Confirmed FOR Financial Products, including a Transfer pursuant to a transaction effected in accordance with the operating rules of an Approved Market Operator, where the Residency Indicator of both the Source and Target Holdings is foreign (as identified in the User Technical Documentation)~~"F"~~, thus resulting in a Holding of Confirmed FOR Financial Products.

Amended 18/12/06

...

"**Holder Record**" means the information recorded by ASX Settlement in CHESS in relation to a HIN for the purpose of operating one or more CHESS Holdings, including the Registration Details, the HIN, ~~and~~ the Holder Type, Ownership Type, Communication Preference, the UUID for each Holder and Entity Type for each Holder ~~as recorded by ASX Settlement in CHESS for the purpose of operating one or more CHESS Holdings~~.

"**Holder Record Lock**" means a facility that prevents Financial Products from being ~~deduced~~ deducted from any current Holding to which the relevant Holder Record applies, pursuant to a Transfer or Conversion.

...

"**Holding Net Movement Report**" means a report that:

(a) for the specified period; and

(b) in respect of each CHESS Holding of Financial Products in the specified class that has undergone a Holding Balance change during the specified period,

(c) sets out, a summary ~~on a daily basis~~ of the following for the specified period:

(i) total units added to the Holding;

(ii) total units deducted from the Holding;

(iii) total units added to the Holding as a result of registry authorised transactions;

(iv) total units deducted from the Holding as a result of registry authorised transactions; and

(v) the ~~End of Day~~ closing balance for the Holding.

Note: In relation to a CHESS Holding containing Confirmed FOR Financial Products, the Holding Net Movement Report will also include details regarding those Confirmed FOR Financial Products, including setting out a summary of total units added to or deducted from the Holding of Confirmed FOR Financial Products, including pursuant to Foreign to Foreign Allocations.

…

"**Linked CCP Instructions**" means CCP Isolate Counterparty Batch Instructions that are linked for the purpose of Batch Settlement under Rule 10.9.19.

"**Linked Instructions**" means Bilateral Batch Instructions or Unilateral Batch Instructions that are linked for the purpose of Batch Settlement under Rule 10.9.18.

….

"**Locked**" in relation to a Holding, means subject to a Holding Lock, Settlement Lock, Demand Lock or a Holder Record Lock.

…

~~"**MAC**" stands for Message Authentication Code, and means a code appended to a Message by ASX Settlement or a Facility User for the purpose of enabling the recipient of the Message to confirm the identity of the Facility User Transmitting the Message.~~

…

"**Matched Messages**" means:

~~(a) in relation to Dual Entry RTGS Messages, Messages that are Matched under Rule 9.5A.4~~11.13.3;

(a~~b~~) in relation to ~~Dual Entry~~Bilateral Batch Messages, Messages that are Matched under Rule ~~9.5.2 or~~ 10.9.3;

~~(c) in relation to Dual Entry Switch to Batch Settlement Messages, Messages that are Matched under Rule 11.12.3;~~

~~(d) in relation to Dual Entry Switch to RTGS Messages, Messages that are Matched under Rule 10.6.1 or 10.11.8; and~~

(b~~e~~) in relation to Bilateral Demand Messages, Messages that are Matched under Rule 9.5.2;~~in relation to Dual Entry Payment Batch Messages, Messages that are Matched under Rule 10.8.3,~~ and

(c~~f~~) in relation to Bilateral Demand Settlement Messages, Messages that are Matched under Rule 9.5A.4,

and in any other case means Valid Messages that are Matched.

....

"**Matching Reference**" in relation to a Bilateral Demand Message, Bilateral Demand Settlement Message or a Bilateral Batch Message, means an optional unique identification reference specified in the Message by the Participant as an additional message field that requires mandatory matching.

...

"**Message**" means an electronic message of a kind specified in the ~~EIS~~ User Technical Documentation for use in CHESS.

...

"**Named Holder Indicator**" means an indicator that identifies a Holder that is relevant to a death or bankruptcy.

...

~~"**Net Position Record**" in relation to an RTGS Participant, means a facility established within CHESS through which ASX Settlement tracks and records the outcome of RTGS Instructions due for settlement on any RTGS Business Day, that relate to a particular Payment Facility of that Participant.~~

~~"**Net Position Record Status**" means at any time the status of a Net Position Record as authorised at that time by the RTGS Payments Provider that maintains the Payment Facility to which that Net Position Record is linked, being either:~~

~~(a) active; or~~

~~(b) inactive.~~

...

"~~**Standing Settlement HIN**~~**Nominated Settlement HIN**" means a HIN notified to ASX Settlement under Rule 6.4.2.

...

"**Non-Takeover Offer Event**" in relation to a Financial Product in a class of Approved Financial Products means:

(a) a buy back offer; or

(b) a reinvestment offer.

"**Non-Takeover Offer Event Consideration Code**" in relation to a Non-Takeover Offer Event means a unique code allocated by the Approved Listing Market Operator in respect of each alternate form of consideration offered under the relevant Non-Takeover Offer Event.

"**Non-Takeover Offer Event Transfer**" means a Transfer of Financial Products from a CHESS Holding pursuant to an acceptance of an offer for the Financial Products made under a Non-Takeover Offer Event.

"**Non-Takeover Offer Event Transferee Holding**" means a CHESS Holding to which Financial Products are to be Transferred pursuant to acceptances of offers made under a Non-Takeover Offer Event.

...

"**Offer Accepted Subposition**" means a Subposition for the reservation of Financial Products in a CHESS Holding which are the subject of an acceptance under a takeover bid or a Non-Takeover Offer Event.

...

"**Override Tolerance Amount**" means a settlement tolerance amount specified by a Participant in a Bilateral Batch Message or a Bilateral Demand Settlement Message which is greater than the Settlement Amount Tolerance.

...

"**Ownership Type**" means a code used to indicate whether a Holding is held by one person or jointly by more than one person.

...

"**Parent Batch Instruction**" means a Batch Instruction that gives rise to an Accrued Batch Instruction, Settlement Adjustment, transfer, payment or other adjustment, compensation or redress mechanism pursuant to Rules 10.17 to 10.23 as a result of a Corporate Action.

...

~~"**Parent DvP RTGS Instruction**" means a Parent RTGS Instruction with a Settlement Amount scheduled to settle in DvP Real Time Gross Settlement.~~

...

~~"**Parent RTGS Instruction**" means an RTGS Instruction that gives rise to an Accrued RTGS Instruction as a result of a Corporate Action.~~

...

~~"**Participant Managed**" in relation to the attributes of a Net Position Record, means any of the matters set out in Rule 11.9.11.~~

...

"**Participant Offeror**" means a Participant entitled or authorised (whether as the offeror or on behalf of the offeror) to receive acceptances of offers made under a Non-Takeover Offer Event in accordance with these Rules.

...

"**Payment Batch Instruction**" means:

(a) a CCP Derivatives Payment Batch Instruction; or

~~(b) a Dual Entry Payment Batch Instruction; or~~

(~~c~~b) an AQUA Payment Batch Instruction.

Amended 21/03/14

....

"**Payment Facility**" means a f~~F~~acility operated for a Participant at a Payments Provider for the purposes of paying and receiving payments in Batch Settlement or Real Time Gross Settlement.

....

"**Payments Provider**" means a person that:

(a) operates an exchange settlement account with the Reserve Bank of Australia in its own name;

(b) has the operational capacity to:

(i) authorise and make payments on behalf of Participants;

(ii) make payments to Participants; and

(iii) register entries in the Payments Provider User Group for the purpose of discharging its net obligation to make payment to the Bank or its net entitlement to receive payment from the Bank in accordance with the Standard Payments Provider Deed;

(c) meets the technical and performance requirements prescribed by ASX Settlement to ensure that the person does not affect the integrity or orderly operation of CHESS; and

(d) is a person who facilitates Batch Settlement by approving or making payments in accordance with the terms and conditions of the relevant Standard Payments Provider~~s~~ Deed.

~~**"Payments Provider Managed"** in relation to the attributes of a Net Position Record, means any of the matters set out in Rule 11.9.3(a) to (f).~~

....

"Personal Information" means all personal information (as defined under the Privacy Act 1998 (Cth)) in connection with a Holder.

...

"PID" stands for participant identifier and means a UIC allocated or attributed by ASX Settlement to a Participant that is:

(a) used as the identification code, or one of the identification codes, of the Participant that controls a Holding on the CHESS Subregister; and

(b) included in a Message header to identify the source and/or destination of the Message~~CHESS Data Messages~~.

ASX Settlement may allocate or attribute up to a maximum number of PIDs per Participant as specified in the Procedures.

Amended 08/08/13

...

"Plan Election Date" means the date by which a person must submit an Acceptance Form to an Issuer if the person wishes to subscribe for new or additional Financial Products or to receive cash instead of new or additional Financial Products (as applicable) in respect of a dividend or other distribution reinvestment plan or bonus share plan.

...

"Plan Record" means a CHESS record of a dividend or other distribution reinvestment plan or bonus share plan created by ASX Settlement in accordance with Rule 5.19A.1.

...

"**Procedures**" means any document, electronic file or other information (recorded by any mode of representing words or reproducing words) approved by ASX Settlement and given where applicable to Participants, Issuers and third party service providers in accordance with Rule 1.4 and, without limitation, includes any ~~EIS~~ User Technical Documentation and the ASX Settlement Procedures as amended from time to time.

Amended 18/12/06

...

"**Real Time Gross Settlement**" means the processing and settling of:

(a) payment and delivery obligations; or

(b) payment obligations only,

in real time and on a gross, not net, basis, the fundamental characteristic of which is that the payment and delivery components (as applicable) of an Instruction transaction become irrevocable at the time of settlement and, in relation to CHESS, is effected in accordance with systems and procedures contained in Section 11.

...

"**Reconstruction**" means an alteration to the issued capital of an Issuer, which affects the number, or nature, of Financial Products held by a Holder and includes (without limitation) a reorganisation or a merger.

"Recognised Physical Access Point" means:

(a) in the case of a Facility User, the physical location of an application system that the Facility User employs to operate an interface with CHESS; or

(b) in the case of ASX Settlement, the physical location of the application system that operates CHESS.

...

"**Registrable Transfer Document**" means any document that an Issuer is entitled to accept as a valid instrument of transfer or a Transfer Request Document.

...

"**Registration Details**" means the name, address, Email Details (if any) and Residency Indicator recorded in relation to a HIN or SRN (as applicable)of a Holder.

...

"**Registration Identifier**" means a temporary object containing information of the type recorded in a Holder Record for the purpose of facilitating Transfers between the CHESS Subregister and Issuer Operated Subregister.

...

"**Rescheduled Batch Instruction**" means a Batch Instruction which has been Failed (in whole or part) under Rule 10.11.2 and rescheduled for settlement under Rule 10.11.7 or a CCP Market Trade Batch Instruction which has been Failed (in whole or part) under Rule 10.11.2 and is scheduled for settlement as a CCP Rescheduled Batch Instruction generated in respect of that Failed CCP Market Trade Batch Instruction. It does not include a Batch Instruction which is Failed under Rule 10.11.3 as a consequence of the Failure of another Batch Instruction.

...

"**Reporting Point**" means a particular point during a Business Day when information is stored by CHESS for the purposes of reporting data to Facility Users.; Acceptable values comprise:

(a) end of Settlement Processing Phase;

(b) Trade Instruction Cut-Off;

(c) End of Day.

...

~~"**Reserve**" in Section 11 in relation to Financial Products, has the meaning given in Rule 11.19.1(d).~~

...

"**Residency Indicator**" means a code used to indicate the status of the ultimate beneficial owner or owners of FOR Financial Products in a Holding on the CHESS Subregister or an Issuer Operated Subregister, for the purposes of settling transactions in FOR Financial Products. (i.e. ~~"D" for D~~domestic, foreign ~~"F"~~ for Foreign Person, and in the case of Holdings of Financial Products where beneficial ownership is both domestic and foreign, ~~"M" for M~~mixed).

Note: The indicator for "domestic", "foreign" and "mixed" is identified in the User Technical Documentation

...

"**RGID**" means a number used to identify a Registration Identifier or information derived from a Registration Identifier.

...

~~"**Routine Reporting**" means electronic reporting that is generated automatically by CHESS as transactions are processed.~~

...

~~"**RTGS Account Identifier**" means a numeric identifier (that may, but need not, be an account number) agreed between an RTGS Participant and an RTGS Payments Provider to uniquely identify the Participant's account that is to be debited, or credited, with the amount of any Payment Obligation, on settlement of an RTGS Instruction in accordance with Rule 11.25.~~

...

"**RTGS Bank Account**" means, in relation to an RTGS Participant at any time, a bank account with an RTGS Payments Provider opened by the RTGS Participant, and subject to a current notification by that RTGS Participant in accordance with Rule 11.4.3.

...

~~"**RTGS Delivery Shortfall**" in relation to Financial Products of a particular class in a Holding at any time on the RTGS Settlement Date for a particular RTGS Instruction, means that the sum of:~~

~~(a) the number of Financial Products of that class required to be delivered from that Holding in Real Time Gross Settlement under that RTGS Instruction on that day;~~

~~(b) the number of Financial Products of that class Reserved against that Holding in relation to RTGS Instructions at that time in the RTGS Settling Phase, and~~

~~(c) prior to ASX Settlement recording under Rule 10.12.1(f)(ii) a movement of Financial Products of that class against that Holding to effect DvP Net Settlement on that day, the number of Financial Products of that class that ASX Settlement has determined at Settlement Cut-off will be so recorded as a movement against that holding at DvP Notification on that day,~~

~~is greater than:~~

~~(d) the total number of Available Financial Products at that time in the Holding.~~

~~"**RTGS Eligible**" in relation to Financial Products, has the meaning set out in Rule 11.1.1.~~

"**RTGS End of Day**" means on any RTGS Business Day, ~~5.00pm~~ 5.15pm Sydney time or such other time as ASX Settlement may from time to time determine.

"**RTGS Instruction**" means an instruction to ASX Settlement to effect a payment in Real Time Gross Settlement through the CHESS Feeder System (including in connection with a Settlement Transfer that occurs in CHESS), and includes a Bilateral Demand Settlement Instruction ~~to settle an RTGS Transaction in Real Time Gross Settlement through the CHESS Feeder System, and includes a DvP RTGS Instruction, a CCP Gross RTGS Instruction and a Dual Entry RTGS Instruction~~.

…

~~"**RTGS Mandatory**" in relation to an RTGS Transaction, has the meaning set out in Rule 11.3.1.~~

"**RTGS Message**" means a Bilateral Demand Settlement Message~~Message that, in accordance with the requirements of the EIS, instructs ASX Settlement to settle an RTGS Transaction in Real Time Gross Settlement~~.

"**RTGS Participant**" means a General Settlement Participant~~:~~

~~(a)~~ that satisfies the criteria for participation in Real Time Gross Settlement set out in Rule 11.5.~~; and~~

~~(b) for which a Net Position Record has been established under the Rules that records the Net Position Record Status as active.~~

~~"**RTGS Participation Requirements**" in relation to a Participant, means any technical and performance requirements notified by ASX Settlement to the Participant to ensure that it is capable of operating in Real Time Gross Settlement.~~

…

~~**"RTGS Pre-commencement Testing"** means testing at the direction of ASX Settlement to establish whether a prospective RTGS Participant meets the RTGS Participation Requirements.~~

~~**"RTGS Settlement Date"** means the RTGS Business Day specified, or taken to be specified, in an "RTGS Instruction as the date on which the counterparties intend that RTGS Instruction to settle in Real Time Gross Settlement.~~

...

"**Secondary Matching Flag**" means, a specification in a Message that, if indicated as applying, requires each counterpart Message from each Participant to specify the same the Matching Reference in order for those Messages to Match.

...

"**Security Key**" means an electronic code that is:

(a) allocated to each Facility User in accordance with the User Technical Documentation~~generated by ASX Settlement~~; and

(b) used to ensure secure communications between ASX Settlement and Facility Users.

...

"**Settlement Adjustment**" means an adjustment to the Settlement Amount of a DvP Batch Instruction~~ or a DvP RTGS Instruction~~.

...

"**Settlement Link ID**" means a unique identifier code included in Bilateral Batch Messages or Unilateral Batch Messages by a Participant in order for Instructions resulting from those Messages to be Linked Instructions.

"**Settlement Lock**" means in relation to a CHESS Holding, a facility which prevents the relevant number of Financial Products (including any Entitlements) from being deducted from a Holding unless pursuant to a Settlement Transfer in connection with:

(a) a Bilateral Batch Instruction under Rule 10.9.3; or

(b) a Unilateral Batch Instruction under Rule 10.9.11.

...

"**Settlement Processing Phase**" in relation to DvP ~~Net~~ Batch Settlement, means, on any Business Day, the time period commencing after Settlement Cut-off during which Settlement Transfers are processed by ASX Settlement against CHESS Holdings.

...

~~**"Standing Buy Account Identifier"** means an RTGS Account Identifier that is notified to ASX Settlement under Rule 11.9.11 or Rule 11.9.15 for the purposes of an RTGS~~

~~Instruction where the Participant will, on settlement, be the payer of the Payment Obligation identified in that RTGS Instruction.~~

....

~~"**Standing HIN**" means a HIN that is notified to ASX Settlement under Rule 6.4.2.~~

...

"**Standing Report**" means one of a series of Messages periodically Transmitted by ASX Settlement to a Facility User, each of which provides information about CHESS Holdings or CHESS Subregister movements~~ in accordance with parameters specified by the Facility User~~.

...

~~"**Standing Sell Account Identifier**" means an RTGS Sell Account Identifier that is notified to ASX Settlement under Rule 11.9.11 or Rule 11.9.15 for the purposes of an RTGS Instruction where the Participant will, on settlement, be the payee of the Payment Obligation identified in that RTGS Instruction.~~

...

~~"**Standard Client Bank Deed**" means a standard deed executed by ASX Settlement and a bank.~~

...

"**Standard Payments Provider Deed**" means a standard deed executed by ASX Settlement and a Payments Provider~~ and includes a Standard Client Bank Deed~~.

...

~~"**Surveillance Report**" means a report generated by CHESS that identifies changes to:~~

~~(a) Batch Instructions notified to ASX Settlement by an Approved Market Operator under Rule 10.9.1; and~~

~~(b) Batch Instructions that result from Matched Dual Entry Batch Messages,~~

~~(c) to assist ASX Settlement in monitoring compliance with these Rules.~~

...

~~"**Switch**" means, in respect of a Holding of AQUA Products, a process comprising the redemption by the Holder of a specified quantity of the AQUA Products followed by the investment by the Holder of the proceeds of redemption in AQUA Products of the same Product Issuer Settlement Participant.~~

...

~~"**Switch to Batch Settlement Message**" means a Message that, in accordance with the requirements of the EIS, requests that an RTGS Instruction be removed from Real Time Gross Settlement in CHESS and settled in Batch Settlement.~~

…

~~**"Transfer Request Document"** means a document supplied by a Settlement Participant which is not a Market Participant or a Custodial Settlement Participant to an Issuer that entitles the Issuer to authorise a Transfer of Financial Products from an Issuer Sponsored Holding to a CHESS Holding.~~

…

~~**"Transition Period"** means the period from 11 March 2002 to 10 March 2004 or such later date as determined by the Commission.~~

…

"**Transmit**" means, for Messages passing between ASX Settlement and Facility Users, cause a Message to be made available for collection by the other party in ~~the~~ a Message collection facility in accordance with the User Technical Documentation~~provided in CHESS for Messages passing between ASX Settlement and Facility Users~~.

Note: *Rule 16.17 specifies when a Facility User or ASX Settlement is taken to have Transmitted a Message.*

…

"**UIC**" stands for User Identification Code and means a unique numeric code allocated or attributed by ASX Settlement to ASX Settlement and each Facility User in accordance with the User Technical Documentation for the purpose of identifying the source and destination of Messages and which may be:

(a) the UIC of an Issuer;

(b) a PID; or

(c) such other numeric code allocated or attributed by ASX Settlement in accordance with the User Technical Documentation.

Note: *A UIC will be 'attributed' by ASX Settlement where such code is allocated to ASX Settlement or the Facility User by a person other than ASX Settlement but is attributed by ASX Settlement to ASX Settlement or the Facility User for the purposes outlined above.*

"**Unilateral~~Single Entry~~ Batch Message**" means a Message that complies with Rule 10.9.11.

"**Unilateral~~Single Entry~~ Batch Instruction**" means a Batch Instruction that gives effect to a Unilateral~~Single Entry~~ Batch Message.

"**Unilateral~~Single Entry~~ Demand Message**" means a Message that complies with Rule 9.4.1 or Rule 9.13.1.

"**Unilateral~~Single Entry~~ Transfer Request**" means a Demand Transfer of Financial Products that gives effect to a Unilateral~~Single Entry~~ Demand Message.

...

~~"**EIS**" stands for External Interface Specification, and~~ "**User Technical Documentation**" means the documentation in relation to CHESS that are published by ASX Settlement as referred to in the Procedures, ~~a document, made by ASX Settlement,~~ that provide~~s~~ detailed information about protocols, message formats and security features for communications between Facility Users and ASX Settlement.

...

"**UUID**" stands for a universally unique identifier and means a series of numbers and letters used to identify each Holder.

...

"**Valid**" in relation to a Message, means a Message that, in accordance with the relevant User Technical Documentation:

(a) identifies the source of the Message in the Message header ~~specifying a current source UIC that is compatible with the specified AIC~~;

(b) correctly identifies the destination of the Message in the Message header ~~the current UIC for the targeted Message recipient~~;

(c) is formatted in accordance with the relevant Message specifications and ~~contains~~ satisfies all ~~the~~ applicable mandatory data requirements ~~specified in the EIS~~;

(d) has been properly authenticated~~, (determined by reference to the MAC)~~; and

(e) satisfies all applicable transport ~~meets CHESS~~ encryption requirements ~~specified in the EIS~~.

SECTION 3 FUNCTIONS, POWERS, RIGHTS AND OBLIGATIONS OF ASX SETTLEMENT

...

3.6 LIABILITY AND INDEMNITY PROVISIONS

3.6.7 ASX Settlement indemnity

Subject to Rules 3.6.8 to 3.6.10, ASX Settlement indemnifies the Issuer against all losses, damages, costs and expenses that the Issuer may suffer or incur if:

(a) ASX Settlement Transmits a Report to the Issuer relating to Approved Financial Products of the Issuer that contains incorrect information; or

(b) ASX Settlement Transmits a Message to the Issuer relating to Approved Financial Products of the Issuer which contains:
   (i) inaccurate Change of Registration Details; or
   (ii) a TFN or ABN of a ~~h~~Holder which is not the TFN or ABN supplied by a Participant with respect to that H~~h~~older.

Introduced 11/03/04 Origin SCH 1.11.1, 1.11.2

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3.6.11 Exclusion of ASX Settlement liability provisions

Rules 1.2.3, 1.2.4, 1.2.5, 1.3.2 and 3.6.7 are subject to this Rule 3.6.11 which applies whether or not ASX Settlement is negligent or in wilful default.

ASX Settlement is not liable to compensate any person for loss suffered in consequence of any of the following events (whether or not ASX Settlement is negligent or in wilful default):

(a) a failure to admit a person as a Participant under Section 4, and its liability in these circumstances is limited to such liability as may be incurred in complying with the procedure for Appeal under Section 4;

(b) a failure to provide a Settlement Facilitation Service to a person under Rule 4.1A;

(c) suspension or revocation of ASX Settlement approval of any class of Financial Products;

(d) any enforcement action, Proceeding or Appeal against a Facility User whether in accordance with these Rules or not;

(e) any enforcement action taken by ASX Settlement in accordance with a determination of the Old Tribunal (as defined in Rule 12.23) or the Appeal Tribunal;

(f) any action to:

(i) impose Restrictions on;

(ii) suspend; or

(iii) terminate,

the participation of a Participant under Section 12;

(g) the application or removal of a Holding Lock, Holder Record Lock, Demand Lock or Settlement Lock in accordance with Section 8, Section 9 or Section 10; or

(h) the effecting of a Holding Adjustment or Financial Products Transformation in accordance with Section 9.

Introduced 11/03/04 Origin SCH 1.12.1, 1.12.2, 1.12.3, 1.1

...

3.6.17 Acknowledgments by Facility Users and others

Each Facility User and ASX Settlement acknowledges that the Reserve Bank of Australia, as operator of RITS, provides a facility for the simultaneous settlement of interbank obligations arising from DvP Batch Settlement in CHESS.

Each Facility User and each RTGS Payments Provider acknowledges that:

(a) to facilitate Real Time Gross Settlement in CHESS, the Reserve Bank of Australia has approved CHESS as a feeder system to RITS/RTGS under the RITS Regulations and has agreed to provide a feeder interface process in RITS/RTGS;

(b) for so long as CHESS remains such a feeder system, the Reserve Bank of Australia will deal with all requests for settlement, recall or other messages sent by ASX Settlement across the Feeder System interface to RITS/RTGS in accordance with, and subject to, RITS Regulations; and

(c) the Reserve Bank of Australia expressly disclaims liability to any person, to the full extent permitted by law, in the following circumstances:

(i) liability in respect of any other aspect of the administration of CHESS than set out in this Rule 3.6.17~~8~~; and

(ii) liability which arises or might otherwise have arisen in circumstances where a provision of the RITS Regulations excluded liability of the Reserve Bank to any person.~~, including without limitation any applicable circumstances referred to in RITS Regulation 2.4, 2.6, 2.7, 2.8 or 2.9.~~

Note: The arrangements between the Reserve Bank of Australia and ASX Settlement for the CHESS Feeder System interface with RITS/RTGS include exclusions of liability

on the part of the Reserve Bank in substantially similar terms to the RITS Regulations. ~~*referred to in this Rule.*~~

Introduced 11/03/04 Origin SCH 1.13.4

3.6.18 Exclusion of ASX Settlement liability

ASX Settlement will not be liable to compensate, indemnify or pay any liquidated sum to any Facility User, RTGS Payments Provider or other person:

(a) for loss suffered in consequence of a circumstance arising in respect of which the Reserve Bank of Australia has excluded its liability; or

(b) for any loss suffered in consequence of an RTGS ~~Participant~~ Payments Provider failing to authorise an RTGS Instruction in respect of which it is required to perform a Payment Obligation in accordance with ~~settlement processing in terms of~~ Rule 11.18.8~~.4~~.

Introduced 11/03/04 Origin SCH 1.13.4(c), 1.13.5

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SECTION 4 PARTICIPATION IN THE SETTLEMENT FACILITY

The purpose of this Section 4 is to set out the basis on which persons may participate in the Settlement Facility or be provided with a Settlement Facilitation Service.

Without limiting in any way what a person who participates in the Settlement Facility may do or be permitted to do under these Rules, participation in the Settlement Facility is broadly divided into the following classes:

(a) **General Settlement Participants** - being those persons who are admitted for purposes including the holding, transfer and settlement in Batch Settlement of Approved Financial Products in the Settlement Facility. A General Settlement Participant may also act in the Settlement Facility as a settlement agent on behalf of a Clearing Participant. A General Settlement Participant may also establish and maintain Participant Sponsored Holdings;

(b) **Account Participants** – being those persons who participate in certain aspects of the holding and transfer of Approved Financial Products but who do not participate in Batch Settlement in the Settlement Facility. An Account Participant may also establish and maintain Participant Sponsored Holdings;

(c) **Specialist Settlement Participants** – being those persons who are admitted for limited purposes including acting as a Participant Bidder or a Participant Offeror; and

(d) **Product Issuer Settlement Participants** – being those persons who are admitted for limited purposes including facilitating the settlement in Batch Settlement of transactions relating to requests for issue and redemption of AQUA Products. A Product Issuer Settlement Participant may not establish or maintain Participant Sponsored Holdings.

ASX Settlement may also provide a service to an Approved Listing Market Operator for the holding, transfer and settlement of Approved Financial Products that are quoted or admitted to trading status on the market of that Approved Listing Market Operator.

4.1 CLASSES OF PARTICIPATION IN THE SETTLEMENT FACILITY

4.1.1 Settlement Participants

A Settlement Participant:

(a) is a person who is permitted to participate in Batch Settlement and establish CHESS Holdings in accordance with these Rules;

(b) may be either:

(i) a person admitted as a General Settlement Participant under Rule 4.3.1; or

(ii) a person admitted as a Specialist Settlement Participant under Rule 4.4.1; or

(iii) a person admitted as a Product Issuer Settlement Participant under Rule 4.4A;

(c) is not permitted to participate in RTGS unless it is also an RTGS Participant.

Note: A Settlement Participant must meet the additional technical and payment facility requirements of Section 11 before it will be permitted to settle transactions in Real Time Gross Settlement.

Any reference in these Rules to a Settlement Participant includes a reference to a Settlement Agent. See Rule 4.3.3

Introduced 11/03/04 Amended 21/03/14

4.1.2 Account Participants

An Account Participant is a person who is permitted to establish CHESS Holdings in accordance with these Rules but who is not permitted to participate in Batch Settlement.

Introduced 11/03/04

...

4.4 ADMISSION OF SPECIALIST SETTLEMENT PARTICIPANTS

4.4.1 Admission of Specialist Settlement Participants

Subject to Rules 4.2.3A and 4.4.2, ASX Settlement will admit a person as a Specialist Settlement Participant if ASX Settlement is satisfied that the person;

(a) has applied for admission as a Participant in accordance with Rule 4.2.1;

(b) meets the technical and performance requirements of this Section;

(c) meets the performance bond requirements of this Section;

(d) meets the capacity requirements of this Section;

(e) meets the location requirements of this Section (subject to Rule 4.4.2);

(f) meets the payment facility requirements of this Section; and

(g) meets the organisational requirements of this Section.

Note: a person admitted as a Specialist Settlement Participant under this Rule 4.4.1 may not act as a Sponsoring Participant.

Introduced 11/03/04 Origin SCH 2.3.2 Amended 23/10/09, 15/06/15, 05/12/19

4.4.2 Specialist Settlement Participant acting only as a Participant Bidder or Participant Offeror

If a Specialist Settlement Participant will be admitted for the limited purpose of acting as a Participant Bidder or Participant Offeror, requirements in Rule 4.4.1(c) and (f) will not apply.

Introduced 23/10/09 Amended 05/12/19

...

4.7 TECHNICAL AND PERFORMANCE REQUIREMENTS

4.7.1 When a person meets the technical and performance requirements

A person will meet technical and performance requirements to the reasonable satisfaction of ASX Settlement if:

(a) as shown by Pre-commencement Testing, the person has the capacity to communicate reliably with CHESS in accordance with the User Technical Documentation~~EIS~~;

(b) the person has such accounting, settlement, recording and reporting systems as are necessary for the purposes of the person's existing and anticipated operations;

(c) the person employs or retains such personnel familiar with the Rules and the Procedures as are necessary to allow the person to generate, receive and process Messages in accordance with the Rules and Procedures;

(d) the person has the necessary organisational and technical resources to ensure that Messages submitted to ASX Settlement by the Participant do not interfere with the efficiency, integrity or proper functioning of the Settlement Facility;

(e) the person observes and gives effect to any advice or directions given by ASX Settlement to it in order to ensure that the person meets or continues to meet the requirements of paragraphs (a) to (d); and

(f) the person has appointed a person to be responsible for communication with ASX Settlement in connection with CHESS and has communicated the name of that person to ASX Settlement, both upon admission to participation and where there are any subsequent changes made.

Introduced 11/03/04 Origin SCH 2.6

...

4.9 PERFORMANCE BONDS

4.9.1 Settlement Participant to lodge Settlement Bond

A Settlement Participant, other than a Participant that:

(a) is prudentially supervised;

(b) is a CS Facility that complies with the Reserve Bank of Australia's financial stability standards; or

(c) acts only as a Participant Bidder or Participant Offeror,

must ensure that at all times while the Participant remains a Settlement Participant there is lodged with ASX Settlement a valid Settlement Bond.

For the purposes of this Rule 4.9, a Participant is prudentially supervised if it is:

(d) required to comply with the operating rules of an:

(i) Approved Market Operator specified in the Procedures; or

(ii) Approved Clearing Facility;

that relate to NTA or risk based financial requirements; or

(e) regulated by APRA.

Introduced 11/03/04 Origin SCH 10.19.1, 10.19.1A, 10.19.1B Amended 04/04/05, 18/12/06, 27/06/11

...

4.10 CAPACITY REQUIREMENTS

4.10.1 When a person meets the capacity requirements

The capacity requirements of these Rules are:

(a) for a body, that:

(i) if the body is a body corporate, the body is not a Chapter 5 body corporate as defined in section 9 of the Corporations Act~~n externally administered body corporate~~; or

(ii) if the body is not a body corporate, the body is not under any equivalent form of insolvent administration;

(b) for a natural person, that:

(i) the person is at least 18 years of age;

(ii) the person is not an insolvent under administration;

(iii) no person has been appointed under any Incapacity Law to administer the estate of the person; and

(iv) no order has been made under the Corporations Act prohibiting the person from managing a corporation; and

(c) for a body that consists of two or more partners or trustees, that each of those persons complies with paragraph (a) or (b) as the case requires.

...

4.13 PAYMENT FACILITY REQUIREMENTS

4.13.1 Person to have a Payment Facility

The payment facility requirements of this Section are that:

(a) for the purposes of making and receiving payments in respect of payment obligations and entitlements under Section 10 or Section 11 of these Rules, the person has in place at all times at least the number of Payment Facilities specified in the Procedures with one or more Payments Providers; and

(b) each Payment Facility is either:

(i) held in the name of, and operated for the benefit of, the person or a Related Body Corporate of the person;

(ii) held in the name of a party unrelated to the person but operated for the benefit of the person, where the party operating the Payment Facility has agreed to be bound by the Rules which relate to the operation and suspension of Payment Facilities as if it was an ASX Settlement Participant.

Introduced 11/03/04 Origin SCH 2.12.1 Amended 21/03/14

...

4.16 INACTIVE PARTICIPANTS

4.16.1 ASX Settlement may give notice

Where ASX Settlement considers that a Participant has not settled any Instructions under these Rules, for a continuous period of 6 months, ASX Settlement may notify the Participant that it intends to terminate the Participant's recognition as a Participant.

Introduced 11/03/04 Origin ASX 5.4.1, OCH 2.5A.1

4.16.2 Participant may make submissions

On receipt of a notice given under Rule 4.16.1, the Participant may make written submissions to ASX Settlement explaining why, in its view, the Participant's participation in the Settlement Facility should not be terminated. Any written submission must be received by ASX Settlement within 10 Business Days following receipt of the notice from ASX Settlement, unless ASX Settlement grants an extension in writing.

Introduced 11/03/04 Origin ASX 5.4.2, OCH 2.5A.2

4.16.3 Termination of participation if no submission received

Where no submission is received by ASX Settlement under Rule 4.16.2, ASX Settlement may terminate the Participant's participation in the Settlement Facility following the end of the 10 Business Day period, or any extension referred to in that Rule.

Introduced 11/03/04 Origin ASX 5.4.3, OCH 2.5A.3

4.16.4 Termination of participation if submission received

Where a submission is received by ASX Settlement under Rule 4.16.2, if:

(a) ASX Settlement is not satisfied that the Participant will settle any Instructions under these Rules within a further 20 Business Days following the receipt of the submission; or

(b) the Participant fails to settle such a transaction in that period,

ASX Settlement may terminate the Participant's participation as a Participant.

Introduced 11/03/04 Origin ASX 5.4.4, OCH 2.5A.4 Amended 18/12/06

4.16.4A Termination of participation as a Specialist Settlement Participant

In addition to any other rights or powers ASX Settlement may have under this Rule 4.16, where a Specialist Settlement Participant has been admitted for the limited purpose of acting as a Participant Bidder in relation to a takeover bid or a Participant Offeror in relation to a Non-Takeover Offer Event and ASX Settlement is satisfied that the takeover bid or Non-Takeover Offer Event (as applicable) is complete or has been withdrawn, ASX Settlement may by written notice to the Specialist Settlement Participant terminate its participation as a Specialist Settlement Participant.

Introduced 05/12/19

4.16.5 Ceasing to be a Participant

For the avoidance of doubt, a Participant who is no longer recognised in any category has ceased to be a Participant.

Introduced 11/03/04

...

4.19 CUSTODIAL SETTLEMENT PARTICIPANTS - [DELETED]

~~**4.19.1 Custodial Settlement Participant eligibility**~~

~~To be classified as a Custodial Settlement Participant by ASX Settlement, a Settlement Participant must:~~

~~(a) satisfy the eligibility criteria specified in the Procedures; and~~

~~(b) provide to ASX Settlement, the documentation set out in the Procedures as evidence that the Settlement Participant does satisfy the eligibility criteria.~~

~~Introduced 18/12/19~~

~~4.19.2 Classification as a Custodial Settlement Participant in ASX Settlement's discretion~~

~~The decision as to whether a Settlement Participant meets the requirements set out in Rule 4.19 is at the absolute discretion of ASX Settlement. ASX Settlement may determine that a Settlement Participant meets or does not meet the requirements set out in Rule 4.19 without giving any reasons.~~

~~Introduced 18/12/19~~

~~4.19.3 Custodial Settlement Participant notification~~

~~A Custodial Settlement Participant must immediately notify ASX Settlement as soon as it becomes aware that it is no longer eligible to be a Custodial Settlement Participant~~

~~Introduced 18/12/19~~

SECTION 5 RIGHTS AND OBLIGATIONS OF ISSUERS

This Section sets out the rights and obligations of Issuers to, amongst other things:

(a) observe the Rules;

(b) authorise ASX Settlement to establish and administer, on behalf of Issuers, CHESS and Issuer Operated Subregisters;

(c) reconcile and report errors and anomalies including the auditing of registry functions and the giving of notice to ASX Settlement of changed circumstances; and

(d) in relation to the collection of Messages, access to CHESS and Issuer Sponsored Holdings, Corporate Actions, Financial Products subject to foreign ownership restrictions, the determining of voting entitlements and the divestment or forfeiture of Financial Products.

The Section also deals with Issuer's liabilities for Holding Locks, Holding Adjustments and Financial Products Transformations.

This Section also sets out the framework for the electronic transmission and processing of elections in relation to dividend or other distribution reinvestment plans and bonus share plans.

...

5.3 ESTABLISHING A CHESS SUBREGISTER IN RESPECT OF AN OFFER OF APPROVED FINANCIAL PRODUCTS

5.3.1 Initiating a Holding Adjustment

If:

(a) an Issuer makes available forms of application for an Offer of Approved Financial Products; and

(b) the Approved Listing Market Operator gives that Issuer approval for quotation of those Financial Products,

the Issuer must, other than where it is bound by the provisions of Rules 15.27 or 15.28, not later than End of Day on the Issue Date for the Financial Products, Transmit to ASX Settlement a Message that initiates a Holding Adjustment to establish a CHESS Holding in respect of each person who has:

(c) lodged an application with, and been allocated Financial Products pursuant to the Offer by, the Issuer; and

(d) instructed the Issuer that any Financial Products so allocated be held in a CHESS Holding by specifying a HIN on the application.

Introduced 11/03/04 Origin SCH 5.4A.1 Amended 27/06/11, 04/03/13

5.3.2 Establishing of CHESS Holding

If:

(a) ASX Settlement receives a Valid Message from an Issuer under Rule 5.3.1; and

(b) a Holder Record for the HIN specified in that Message has been established under Rule 8.7.2,

ASX Settlement will, within the Scheduled Time:

(c) enter the number of Financial Products into the CHESS Holding specified in that Message;

(d) notify the Issuer:

(i) that the CHESS Holding has been established; and

(ii) of the relevant Holder Record details for the CHESS Holding; and

(e) notify the Controlling Participant that the CHESS Holding has been established.

Introduced 11/03/04 Origin SCH 5.4A.2

5.3.3 Rejection of Messages initiating a Holding Adjustment

If:

(a) ASX Settlement receives a Valid Message from an Issuer under Rule 5.3.1; and

(b) a Holder Record for the HIN specified in that Message has not been established under Rule 8.7.2,

ASX Settlement must, within the Scheduled Time:

(c) reject the Message; and

(d) notify the Issuer that the Message has been rejected.

Introduced 11/03/04 Origin SCH 5.4A.3

5.3.4 Transmission of further Messages

If:

(a) an Issuer receives notification that a CHESS Holding has been established under Rule 5.3.2(d)(i); and

(b) the Registration Details ~~and, where applicable, the Residency Indicator~~ specified in that notification do not match the Registration Details ~~and Residency Indicator~~ specified in the application form lodged with the Issuer by the person to whom the Financial Products have been allocated,

the Issuer must, within the Scheduled Time, Transmit to ASX Settlement a further Message that initiates a Holding Adjustment to deduct the Financial Products from that CHESS Holding.

Introduced 11/03/04 Origin SCH 5.4A.4

5.3.5 Deduction of Financial Products from a CHESS Holding

If ASX Settlement receives a Valid Message that initiates a Holding Adjustment from an Issuer under Rule 5.3.4, ASX Settlement will, within the Scheduled Time;

(a) deduct the number of Financial Products from the CHESS Holding specified in the Message; and

(b) notify:

(i) the Issuer; and

(ii) the Controlling Participant for the CHESS Holding,

that the Financial Products have been deducted from that Holding.

Introduced 11/03/04 Origin SCH 5.4A.5

5.3.6 Entering Financial Products into a Holding

If an Issuer receives notification from ASX Settlement under Rule 5.3.3 ~~or 5.3.5~~, the Issuer must immediately enter the Financial Products specified in that Message into a Holding with Registration Details that match the Registration Details specified in the application form lodged with the Issuer by the person to whom the Financial Products have been allocated on the Issuer Sponsored Subregister.

Introduced 11/03/04 Origin SCH 5.4A.6

5.3.7 Issuer's Obligations

If an Issuer is required to enter Financial Products into an Issuer Sponsored Holding under Rule 5.3.6, the Issuer must, if the Financial Products are entered into an Issuer Sponsored Holding:

(a) issue a Transaction Statement to the Holder; or

(b) send to the Holder a Notice that sets out the SRN, the Registration Details and the Holding Balance for the Issuer Sponsored Holding,

within the time specified in the Listing Rules.

Introduced 11/03/04 Origin SCH 5.4A.7

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5.17 NOTICE TO ASX SETTLEMENT OF CHANGED CIRCUMSTANCES

5.17.1 Issuer to give Notice

An Issuer must give Notice to ASX Settlement if:

(a) the Issuer changes its name or address;

(b) the Issuer becomes a Chapter 5 body corporate as defined in section 9 of the Corporations Act~~n externally administered body corporate~~;

(c) the Issuer takes a step or becomes aware that another person has taken a step that is intended to lead to it becoming a Chapter 5 body corporate as defined in section 9 of the Corporations Act~~externally administered~~;

(d) the Issuer's Financial Products are subject to any change of jurisdictional nexus for stamp duty purposes; or

(e) the Issuer effects any change of Third Party Provider.

The Notice must be given within 1 Business Day of the happening of any of the events or circumstances referred to in paragraphs (a) to (e).

...

5.18.1 Request to include Financial Products in Schedule 1

An Issuer of Approved Financial Products may request ASX Settlement to include a class of its Financial Products which is subject to aggregate foreign ownership restrictions pursuant to legislation or under the Issuer's constitution, in Schedule 1 and, in respect of any such Financial Products included in Schedule 1, the Issuer:

(a) must accept electronic notification of the residency status of Holders on the CHESS Subregister;

(b) must accept electronic notification of the residency status of transferees specified in CHESS to Issuer Operated Subregister Transfers;

(c) must give effect to and recognise the status of Foreign to Foreign Allocations effected through CHESS;

(d) must monitor the Foreign Ownership Percentage Level on a daily basis~~ by requesting a Foreign Holding Net Movement Report in respect of each Business Day~~, and where the Issuer determines it is necessary, take such action as is required under Rule 5.18.3; and

(e) acknowledges that the Issuer bears sole responsibility for monitoring the Foreign Ownership Percentage Level.

Note: The obligations of an Issuer whose Financial Products are included in Schedule 1, as outlined in Rule 5.18.1, are in addition to the statutory contract between an Issuer and ASX Settlement under Section 1.2.

Introduced 11/03/04 Origin SCH 8.20.1, 8.20.2

…

5.19A CORPORATE ACTIONS – DIVIDEND REINVESTMENT PLAN AND BONUS SHARE PLAN ELECTION MESSAGING

5.19A.1 Plan Record creation and removal

(a) If an Issuer, in respect of Approved Financial Products, publicly releases a market announcement of a dividend or other distribution reinvestment plan or bonus share plan through the public announcement platform of the Approved Listing Market Operator in accordance with its:

(i) Listing Rules; or

(ii) operating rules under which the Issuer applied for admission of the class of Financial Products to trading status,

the Issuer must also immediately notify ASX Settlement of that announcement.

(b) ASX Settlement will create a Plan Record in respect of the Issuer for the relevant dividend or other distribution reinvestment plan or bonus share plan announced through the public announcement platform of the Approved Listing Market Operator as referred to in Rule 5.19A.1(a):

(i) on or after the commencement date of that Rule, of which ASX Settlement is aware, including where it has been notified of that announcement under Rule 5.19A.1(a); or

(ii) prior to the commencement date of Rule 5.19A.1(a), of which ASX Settlement is aware (and is not otherwise aware of an announcement as to the cancellation of that plan).

(c) If the Issuer, in respect of Approved Financial Products, publicly releases a market announcement of any change to, or cancellation of, a dividend or other distribution reinvestment plan or bonus share plan through the public announcement platform of the Approved Listing Market Operator in accordance with its:

(i) Listing Rules; or

(ii) operating rules under which the Issuer applied for admission of the class of Financial Products to trading status,

the Issuer must also immediately notify ASX Settlement of the details of that announcement.

(d) ASX Settlement will for a Plan Record created under Rule 5.19A.1(b), update or remove that Plan Record for a change or cancellation announced through the public announcement platform of the Approved Listing Market Operator as referred to in Rule 5.19A.1(c) (as applicable) of which ASX Settlement is aware, including where it has been notified of that announcement under Rule 5.19A.1(c).

Note: For the purposes of this Rule 5.19A.1, Issuers are not required to notify ASX Settlement of dividend or other distribution reinvestment plan or bonus share plan announcements prior to the commencement date of Rule 5.19A.1. For a dividend or other distribution reinvestment plan or bonus share plan announced prior to the prior to the commencement date of Rule 5.19A.1, ASX Settlement will look to create a Plan Record in respect of the Issuer based on available information.

5.19A.2 Corporate Action election – notification by Controlling Participant

(a) A Controlling Participant may provide notification to an Issuer of an election for all or part of a CHESS Holding in respect of the relevant dividend or other distribution reinvestment plan or bonus share plan by Transmitting to ASX Settlement a Valid Election Participant Notification Message within the Scheduled Time in accordance with the Procedures.

Note: For the purposes of this Rule 5.19A, it is noted that the term "election" refers to the choice of the relevant Holder in response to the options available to that Holder under the terms of the relevant plan, and could include an application, instruction, acceptance, or other means of communicating the choice of the relevant Holder, howsoever described in the relevant plan terms.

(b) If ASX Settlement receives a Valid Election Participant Notification Message under Rule 5.19A.2(a) and a Plan Record for the relevant dividend or other distribution reinvestment plan or bonus share plan has been created and has not been removed in accordance with Rule 5.19A.1, ASX Settlement will:

(i) record a pending election request in relation to the election;

(ii) Transmit a Message to the Issuer notifying it of the election in accordance with the Originating Message; and

(iii) notify the Controlling Participant that initiated the election that a pending election request has been recorded in relation to the election.

(c) If an Issuer receives a Valid Message from ASX Settlement under Rule 5.19A.2(b)(ii), the Issuer must, unless the Issuer is notified of the cancellation of the pending election request under Rule 5.19A.4(b)(ii)(A), either acknowledge or reject the relevant election and must Transmit a Corporate Action Election Status Advice Message to ASX Settlement within the Scheduled Time in accordance with the Procedures, notifying of the acknowledgement or rejection of the election by the Issuer.

(d) If ASX Settlement receives a Valid Corporate Action Election Status Advice Message under Rule 5.19A.2(c), ASX Settlement will:

(i) remove the pending election request recorded under 5.19A.2(b)(i);

(ii) Transmit a Message to the Controlling Participant that notified the relevant election under Rule 5.19A.2(a), notifying it of the acknowledgement or rejection of that election by the Issuer in accordance with the Corporate Action Election Status Advice Message; and

(iii) Transmit a Message to the Issuer acknowledging the receipt of the Corporate Action Election Status Advice Message under Rule 5.19A.2(c).

Note: The election and issue of Approved Financial Products under an election, including for which an acknowledgement has been notified by the Issuer under a Corporate Action Election Status Advice Message, continues to be subject to processing and validation by the Issuer in accordance with the relevant plan rules.

5.19A.3 Priority of elections

For the avoidance of doubt, if in relation to a dividend or other distribution reinvestment plan or bonus share plan for all or part of a CHESS Holding, the Issuer is notified of multiple elections under Rule 5.19A.2(b)(ii) or otherwise, or is notified of a cancellation of an election under Rule 5.19A.4(b)(ii)(A) or otherwise, the Issuer may determine the sequence in which the notifications were received and which takes priority for the purpose of its processing such elections or cancellations under its dividend or other distribution reinvestment plan or bonus share plan (including its acceptance or rejection of a notified election or cancellation).

5.19A.4 Cancellation of election

(a) If for:

(i) a pending election request recorded by ASX Settlement for all or part of a CHESS Holding under Rule 5.19A.2(b)(i) which has not been removed under Rule 5.19A.2(d)(i); or

(ii) an election recorded by the Issuer for all or part of a CHESS Holding (including an election notified by ASX Settlement for all or part of a CHESS Holding under Rule 5.19A.2(b)(ii) which the Issuer has acknowledged under Rule 5.19A.2(c)),

the Controlling Participant seeks to cancel that pending election request or election, the Controlling Participant:

(iii) must (in the case of a pending election request referred to in Rule 5.19A.4(a)(i)); or

(iv) may (in the case of an election referred to in Rule 5.19A.4(a)(ii)),

Transmit to ASX Settlement a Valid Election Cancellation Message within the Scheduled Time in accordance with the Procedures, notifying of that cancellation.

(b) If ASX Settlement receives a Valid Election Cancellation Message under Rule 5.19A.4(a), ASX Settlement will:

(i) in the case of a cancellation of:

(A) a pending election request recorded by ASX Settlement as referred to in Rule 5.19A.4(a)(i), remove the pending election request recorded under Rule 5.19A.2(b)(i); or

(B) an election recorded by the Issuer as referred to in Rule 5.19A.4(a)(ii), record a pending cancellation request in relation to the election;

(ii) Transmit a Message to:

(A) the Issuer notifying of the cancellation in accordance with the Election Cancellation Message; and

(B) the Controlling Participant that initiated the cancellation, notifying in the case of a cancellation of:

a. a pending election request recorded by ASX Settlement as referred to in Rule 5.19A.4(a)(i), of the cancellation and removal of ASX Settlement's record of the pending election request under Rule 5.19A.4(b)(i)(A); or

b. an election recorded by the Issuer as referred to in Rule 5.19A.4(a)(ii), that a pending cancellation request has been recorded in relation to that election.

Note: The cancellation of an election under Rule 5.19.5(a) which is notified to the Issuer under Rule 5.19A.4(b) continues to be subject to the processing and validation of that cancellation by the Issuer in accordance with the relevant plan rules.

(c) If an Issuer receives a Valid Message from ASX Settlement under Rule 5.19A.4(b)(ii)(A) (other than in relation to the cancellation of a pending election request recorded by ASX Settlement as referred to in Rule 5.19A.4(a)(i)), the Issuer must either acknowledge or reject the relevant cancellation, and must Transmit a Corporate Action Election Status Advice Message to ASX Settlement within the Scheduled Time in accordance with the Procedures, notifying of the acknowledgement or rejection of the cancellation by the Issuer.

(d) If ASX Settlement receives a Valid Corporate Action Election Status Advice Message under Rule 5.19A.4(c), ASX Settlement will:

(i) remove the pending cancellation request recorded under Rule 5.19A.4(b)(i)(B);

(ii) Transmit a Message to the Controlling Participant that notified the relevant cancellation under Rule 5.19A.4(a), notifying it of the acknowledgement or rejection of that cancellation by the Issuer in accordance with the Corporate Action Election Status Advice Message; and

(iii) Transmit a Message to the Issuer acknowledging the receipt of the Corporate Action Election Status Advice Message under Rule 5.19A.4(c).

(e) If for an election notified to an Issuer for all or part of a CHESS Holding under Rule 5.19A.2(b)(ii) which the Issuer has acknowledged under Rule 5.19A.2(c), the Issuer cancels that election at the Issuer's instigation, the Issuer must Transmit to ASX Settlement a Valid Election Cancellation Message within the Scheduled Time in accordance with the Procedures, notifying of that cancellation.

Note: Rule 5.19A.4(e) is limited to issuer-instigated cancellations. The rule does not extend to cancellations notified to Issuers under Rule 5.19A.4(b)(ii)(A) or cancellations notified directly to the Issuer by Holders.

(f) If ASX Settlement receives a Valid Election Cancellation Message under Rule 5.19A.4(e), ASX Settlement will:

(i) Transmit a Message to the Controlling Participant for that CHESS Holding, notifying it of the cancellation of the election by the Issuer in accordance with the Election Cancellation Message; and

(ii) Transmit a Message to the Issuer acknowledging the receipt of the Election Cancellation Message under Rule 5.19A.4(e).

5.19A.5 Housekeeping of pending elections

If for:

(a) a pending election request recorded in accordance with Rule 5.19A.2(b)(i); or

(b) a pending cancellation request recorded in accordance with Rule 5.19A.4(b)(i),

a Corporate Action Status Advice Message has not been received by ASX Settlement from the Issuer within the Scheduled Time, ASX Settlement will remove the pending election request recorded under Rule 5.19A.2(b)(i) or pending cancellation request under Rule 5.19A.4(b)(i) (as applicable) and notify the relevant Controlling Participant and Issuer of such cancellation.

5.19A.6 Warranty by Controlling Participant or Issuer

A:

(a) Controlling Participant that Transmits an Election Participant Notification Message under Rule 5.19A.2(a);

(b) Controlling Participant that Transmits an Election Cancellation Message under Rule 5.19A.4(a); or

(c) Issuer that Transmits an Election Cancellation Message under Rule 5.19A.4(e),

is taken to have warranted that the Controlling Participant was authorised or the Issuer was legally entitled to notify an election or cancellation of an election for all or part of a

CHESS Holding in relation to the relevant dividend or other distribution reinvestment plan or bonus share plan (as applicable) pursuant to such Transmitted Message.

Note: The legal entitlement or authority of a Controlling Participant or Issuer for the purpose of the warranty under Rule 5.19A.6 could for example be as a result of an instruction by the Holder of the CHESS Holding to the Controlling Participant or due to a change in the plan terms or cancellation of the plan by the Issuer.

5.19A.7 Controlling Participant or Issuer Indemnity

If a Controlling Participant or Issuer is taken under Rule 5.19A.6 to have warranted that it was legally entitled or authorised (as applicable) to notify an election or cancellation of an election for all or part of a CHESS Holding in relation to the relevant dividend or other distribution reinvestment plan or bonus share plan (as applicable) and the Controlling Participant or Issuer was not so legally entitled or authorised, the Controlling Participant or Issuer (as applicable) indemnifies:

(a) the Issuer or Controlling Participant (as applicable);

(b) ASX Settlement; and

(c) the Holder,

against all losses, damages, costs and expenses arising from the Controlling Participant or Issuer (as applicable) not having been so legally entitled or authorised.

5.19A.8 Warranty and Indemnity by Issuer

(a) In respect of a dividend or other distribution reinvestment plan or bonus share plan that has been announced through the public announcement platform of an Approved Listing Market Operator for which a Plan Record has been created and has not been removed in accordance with Rule 5.19A.1, the Issuer is taken to have warranted that a Holder that is eligible under the terms and conditions of the relevant dividend or other distribution reinvestment plan or bonus share plan to submit an election or to cancel an election for all or part of their CHESS Holding, can:

(i) submit such an election by their Controlling Participant Transmitting a Valid Election Participant Notification Message under Rule 5.19A.2(a); and

(ii) submit such a cancellation of an election by their Controlling Participant Transmitting a Valid Election Cancellation Message under Rule 5.19A.4(a),

under the terms and conditions of the relevant dividend or other distribution reinvestment plan or bonus share plan.

(b) If an Issuer is taken under Rule 5.19A.8(a) to have warranted that a Holder can submit an election or cancellation of an election in relation to the relevant

dividend or other distribution reinvestment plan or bonus share plan by their Controlling Participant Transmitting a Valid Election Participant Notification Message under Rule 5.19A.2(a) or a Valid Election Cancellation Message under Rule 5.19A.4(a) (as applicable) under the terms and conditions of the relevant dividend or other distribution reinvestment plan or bonus share plan, and the Holder was not able to submit such election or cancellation in that manner under the terms and conditions of the relevant dividend or other distribution reinvestment plan or bonus share plan, the Issuer indemnifies:

(i) the Controlling Participant;

(ii) ASX Settlement; and

(iii) the Holder,

against all losses, damages, costs and expenses arising from the Holder not being able to submit the election or cancellation of the election in that manner.

5.19A.9 Enquiry request for details of election status for dividend or other distribution reinvestment plan or bonus share plan

(a) A Controlling Participant may initiate a request for the details of the existing election status recorded by the Issuer for a CHESS Holding in relation to a dividend or other distribution reinvestment plan or bonus share plan (as applicable) by Transmitting to ASX Settlement a Valid Originating Message in accordance with the Procedures.

(b) If an Originating Message Transmitted to ASX Settlement complies with Rule 5.19A.9(a), ASX Settlement will Transmit to the Issuer a Message requesting the Issuer to provide the details of the election status requested in the Originating Message.

(c) If an Issuer receives a Valid Message under Rule 5.19A.9(b), the Issuer must, within the Scheduled Time, Transmit a Valid Message to ASX Settlement with the requested details of the election status.

(d) If ASX Settlement receives a Valid Message under Rule 5.19A.9(c), it must send a Message to the Controlling Participant that initiated the request under Rule 5.19A.9(a), providing the election status details included in the Message from the Issuer under Rule 5.19A.9(c).

(e) If an Issuer receives a Message from ASX Settlement under Rule 5.19A.9(b) and does not respond to ASX Settlement under Rule 5.19A.9(c) within the relevant Scheduled Time for response, ASX Settlement may remove the relevant request and notify the relevant Controlling Participant and Issuer of such cancellation.

5.19A.10 Warranty by Controlling Participant and Issuer

(a) A Controlling Participant that Transmits a Message under Rule 5.19A.9(a) is taken to have warranted that the Controlling Participant was legally entitled or authorised to request the details of the election status for the CHESS Holding in

relation to the relevant dividend or other distribution reinvestment plan or bonus share plan (as applicable) pursuant to such Transmitted Message;

(b) An Issuer that Transmits a Message under Rule 5.19A.9(c) is taken to have warranted that the details of the election status notified in such Message accurately represent the details of the existing election status recorded by the Issuer for the CHESS Holding in relation to the relevant dividend or other distribution reinvestment plan or bonus share plan (as applicable) at the time such Message was Transmitted.

5.19A.11 Controlling Participant and Issuer Indemnities

(a) If a Controlling Participant is taken under Rule 5.19A.10(a) to have warranted that it was legally entitled or authorised to request the details of the election status for a CHESS Holding in relation to a dividend or other distribution reinvestment plan or bonus share plan (as applicable) and the Controlling Participant was not so legally entitled or authorised, the Controlling Participant indemnifies:

(i) the Issuer;

(ii) ASX Settlement; and

(iii) the Holder,

against all losses, damages, costs and expenses arising from the Controlling Participant not having been so legally entitled or authorised.

(b) If an Issuer is taken under Rule 5.19A.10(b) to have warranted that the details of the election status notified in a Message Transmitted under Rule 5.19A.9(c) represent the details of the existing election status recorded by the Issuer for the CHESS Holding in relation to the relevant dividend or other distribution reinvestment plan or bonus share plan (as applicable) at the time such Message was Transmitted and the details of the election status notified did not represent the details of the relevant existing election status recorded by the Issuer at that time, the Issuer indemnifies:

(i) the Controlling Participant;

(ii) ASX Settlement; and

(iii) the Holder,

against all losses, damages, costs and expenses arising from the details of the election status notified by the Issuer not accurately representing the details of the relevant existing election status recorded by the Issuer at that time.

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5.22 CORPORATE ACTIONS – CHANGES TO HOLDINGS

5.22.1 Issue of Financial Products to a CHESS Holding

If an Issuer receives a duly completed Acceptance Form, Standard Conversion Form or Standard Exercise Form and that document~~form~~ includes:

(a) other than in relation to an Election Participant Notification Message, instructions or a notation to the effect that the applicant or Holder wishes to hold the Financial Products on the CHESS Subregister; and

(b) the HIN of that applicant or Holder,

the Issuer must Issue the relevant Financial Products to the HIN specified on the document~~form~~.

Introduced 11/03/04 Origin SCH 13.7 Amended 18/12/06, 04/03/13

5.22.2 Issuer to send ~~valid~~ Valid Message

If as a result of a Corporate Action, an Issuer is required to Issue Approved Financial Products to a CHESS Holding and neither Rule 5.21.1(a) or 5.21.5 applies, the Issuer must do so by Transmitting a Valid Message to ASX Settlement before the End of Day on the Issue Date for that Corporate Action that ~~:~~

~~(a)~~ initiates a Holding Adjustment ~~if the Issue does not require an adjustment to a CHESS Holding of another class of the Issuer's Financial Products;~~ or

~~(b)~~ ~~initiates a~~ Financial Products Transformation ~~if the Issue requires an adjustment to a CHESS Holding of another class of the Issuer's Financial Products~~.

Introduced 11/03/04 Amended 10/06/04, 04/03/13

5.22.3 Removal of Financial Products by Holding Adjustment

If an Issuer, in accordance with the terms of a Corporate Action, may reduce the Holding Balance of a CHESS Holding affected by the Corporate Action, the Issuer may Transmit a Message to ASX Settlement to initiate a Holding Adjustment to effect that reduction.

Introduced 11/03/04 Origin SCH 13.8.1

5.26 RECONSTRUCTIONS – CHANGES TO HOLDINGS

5.26.1 Issuer to send Valid Message

If as a result of a Reconstruction or merger, an Issuer is required to initiate a Holding Adjustment or Financial Products Transformation, the Issuer must do so by Transmitting a Valid Message to ASX Settlement.

5.27 INDEMNITY

5.27.1 Use or disclosure of Personal Information provided by ASX Settlement

An Issuer must not use or disclose any Personal Information provided by ASX Settlement under these Rules to the Issuer for any purpose other than an Approved Purpose. If the Issuer uses or discloses such Personal Information for a purpose other than an Approved Purpose, the Issuer indemnifies ASX Settlement against all losses, damages, costs and expenses that ASX Settlement may suffer or incur directly or indirectly in connection with the Issuer's actions.

SECTION 6 RIGHTS AND OBLIGATIONS OF PARTICIPANTS

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6.3 HOLDINGS UNDER A PARTICIPANT'S CONTROL

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6.3.4 Settlement and Accumulation Accounts

A Settlement Participant:

(a) must unless otherwise agreed by ASX Settlement or specified in the Procedures, establish:

(i) one Settlement Account and one Accumulation Account to facilitate the settlement of transactions in Approved Financial Products; and

(ii) where a Settlement Participant provides settlement services on behalf of Clearing Participants, one Settlement Account and one Accumulation Account for and in the name of each Clearing Participant to facilitate the settlement of transactions in Approved Financial Products;

(b) unless otherwise agreed by ASX Settlement or specified in the Procedures, must establish one Settlement Account and one Accumulation Account with a Residency Indicator of foreign (as identified in the User Technical Documentation) ~~"F"~~ to facilitate Foreign to Foreign Allocations;

(c) may establish the Settlement Account and Accumulation Account in the name of the same Nominee Company; and

(d) except as provided for in Rule 6.3.5, must not, without ASX Settlement's written consent, use a Settlement Holding or an Accumulation Holding for Custodial Purposes. Where ASX Settlement provides such consent, the Settlement Participant must comply with any terms or conditions imposed by ASX Settlement and any failure by the Settlement Participant to do so will constitute a breach of this Rule.

ASX Settlement will not provide consent under paragraphs (d) above to the use of Settlement Holding or Accumulation Holding for Custodial Purposes if in its opinion a lessening of investor protection may result.

Note: ASX Settlement may, at its discretion, exempt a Settlement Participant from the requirement to operate "Foreign" entrepot accounts where ASX Settlement is satisfied that the Settlement Participant will not participate in "Foreign to Foreign" trades.

Introduced 11/03/04 Origin SCH 9.2.2, 9.2.3, 10.2.2, 10.2.3

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6.3B TRANSFERS TO FACILITATE SETTLEMENT

6.3B.1 Transfers or Conversions of Financial Products from a Holding to Settlement Account

Subject to Rule 6.3B.7, a Settlement Participant must not Transfer or Convert Financial Products from a Holding to its Settlement Account in connection with the sale of Financial Products under a Cash Market Transaction, other than where:

(a) for Financial Products in any Holding (including a CHESS Holding), the Settlement Participant:

i. Transfers or Converts (as applicable) the Financial Products from the Holding to its Accumulation Account prior to being Transferred to the Settlement Account; and

ii. complies with Rule 6.3B.2 when Transferring the Financial Products from its Accumulation Account to the Settlement Account; or

(b) for Financial Products in a CHESS Holding (other than its Accumulation Account), the Settlement Participant complies with Rule 6.3B.3 when Transferring the Financial Products from the CHESS Holding to the Settlement Account.

The Settlement Participant can satisfy the requirements under this Rule 6.3B.1 by complying with either paragraph (a) or (b) above, as applicable.

Introduced 25/05/15

6.3B.2 Transfer of Financial Products from Accumulation Account to Settlement Account

Subject to Rule 6.3B.7, in order to Transfer Financial Products from its Accumulation Account to its Settlement Account in connection with the sale of Financial Products under a Cash Market Transaction, a Settlement Participant must Transmit a Valid ~~Single Entry~~Unilateral Batch Message that contains the Client Trust Receivable Amount in respect of those Financial Products, in the manner set out in the Procedures.

If there are sufficient Available Financial Products in the Accumulation Account and ASX Settlement treats the Message as a ~~Single Entry~~ Unilateral Batch Instruction which it schedules for settlement in accordance with Rule 10.9.11:

(a) ASX Settlement must promptly apply a Settlement Lock to the Financial Products identified in the Valid Unilateral Batch Message; and~~,~~

(b) such Client Trust Receivable Amount will be scheduled to be paid by the Settlement Participant to the Client Trust Account on the relevant Settlement Date in accordance with Rule 10.10A.

Introduced 25/05/15

6.3B.3 Transfer of Financial Products from a CHESS Holding (other than Accumulation Account) to Settlement Account

Subject to Rule 6.3B.7, in order to Transfer Financial Products from a CHESS Holding (other than its Accumulation Account) to its Settlement Account in connection with the sale of Financial Products under a Cash Market Transaction, a Settlement Participant must Transmit a Valid ~~Single Entry~~Unilateral Batch Message that contains the Client Trust Receivable Amount in respect of those Financial Products, in the manner set out in the Procedures.

If there are sufficient Available Financial Products in the CHESS Holding (having regard to other Batch Instructions affecting the CHESS Holding scheduled for settlement on or prior to the relevant Settlement Date) and ASX Settlement treats the Message as a ~~Single Entry~~Unilateral Batch Instruction which it schedules for settlement in accordance with Rule 10.9.11, such Client Trust Receivable Amount will be scheduled to be paid by the Settlement Participant to the Client Trust Account on the relevant Settlement Date in accordance with Rule 10.10A.

Introduced 25/05/15

6.3B.4 Transfer of Financial Products from Settlement Account to a Holding other than Accumulation Account

Subject to Rule 6.3B.7, a Settlement Participant may use a Valid ~~Single Entry~~Unilateral Batch Message to Transfer Financial Products from its Settlement Account to a CHESS Holding (other than its Accumulation Account) in connection with the purchase of Financial Products under a Cash Market Transaction which includes the Client Trust Deductible Amount (or part thereof) in respect of those Financial Products, in the manner set out in the Procedures.

If there are sufficient Available Financial Products in the Settlement Account (having regard to other Batch Instructions affecting the Settlement Account scheduled for settlement on or prior to the relevant Settlement Date) and ASX Settlement treats the Message as a ~~Single Entry~~Unilateral Batch Instruction which it schedules for settlement in accordance with Rule 10.9.11, the Client Trust Deductible Amount specified in the Valid ~~Single Entry~~Unilateral Batch Message will be scheduled to be receivable by the Settlement Participant from the Client Trust Account on the relevant Settlement Date in accordance with Rule 10.10A.

Subject to Rule 6.3B.4A, a Settlement Participant must not specify a Client Trust Deductible Amount in a Message under this Rule 6.3B.4 which exceeds the Client Trust Deductible Amount which applies in respect of the Transfer of those Financial Products at the time of transmitting that Message.

Note: Pursuant to the definition of Client Trust Deductible Amount in Rule 6.3B.8, in order for a Client Trust Deductible Amount to be included in a Message under this Rule 6.3B.4 this money must have been received and be held in the Client Trust Account at the time of Transmitting the Message. Rule 6.3B.4A provides an exception for cash contra transactions where the Client Trust Deductible Amount specified in a Message Transmitted under Rule 6.3B.4 relies on the future payment of monies into the Client Trust Account pursuant to a Message under Rule 6.3B.2

to move Financial Products from the Participant's Accumulation Account to its Settlement Account which is settling on the same day.

Introduced 25/05/15 Amended 18/04/16

6.3B.4A Client Trust Deductible Amount under Rule 6.3B.4 in respect of cash contra transactions

Where a Settlement Participant (or, if the Settlement Participant is acting as a Settlement Agent for a Clearing Participant for settling Cash Market Transactions, the Clearing Participant) is relying on the consideration from the sell side of a cash contra transaction in order to be able to withdraw money from the Client Trust Account in connection with the buy side of the cash contra transaction, and each of the following requirements are satisfied:

(a) the sell side and the buy side of the cash contra transaction are:

(i) undertaken for the same client;

(ii) in respect of different Financial Products; and

(iii) to be settled on the same day;

(b) the Settlement Participant has Transmitted a Valid ~~Single Entry~~Unilateral Batch Message under Rule 6.3B.2 in connection with the sell side of the cash contra transaction and the Message is treated by ASX Settlement as a ~~Single Entry~~Unilateral Batch Instruction which has been scheduled for settlement in accordance with Rule 10.9.11; and

(c) the Settlement Participant seeks to Transmit a Valid ~~Single Entry~~Unilateral Batch Message under Rule 6.3B.4 in connection with the buy side of the cash contra transaction which specifies the date on which the ~~Single Entry~~Unilateral Batch Instruction referred to in paragraph (b) is scheduled for settlement as the scheduled Settlement Date in respect of the Transfer of Financial Products under the Batch Instruction arising from that Message,

then for the purposes of the Client Trust Deductible Amount which may be specified in the Message referred to in paragraph (c), the consideration from the sell side of the cash contra transaction included in the Client Trust Receivable Amount contained in the Message referred to in paragraph (b) is deemed to have been received by the Settlement Participant (or, if the Settlement Participant is acting as a Settlement Agent for a Clearing Participant for settling Cash Market Transactions, the Clearing Participant) and be held in the Client Trust Account at the time of Transmitting the Message referred to in paragraph (c), notwithstanding that Batch Settlement in respect of the Message referred to in paragraph (b) above has yet to occur.

Where the Message referred to in paragraph (b) is cancelled by the Settlement Participant pursuant to Rule 10.9.12 and the Settlement Participant had included in the Message referred to in paragraph (c) a Client Trust Deductible Amount which pursuant to this Rule 6.3B.4A relied on consideration from the sell side of the cash contra transaction, the Settlement Participant must cancel the Message referred to in paragraph (c) pursuant to Rule 10.9.12 prior to Batch Settlement on the scheduled Settlement Date for that Message.

Note: The ability to include in a Valid ~~Single Entry~~Unilateral Batch Message under Rule 6.3B.4 the Client Trust Deductible Amount (or part thereof) in connection with the buy side of the cash contra transaction pursuant to this Rule 6.3B.4A remains subject to the Settlement Participant (or if the Settlement Participant is acting as a Settlement Agent for a Clearing Participant for settling Cash Market Transactions, the Clearing Participant) also being entitled to withdraw that amount from the Client Trust Account under ASX Clear Operating Rule 4.24 in accordance with the ordinary operation of the definition of Client Trust Deductible Amount.

Introduced 18/04/16

6.3B.5 Payment to Client Trust Account for Transfers from Accumulation Account to any Holding

Subject to Rule 6.3B.7, a Settlement Participant must ensure for any Financial Products held in its Accumulation Account, that where those Financial Products are Transferred to:

(a) its Settlement Account in connection with the sale of those Financial Products under a Cash Market Transaction, that the Client Trust Receivable Amount in respect of those Financial Products under Rule 6.3B.2 is paid to the Client Trust Account concurrent with Batch Settlement on the day of the Transfer (and by no later than the completion of Batch Settlement on that day) in accordance with Rule 10.10A; or

(b) a Holding (other than the Settlement Account) in connection with the sale of those Financial Products under a Cash Market Transaction, that the Client Trust Receivable Amount in respect of those Financial Products is paid to the Client Trust Account on the day of the Transfer.

For the purposes of Rule 6.3B.5(a), a Client Trust Receivable Amount included in a Message under Rule 6.3B.2 can be set-off against a Client Trust Deductible Amount included in a Message under Rule 6.3B.4 which is scheduled for settlement on the same day, in accordance with Rule 10.10A.

Introduced 25/05/15

6.3B.6 Payment to Client Trust Account for Transfers from CHESS Holding (other than Accumulation Account) to Settlement Account

Subject to Rule 6.3B.7, a Settlement Participant must ensure for any Financial Products held in a CHESS Holding (other than its Accumulation Account), that where those Financial Products are Transferred to its Settlement Account in connection with the sale of those Financial Products under a Cash Market Transaction, that the Client Trust Receivable Amount in respect of those Financial Products under Rule 6.3B.3 is paid to the Client Trust Account concurrent with Batch Settlement on the day of the Transfer (and by no later than the completion of Batch Settlement on that day) in accordance with Rule 10.10A.

For the purposes of this Rule 6.3B.6, a Client Trust Receivable Amount included in a Message under Rule 6.3B.3 can be set-off against a Client Trust Deductible Amount

included in a Message under Rule 6.3B.4 which is scheduled for settlement on the same day, in accordance with Rule 10.10A.

Introduced 25/05/15

6.3B.7 Certain Transfers not subject to above requirements

Rules 6.3B.1 to 6.3B.6 do not apply to a Transfer of Financial Products effected:

(a) by a Settlement Participant from one of its Accumulation Accounts to another of its Accumulation Accounts;

(b) by a Settlement Participant from one of its Settlement Accounts to another of its Settlement Accounts; or

(c) between two Participants as result of giving effect to a ~~Dual Entry~~Bilateral Demand Transfer or~~,~~ a ~~Dual Entry~~Bilateral Batch Instruction~~ or a Dual Entry Payment Batch Instruction~~.

Introduced 25/05/15

6.3B.8 Client Trust Receivable Amount and Client Trust Deductible Amount

For the purposes of these Rules, the 'Client Trust Receivable Amount' in respect of Financial Products is the consideration for the sale of those Financial Products under the relevant Cash Market Transaction other than to the extent that:

(a) the relevant Financial Products were not Financial Products of a client (or from a person acting on behalf of a client) or for the benefit of a client;

(b) the Client Trust Receivable Amount has already been paid to the Client Trust Account; or

(c) the Settlement Participant, or, if the Settlement Participant is acting as a Settlement Agent for a Clearing Participant for settling Cash Market Transactions, the Clearing Participant, is entitled to deduct from the consideration remuneration payable to it in connection with the sale of the Financial Products under that Cash Market Transaction and the Settlement Participant or the Clearing Participant (as applicable) deducts such amount.

For the purposes of these Rules, subject to Rule 6.3B.4A the 'Client Trust Deductible Amount' in respect of Financial Products is the money received by the Settlement Participant, or, if the Settlement Participant is acting as a Settlement Agent for a Clearing Participant for settling Cash Market Transactions, the Clearing Participant, in connection with the purchase of the Financial Products under the relevant Cash Market Transaction held in the Client Trust Account which the Settlement Participant or the Clearing Participant (as applicable) is entitled to withdraw from the Client Trust Account under ASX Clear Operating Rule 4.24.

Introduced 25/05/15 Amended 18/04/16

6.3B.9 Notification of non-compliance

Without limitation to Rule 12.18, a Settlement Participant must notify ASX Settlement immediately upon it becoming aware that it has breached any of Rules 6.3B.1 to 6.3B.6.

Introduced 25/05/15

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6.4 HOLDER IDENTIFICATION NUMBERS

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6.4.2 Participant may nominate a ~~Standing~~ Nominated Settlement HIN ~~for Messages~~

A Participant may by Notice to ASX Settlement nominate one ~~Standing~~ Nominated Settlement HIN to be specified on CCP Batch Instructions~~for each Message type listed in Appendix 2 of these Rules~~.

Introduced 11/03/04 Origin SCH 9.3.1, 10.4.1

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6.7 ELECTRONIC ACCESS TO HOLDING BALANCE AND SRN DETAILS BY PARTICIPANTS

6.7.1 Participant ~~must have valid Sponsorship Bond~~access

Only a Sponsoring Participant that has lodged with ASX Settlement a valid Sponsorship Bond, or a Sponsoring Participant that is not required to provide a Sponsorship Bond pursuant to Rule 4.9.3, may request Issuer Sponsored Holding Balance and SRN Details by CHESS Message pursuant to Rule 9.14.

Introduced 11/03/04 Origin SCH 10.7A.1

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6.9.1 Participant to advise Issuer of number of units

If a Participant:

(a) controls a Holding which has a Residency Indicator of mixed (as identified in the User Technical Documentation)~~"M"~~; and

(b) FOR Financial Products are entered into that Holding,

the Participant must advise each relevant Issuer of FOR Financial Products, at intervals determined by the relevant Issuer, of:

(c) the aggregate number of units in the Holding which is beneficially owned by a Foreign Person; and

(d) the level of increase or decrease in the number of units, whichever is relevant, which are beneficially owned by a Foreign Person:

(i) since the previous report to the relevant Issuer;

(ii) if no previous report was submitted, since the FOR Financial Products were entered into the Holding.

Note: Beneficial ownership by a foreign person will be determined by reference to the relevant Issuer's constitution or governing legislation.

Introduced 11/03/04 Origin SCH 9.12A, 10.11A

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6.13 PARTICIPANTS' IDENTIFICATION CODES ~~UNDER THE LAW~~

6.13.1 ASX Settlement to allocate or attribute PID

ASX Settlement will allocate or attribute to each Participant a unique code which will be that Participant's PID which:

(a) must be used by that Participant in accordance with these Rules; and

(b) is that Participant's identification code for the purposes of Division 4 of Part 7.11 of the Corporations Regulations.

Note: Where a Settlement Participant acts as a Settlement Agent on behalf of a Clearing Participant, ASX Settlement will allocate or attribute to that Settlement Agent a PID in the name of each Clearing Participant for which it acts as Settlement Agent.

Introduced 11/03/04 Origin SCH 9.17

6.13.2 Use of BIC as a PID of a Participant

A Participant may request that ASX Settlement attribute to the Participant as one of its PIDs the BIC allocated to the Participant by a person other than ASX Settlement, for inclusion in Messages from or to the Participant as an alternative to the inclusion in such Messages of a PID allocated by ASX Settlement to the Participant. Where this occurs:

(a) the Participant must nominate the PID allocated by ASX Settlement to the Participant that the BIC is referable to;

(b) a Message received from the Participant which includes the Participant's BIC will be treated as a Message from the nominated PID that the BIC is referable to, and not as a Message from the BIC as a separate PID to that nominated PID;

(c) for the purpose of obligations or entitlements of a Participant under these Rules in respect of each PID, including (without limitation) for the purpose of:

(i) the Settlement Account and Accumulation Account required to be established for each PID under Rule 6.3.4;

(ii) the Payment Facilities required to be established by the Participant for each PID under Rule 6.15(1)(c);

(iii) calculations of settlement obligations or entitlements of a Participant for each PID under Rule 10.10;

those obligations and entitlements will apply in respect of the nominated PID that the BIC is referable to, and not as obligations and entitlements in respect of the BIC as a separate PID to that nominated PID; and

(d) the BIC will not be included in calculating the maximum number of PIDs per Participant for the purposes of the definition of PID.

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6.15 ESTABLISHING A PAYMENT FACILITY

6.15.1 Payment Facilities

A Settlement Participant must have in place at all times at least the number of Payment Facilities required under Rule 4.13 to facilitate settlement of Instructions and, in relation to those Payment Facilities:

(a) the Settlement Participant must give Notice to ASX Settlement in the form prescribed by ASX Settlement from time to time. Without limitation, such Notice must identify in respect of each Payment Facility the relevant facility subtype as specified in the User Technical Documentation;

(b) a Payment Facility will not be available to facilitate settlement of Instructions until a Payments Provider acknowledges to ASX Settlement that it will operate the Payment Facility on behalf of the Settlement Participant;

(c) a separate Payment Facility must be established for each PID allocated or attributed by ASX Settlement to the Settlement Participant;

(ca) a Payment Facility may be used to facilitate settlement of both Batch Instructions and RTGS Instructions;

(d) in relation to DvP Settlement:

(i) each Payment Facility must be linked to at least one CHESS Holding;

(ii) a CHESS Holding must not be linked to more than one Payment Facility; and

(iii) a Settlement Participant which is a Clearing Participant must use the same Payment Facility to facilitate settlement of all CCP Batch Instructions in respect of a PID. A Settlement Participant that acts for more than one Clearing Participant may use multiple

Payment Facilities, but must only maintain one Payment Facility per Clearing Participant on whose behalf it acts; ~~and~~

(e) in relation to Payment Batch Instructions:

(i) each payment type as determined by ASX Settlement must be linked to a separate Payment Facility; and

(ii) unless otherwise agreed in writing by ASX Settlement, a payment type must not be linked to more than one Payment Facility; and

(f) in relation to Real Time Gross Settlement, a Settlement Participant which is an RTGS Participant must give ASX Settlement Notice of the RTGS Bank Account referable to each Payment Facility used to settle RTGS Instructions in accordance with Rule 11.4.3.

Introduced 11/03/04 Origin SCH 9.20, 10.21 Amended 08/08/13, 21/03/14

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6.15.3 ASX Settlement to reject Messages if no Payment Facility

If a Settlement Participant Transmits a Valid Message in relation to:

(a) an Instruction that specifies a HIN, or in the case of a CCP Batch Instruction that incorporates a ~~Standing~~ Nominated Settlement HIN, for a CHESS Holding and a Payment Facility for that Holding has not been established; ~~or~~

(b) a Payment Batch Instruction and a Payment Facility for the relevant payment type has not been established; or

(c) an RTGS Instruction and a Payment Facility for the relevant payment type has not been established,

ASX Settlement must reject the Message.

Introduced 11/03/04 Origin SCH 9.20.8, 10.21.7

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6.17 AUTHORITY TO EFFECT SETTLEMENT AND TO INCLUDE A SETTLEMENT PARTICIPANT'S PID IN AN INSTRUCTION

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6.17.2 Participant authority to include PID

Each Settlement Participant irrevocably authorises ASX Settlement to include its PID or the PID of a Clearing Participant for which it acts as Settlement Agent in each:

(a) CCP Batch Instruction; and

(b) Accrued Batch Instruction.~~; and~~

~~(c) Accrued RTGS Instruction,~~

as the PID of the delivering Participant or receiving Participant, as the case requires.

Introduced 11/03/04 Origin SCH 9.22.2, 10.25.2

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6.18 DEMAND TRANSFER FOLLOWING A FAIL IN ASX SETTLEMENT BATCH SETTLEMENT

6.18.1 Delivery of part settlement

If a receiving Participant designates an Instruction as not available for settlement in part and in relation to that Instruction:

(a) the delivering Participant designates the Instruction as available for settlement in part;

(b) during Batch Settlement the Instruction Fails; and

(c) the delivering Participant gives Notice to the receiving Participant by the Scheduled Time that it can deliver the number and class of Financial Products specified in the Instruction on that Business Day,

the receiving Participant must, subject to Rule 6.18.2, accept the delivery of Financial Products.

Introduced 11/03/04 Origin SCH 9.23.1, 10.23.1

6.18.2 Transmitting Messages to effect part settlement

If a delivering Participant:

(a) gives Notice to the receiving Participant under Rule 6.18.1(c);

(b) Transmits a Message to ASX Settlement within the Scheduled Time to cancel the Instruction that has been rescheduled for settlement on the next Business Day; and

(c) Transmits a Message to ASX Settlement within the Scheduled Time to initiate a ~~Dual Entry~~Bilateral Demand Transfer to Transfer the Financial Products to the receiving Participant under Rule 9.5.4..

the receiving Participant must:

(d) Transmit a Message to ASX Settlement within the Scheduled Time to enable ASX Settlement to Match the request to cancel the Instruction that has been rescheduled for settlement on the next Business Day;

(e) Transmit a Message to ASX Settlement within the Scheduled Time to enable ASX Settlement to Match the ~~Dual Entry~~Bilateral Demand Message to Transfer the Financial Products to the receiving Participant; and

(f) pay to the delivering Participant an amount equal to the Settlement Amount specified in the rescheduled Instruction.

Introduced 11/03/04 Origin SCH 9.23.2, 10.23.2

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6.20 REMOVAL OF INSTRUCTION FROM BATCH SETTLEMENT BY ASX SETTLEMENT

6.20.1 Giving notice to ASX Settlement

If:

(a) a Settlement Participant (the first Settlement Participant) is a counterparty to an Instruction with a Settlement Participant that owes obligations to the CCP (the second Settlement Participant);

(b) the first Settlement Participant is acting as an agent for a non Participant in relation to that Instruction;

(c) the non Participant is a client of the second Settlement Participant; and

(d) the non Participant becomes externally administered before the Settlement Date of the Instruction,

the first Settlement Participant may by providing to ASX Settlement within the Scheduled Time a Notice in the prescribed form and adequate documentation to evidence the external administration of the non Participant, request ASX Settlement to remove the Instruction to which it is counterparty from Batch Settlement~~ or Real Time Gross Settlement, as the case may be~~.

Introduced 11/03/04 Origin SCH 9.24.1, 10.24.1

6.20.2 Action by ASX Settlement

If ASX Settlement:

(a) receives a Notice under Rule 6.20.1; and

(b) is satisfied that the documentation referred to in that Rule is adequate to evidence the external administration of the non Participant,

ASX Settlement must, subject to the Rules, within the Scheduled Time:

(c) remove the Instruction from Batch Settlement~~ or, if applicable, Real Time Gross Settlement~~; and

(d) give Notice to the Settlement Participant providing the Notice and the counterparty Settlement Participant that the Instruction has been so removed.

Introduced 11/03/04 Origin SCH 10.24.3

SECTION 7 PARTICIPANT CLIENT ARRANGEMENTS

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7.4 AQUA PRODUCTS

7.4.1 AQUA Products

ASX Settlement will not process~~accept~~ a Message as to the ~~Notice of~~ change of Controlling Participant under Rule 8.17 where Holdings to which the Message~~Notice~~ relates comprise AQUA Products and the new Controlling Participant is not accredited in accordance with Section 18 of the Rules to facilitate the settlement of AQUA Products. In this instance, the existing Controlling Participant must convert the AQUA Product Holdings to Holdings on the Issuer Sponsored Subregister. If the existing Controlling Participant fails to convert the AQUA Product Holdings to Holdings on the Issuer Sponsored Subregister, ASX Settlement may convert the AQUA Product Holdings to Holdings on the Issuer Sponsored Subregister.

SECTION 8 HOLDING FINANCIAL PRODUCTS IN THE SETTLEMENT FACILITY

8.5 EFFECTS OF SUSPENSION AND REVOCATION OF APPROVAL

8.5.1 Action taken by ASX Settlement upon suspension

Subject to Rule 8.5.2, if ASX Settlement suspends approval of a class of an Issuer's Financial Products, ASX Settlement must:

(a) if an Instruction or Message would affect a CHESS Holding of Financial Products in that class:

(i) suspend all:

(A) such Instructions it has already received;

(B) CCP Rescheduled Batch Instructions it subsequently receives in respect of suspended CCP Market Trade Batch Instructions notified to the Approved Clearing Facility pursuant to Rule 8.5.1(d); and

(ii) reject all such Instructions or Messages that are subsequently received other than for CCP Rescheduled Batch Instructions in respect of suspended CCP Market Trade Batch Instructions notified to the Approved Clearing Facility pursuant to Rule 8.5.1(d);

(aa) to the extent ASX Settlement considers reasonably necessary, give notice of the suspension or rejection of such Instructions or Messages to other Facility Users;

(ab) remove any Settlement Lock or Demand Lock applied in relation to the suspended Financial Products;

(b) on each Business Day that the class of Financial Products remains suspended, reschedule any suspended Instructions other than CCP Market Trade Batch Instructions that were included in Batch Settlement on that Business Day, for settlement on the next Business Day;

(c) give notice to each affected Settlement Participant that the Instruction has been rescheduled; and

(d~~c~~) subject to Rule 8.5.2, cancel any Instruction that remains suspended on the 15th ~~10th~~ Business Day after suspension of approval. For the purposes of this Rule 8.5.1(c), ASX Settlement may, in its absolute discretion, cancel any Instruction that remains suspended on or after the 10th Business Day after the relevant suspension of approval.

For CCP Market Trade Batch Instructions scheduled for settlement on the day that ASX Settlement suspends approval of a class of an Issuer's Financial Products or on a subsequent Business Day, which ASX Settlement suspends under Rule 8.5.1(a)(i), ASX Settlement:

(e) will notify the Approved Clearing Facility of the suspended CCP Market Trade Batch Instructions;

(f) has no obligations in relation to those CCP Market Trade Batch Instructions.

Note: Where there are CCP Market Trade Batch Instructions scheduled for settlement on the day that ASX Settlement suspends approval of a class of an Issuer's Financial Products or on a subsequent Business Day, which ASX suspends under Rule 8.5.1(a)(i), ASX Clear will generate a CCP Rescheduled Batch Instruction in accordance with Rule 12.6.2B of the ASX Clear Operating Rules in respect of those CCP Market Trade Batch Instructions for settlement on the next Business Day.

Introduced 11/03/04 Origin SCH 3.5.1 Amended 10/06/04

8.5.2 Discretion to allow Instruction

If ASX Settlement suspends approval of a class of an Issuer's Financial Products, ASX Settlement may in its discretion determine to give effect to an Instruction or a class of Instructions or a Message or a class of Messages that would affect a CHESS Holding of Financial Products in that class and if ASX Settlement so determines it must give notice to:

(a) the Issuer;

(b) the Approved Listing Market Operator; and

(c) to the extent that ASX Settlement considers reasonably necessary, other Facility Users.

Introduced 11/03/04 Origin SCH 3.5.2, 3.5.3 Amended 10/06/04, 18/12/06, 27/06/11

8.5.3 Removal of suspension

If ASX Settlement is satisfied that the circumstances that gave rise to a suspension no longer exist, ASX Settlement must:

(a) remove the suspension; and

(b) give ~~Notice~~ notice to:

(i) the Issuer;

(ii) the relevant Approv~~/~~ed Market Operator; and

(iii) to the extent ASX Settlement considers reasonably necessary, other Facility Users.

Introduced 11/03/04 Origin SCH 3.5.4

8.5.4 Revocation if suspension continues – [Deleted]

Introduced 11/03/04 Origin SCH 3.5.6 Amended 10/06/04 Deleted 25/05/15

8.5.5 Effect of revocation

If ASX Settlement revokes approval of a class of an Issuer's Financial Products, ASX Settlement must, from the effective date of the revocation:

(a) reject all Instructions or Messages that would affect a CHESS Holding of Financial Products in that class; and

(b) close the CHESS Subregister for that class of Financial Products in accordance with Rule 8.14.1.

Introduced 11/03/04 Origin SCH 3.6.1 Amended 10/06/04

8.6 CHESS SUBREGISTERS

8.6.1 Status of CHESS Subregister

ASX Settlement must administer, as agent of an Issuer in accordance with these Rules, a CHESS Subregister for each class of the Issuer's Approved Financial Products to which the following provisions apply:

(a) subject to paragraph (b), the CHESS Subregister for a class of an Issuer's Approved Financial Products forms part of the Issuer's principal register for that class of Financial Products; and

(b) if an Issuer's principal register for a class of Approved Financial Products is located outside Australia, the CHESS Subregister forms part of the Issuer's principal Australian register, notwithstanding the fact that the Australian register is a branch register and forms a part of the Issuer's principal register outside Australia.

Introduced 11/03/04 Origin SCH 5.1

8.6.2 Information recorded and maintained on a CHESS Subregister

ASX Settlement must record and maintain on a CHESS Subregister for a class of Approved Financial Products:

(a) the name and address recorded as part of the Registration Details ~~and HIN~~ of ~~each person~~ a Holder with a CHESS Holding of Financial Products in that class; and

(b) in relation to each such person, the number of Financial Products held.

Introduced 11/03/04 Origin SCH 5.2.1

8.6.3A Additional information recorded and maintained by ASX Settlement

ASX Settlement may also record and maintain information about a Holder in a Holder Record in addition to the information described in Rule 8.6.2.

8.6.3 HIN and other details not to be taken to be included in a register

Except to the extent required by these Rules or the law, an Issuer must not include a HIN or any other details that do not form part of a register of members required to be maintained under the Corporations Act in a register for the purpose of:

(a) the register being open for inspection; or

(b) furnishing a copy of the register or any part of the register.

Introduced 11/03/04 Origin SCH 5.2.2

8.7 ESTABLISHING A HOLDER RECORD

8.7.1 Restrictions on establishing a Holder Record

A Participant must not Transmit a Message to establish a Holder Record in relation to a person under Rule 8.7.2 unless:

(a) the person is a Related Body Corporate of the Participant; or

(b) the Participant holds a current Sponsorship Agreement executed by the Participant and the person.

Introduced 11/03/04 Origin SCH 5.4.1A

8.7.2 Establishing a Holder Record

If a Participant Transmits a Valid Message to ASX Settlement requesting ASX Settlement to establish a Holder Record that includes the matters specified in the Procedures, ASX Settlement must:

(a) establish a Holder Record on CHESS for that person;

(b) allocate a HIN to that Holder; ~~and~~

(c) allocate a UUID to each Holder; and

(d~~c~~) if the Holder Record has been established for a Participant Sponsored Holder, promptly send a Notice in relation to that Holder Record to that Participant Sponsored Holder.

If the Holder Record is in relation to a person that is a Participant Sponsored Holder, the Participant must, in the absence of any specific alternative written authority from that other person specify as the current Registration Details in the Message, the name, address and, if applicable, Email details of the person as recorded in the Sponsorship Agreement.

Introduced 11/03/04 Origin SCH 5.4.1, 5.4.1B Amended 02/11/09

8.7.3 Holder Record for Holding of FOR Financial Products

A Participant must determine whether the Residency Indicator of a Holder Record is applicable to any new Holding of FOR Financial Products, and if it is not applicable to the new Holding of FOR Financial Products and there is no existing Holder Record with the appropriate Residency Indicator, the Participant must:

(a) establish a separate Holder Record for that new Holding with the appropriate Residency Indicator; and

(b) transfer that Holding to that Holder Record.

Note: Because of differing definitions of "Foreign Person" under the governing legislation or constitution of different Issuers with aggregate foreign ownership restrictions, a Holder's status (for the purposes of settling transactions in FOR Financial Products) may differ between Issuers.

Where these circumstances apply, Holders must have two distinct Holder Records in CHESS; one with a Residency Indicator of foreign (as identified in the User Technical Documentation) ~~"F"~~ and another with a Residency Indicator of domestic (as identified in the User Technical Documentation)~~"D"~~. Holdings of particular Financial Products must then be linked to the appropriate Holder Record.

Introduced 11/03/04 Origin SCH 5.4.3

8.7.4 Indemnity by Participant where Holder Record established incorrectly

If, under Rule 8.7.2, a Participant has Transmitted a Valid Message requesting ASX Settlement to establish a Holder Record and that Message specifies the Holder Type as Participant Sponsored Holder or specifies a Residency Indicator and any of the following apply:

(a) the Participant is not authorised to establish the Holder Record;

(b) the Participant has provided incorrect details in the Message; or

(c) the Participant has provided an incorrect Residency Indicator in the Message,

subject to Rule 8.7.5 the Participant indemnifies:

(d) ASX Settlement from and against all losses, damages, costs and expenses which ASX Settlement may suffer or incur by reason of, or as a result of, that unauthorised request or that Transmission of incorrect Holder Record details or an incorrect Residency Indicator; and

(e) if a Holding is established using incorrect Holder Record details or an incorrect Residency Indicator, the Issuer from and against all losses, damages, costs and expenses which the Issuer may suffer or incur by reason of, or as a result of, that Holding being established.

Introduced 11/03/04 Origin SCH 5.4.4, 5.4.5

8.7.5 Limitation on Participant indemnity

A Participant is not liable to indemnify ASX Settlement or an Issuer under Rule 8.7.4 if the Participant has provided details which are consistent with the directions of the relevant Holder for the purposes of holding FOR Financial Products and the Participant had no reason to believe that those directions were incorrect.

Introduced 11/03/04 Origin SCH 5.4.6

8.8 ESTABLISHING A CHESS HOLDING

8.8.1 A CHESS Holding may be established

If a Holder Record for a person has been established and a HIN allocated and a Message specifying that HIN to identify the Target Holding is Transmitted in any of the following circumstances:

(a) a Participant Transmits a Valid Originating Message that initiates a Demand Transfer or Conversion;

(b) ASX Settlement Transmits a Valid Originating Message that initiates a Settlement Transfer; or

(c) an Issuer Transmits a Valid Message to initiate a Holding Adjustment or a Financial Products Transformation,

a CHESS Holding may be established by entering the Financial Products specified in the Message into the Target Holding and, if a new CHESS Holding is established ASX Settlement must notify the Issuer:

(d) that a new Holding has been established; and

(e) of the relevant Holder Record details.

Introduced 11/03/04 Origin SCH 5.5

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8.11 CONFIDENTIALITY

8.11.1 No disclosure except in certain circumstances

Unless required by these Rules or the law, or with the express consent of the Holder, or of the duly appointed attorney, agent or legal personal representative of that Holder, neither an Issuer nor a Participant may mail (either in writing or electronically), release, publish, disseminate or disclose:

(a) the HIN of a CHESS Holding;

(b) the PID of the Controlling Participant of a CHESS Holding; ~~or~~

(c) the SRN for the Holder of an Issuer Sponsored Holding, or

(d) the UUID of the Holder;

other than to:

(~~d~~e) the Holder of that Holding, or in relation to (d) the Holder to which the UUID relates;

(~~e~~f) the Holder's duly appointed attorney, agent or legal personal representative, or in relation to (d) the duly appointed attorney, agent or legal personal representative of the Holder to which the UUID relates;

(~~f~~g) if the Holding is a CHESS Holding, the Controlling Participant for that Holding; or

(h~~g~~) ASX Settlement.

Introduced 11/03/04 Origin SCH 5.9.1 Amended 23/10/09

8.11.2 Request for information by a Participant

For the purpose of Rule 8.11.1(~~e~~f), if a Participant provides a request to an Issuer in acceptable form or a written request to another Participant for:

(a) details of the SRN of a Holding on the Issuer Sponsored Subregister;

(b) the Holding Balance of a Holding on the Issuer Sponsored Subregister;

(c) the HIN of a CHESS Holder; ~~or~~

(d) the PID of the Controlling Participant of the CHESS Holding; or

(e) the UUID of a Holder,

the requesting Participant:

(~~e~~f) is taken to have warranted to the Issuer or the other Participant that it is the duly appointed agent of the Holder for the purposes of obtaining the details requested;

(~~f~~g) indemnifies the Issuer or the other Participant in respect of any loss which the Issuer or the other Participant may suffer as a result of the requesting Participant not being authorised to request the information provided; and

(~~g~~h) is, in the case of a request to the Issuer, taken to have acknowledged that:

(i) the details provided by the Issuer represent information currently available to the Issuer at the time of response and excludes unregistered transactions; and

(ii) the Issuer will not be liable for any loss incurred by the Holder or the Participant as a result of reliance on the details provided, in the absence of information not available to the Issuer at the time of providing those details.

Note: A Participant may request SRN and Issuer Sponsored Holding Balance details from an Issuer via CHESS message where the Participant is permitted to establish and maintain Sponsored Holdings under Rule 6.3 and has provided ASX Settlement with a Sponsorship Bond of $500,000 or is not required to provide a Sponsorship Bond pursuant to Rule 4.9.3.~~,~~ R~~r~~efer Rule 6.7.

Introduced 11/03/04 Origin SCH 5.9.2, 5.9.3 Amended 04/04/05

8.11.3 Disclosure of information regarding Financial Products

Subject to Rule 8.11.4, or unless otherwise required by these Rules or the law, ASX Settlement must not disclose any information regarding Financial Products in a CHESS Holding other than to:

(a) the Holder of that Holding;

(b) the Controlling Participant for that Holding;

(c) the Issuer of the Financial Products; or

(d) if Rule 14.13 applies in relation to a takeover bid any of the following:

(i) the bidder;

(ii) the ~~CHESS~~ Participant Bidder; or

(iii) any agent that the bidder or the ~~CHESS~~ Participant Bidder engages to prepare and distribute offer documentation or process takeover acceptances.

Introduced 11/03/04 Origin SCH 5.9.4

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8.14 CLOSURE OF A CHESS SUBREGISTER

8.14.1 Closure of a CHESS Subregister - other than where Financial Products lapse, expire, mature etc.

Unless Rule 8.14.2 applies, if:

(a) ASX Settlement revokes Approval of a class of an Issuer's Financial Products under Rule 8.4.1(b); or

(b) Approval of a class of an Issuer's Financial Products ceases under Rule 8.4.8,

subject to Rule 8.14.4, ASX Settlement and the Issuer must take such steps as may be necessary to effect the orderly closure of any affected CHESS Subregister, including without limitation:

(c) ASX Settlement giving such notice ~~Notice~~ as is reasonably practicable to the Issuer and each Participant of:

(i) the date of closure of the CHESS Subregister; and

(ii) the last day on which ASX Settlement will process Messages or classes of Messages Transmitted by the Issuer or Participants;

(d) the Issuer using its best endeavours to ensure that all outstanding processing that affects CHESS Holdings in that class is completed prior to the date of closure of the CHESS Subregister;

(e) ASX Settlement, on the date of closure of the CHESS Subregister:

(i) removing all Holdings on that Subregister to an Issuer Sponsored Subregister; and

(ii) giving notice ~~Notice~~ to the Issuer that the CHESS Subregister has been closed;

(f) ASX Settlement sending a Holding statement in accordance with Rule 8.20.1~~8.18.6~~ to each Participant Sponsored Holder of Financial Products on the CHESS Subregister advising that the Holding has been Converted to an Issuer Operated Subregister; and

(g) on the day of such closure or on any subsequent Business Day ASX Settlement may archive that CHESS Subregister provided that on the archiving day it must notify the Issuer and Participants confirming the archival of that Subregister.

Note: ASX Settlement will not ordinarily archive a CHESS Subregister if a Holding is recorded on the CHESS Subregister.

Introduced 11/03/04 Origin SCH 5.12.1, 5.12.2 Amended 25/05/15

8.14.2 Closure of a CHESS Subregister – where Financial Products lapse, expire, mature etc.

If a class of Approved Financial Products ceases to be quoted because the Financial Products have lapsed, expired, matured or have been redeemed, paid up or Reconstructed, subject to Rules 8.14.3, 8.14.4, and 14.21.4, ASX Settlement and the Issuer must~~ay~~ take such steps as may be necessary to effect the orderly closure of any affected CHESS Subregister, including without limitation:

(a) the Issuer using its best endeavours to ensure that all outstanding processing that affects CHESS Holdings in that class is completed prior to the date of closure of the CHESS Subregister;

(b) ASX Settlement, on the date of closure of the CHESS Subregister giving notice to the Issuer that the CHESS Subregister has been closed; and~~.~~

(c) ASX Settlement may archive the CHESS Subregister for that class of Financial Products:

(i~~a~~) in the case of the class of Approved Financial Products being warrants eligible to be traded under the operating rules of an Approved Market

Operator not less than 10 Business Days after the date on which the cessation occurred;

(ii~~b~~) in the case of any other class of Approved Financial Products not less than 20 Business Days after the date on which the cessation occurred; and

if ASX Settlement archives a CHESS Subregister under this Rule 8.14.2, ASX Settlement must:

(iii~~c~~) subject to Rule 8.14.3, reject all Messages Transmitted by the Issuer or Participants that affect a CHESS Holding on that Subregister; and

(iv~~d~~) notify the Issuer, and each Participant confirming the archival of that Subregister.

Note: ASX Settlement will not ordinarily archive a CHESS Subregister if a Holding is recorded on the CHESS Subregister.

Introduced 11/03/04 Origin SCH 5.13.1, 5.13.2 Amended 10/06/04

8.14.3 Report facilities to be provided by ASX Settlement

ASX Settlement must provide Report facilities to the Issuer and Participants for a period of not less than 10 Business Days for warrants eligible to be traded under the operating rules of an Approved Market Operator and not less than 20 Business Days in the case of any other class of Approved Financial Products following the cessation of a CHESS Subregister under Rule 8.14.2.

Introduced 11/03/04 Origin SCH 5.13.3 Amended 10/06/04

8.14.4 Discretion to allow Instruction

If Approval of a class of an Issuer's Financial Products is revoked or ceases in the circumstances referred to in Rule 8.14.1 or a class of Approved Financial Products ceases to be quoted in the circumstances referred to in Rule 8.14.2, ASX Settlement may in its discretion determine to give effect to an Instruction or a class of Instructions or a Message or a class of Messages that would affect a CHESS Holding of Financial Products in that class and if ASX Settlement so determines it must give notice to:

(a) the Issuer;

(b) the Approved Listing Market Operator; and

(c) to the extent that ASX Settlement considers reasonably necessary, other Facility Users.

8.15 HOLDING LOCKS, ~~AND~~ HOLDER RECORD LOCKS, DEMAND LOCKS AND SETTLEMENT LOCKS

8.15.1 Court order restricting transfer of Financial Products

If a court order that restricts a Holder's capacity to Transfer Financial Products:

(a) in a CHESS Holding:

(i~~a~~) is served on an Issuer, the Issuer must immediately give Notice in the form specified by ASX Settlement requesting ASX Settlement to apply a Holding Lock to that Holding and ASX Settlement must promptly apply a Holding Lock to the CHESS Holding specified in that Notice; or

(~~b~~ii) is served on ASX Settlement, ASX Settlement must promptly apply a Holding Lock to that Holding; or

(b) in all current CHESS Holdings under a Holder Record:

(i) is served on a Controlling Participant, that Participant must immediately Transmit a Valid Message to ASX Settlement requesting ASX Settlement to apply a Holder Record Lock to all CHESS Holdings under the Holder Record and ASX Settlement must promptly apply the requested Holder Record Lock; or

(ii) is served on ASX Settlement, ASX Settlement must promptly apply a Holder Record Lock to that Holder Record.

Introduced 11/03/04 Origin SCH 11.1.1, 11.3.1, 11.3.2

8.15.2 Lien on Financial Products

If, in accordance with its constitution and the Listing Rules, an Issuer has a lien on Financial Products in a CHESS Holding, the Issuer may give Notice in the form specified by ASX Settlement requesting ASX Settlement to apply a Holding Lock to that Holding.

Introduced 11/03/04 Origin SCH 11.1.2

8.15.3 Employee Incentive Scheme Financial Products

If, in accordance with Rule 8.3.2, ASX Settlement gives approval to a class of an Issuer's Financial Products that are the subject of an employee incentive scheme, the Issuer must:

(a) in respect of those Financial Products held on an Issuer Operated Subregister, apply a Holding Lock to all Holdings of Financial Products that have not been quoted by the Approved Listing Market Operator; and

(b) in respect of those Financial Products held on the CHESS Subregister, give Notice in the form specified by ASX Settlement requesting ASX Settlement to apply a Holding Lock to all Holdings of Financial Products that have not been quoted by the Approved Listing Market Operator.

Note: Action taken in reliance on ASX Listing Rule 8.10.1(i) will not breach the Holding Lock provisions in this section where the Holding concerned is recorded on an Issuer Operated Subregister.

Introduced 11/03/04 Origin SCH 11.1.3 Amended 10/06/04, 27/06/11

8.15.4 Transfer in contravention of law or Foreign Ownership Percentage

If ASX Settlement believes on reasonable grounds that a transfer of Financial Products from a CHESS Holding would, if effected:

(a) contravene a minimum shareholding provision of a law of the Commonwealth, a State or a Territory; or

(b) contravene, or will be likely to contravene the Foreign Ownership Percentage Level of an Issuer whose Financial Products are included in Schedule 1, and the Issuer is unable, due to circumstances that fall within paragraph (a) of the definition of State of Emergency, to comply with the requirements of Rule 5.18.1(d) or Rule 5.18.3,

the Issuer of the Financial Products may by Notice in the form specified by ASX Settlement, request ASX Settlement to apply a Holding Lock to that Holding.

Note: Application of a Holding Lock in these circumstances will prevent the creation of a proper ASTC transfer.

Introduced 11/03/04 Origin SCH 11.1.4

8.15.5 Application of Holding Lock or Holder Record Lock by ASX Settlement ~~to a CHESS Holding~~

If ASX Settlement receives a Notice requesting ASX Settlement to apply a Holding Lock or Holder Record Lock under this Rule 8.15, ASX Settlement must promptly apply a Holding Lock to the requested CHESS Holdings or Holder Record Lock to all CHESS Holdings under the Holder Record specified in that Notice.

A Holding Lock can apply to all or part of a CHESS Holding as specified in the Notice provided to ASX Settlement under this Rule 8.15.

Introduced 11/03/04 Origin SCH 11.3.3

8.15.6 Holding Lock applying to only some Financial Products in a Holding [Deleted]

~~If a court order or lien requires that ASX Settlement apply a Holding Lock to some, but not all, of the Financial Products in an existing Holding, ASX Settlement must promptly apply a Holding Lock to the Holding specified in the Notice and give Notice to the Controlling Participant for that Holding requesting that the Controlling Participant:~~

~~(a) establish a new Holder Record with the same Registration Details as the existing Holding; and~~

~~(b) give Notice to ASX Settlement, in the form specified by ASX Settlement, requesting that ASX Settlement:~~

~~(i) remove the Holding Lock from the existing Holding;~~

~~(ii) deduct from the Holding the number of Financial Products which are affected by the court order or lien; and~~

~~(iii) enter that number of Financial Products into the new CHESS Holding using the Holder Record established under Rule 8.15.6(a), and~~

~~ASX Settlement must apply a Holding Lock to the new CHESS Holding in accordance with Rule 8.15.1.~~

~~Introduced 11/03/04 Origin SCH 11.3.5~~

8.15.7 Action following the application of a Holding Lock

On application of a Holding Lock to a CHESS Holding, ASX Settlement must give Notice in accordance with and to the persons identified in the Procedures.

Introduced 11/03/04

8.15.8 Notification of Death or Bankruptcy of a Participant Sponsored Holder

If the Controlling Participant for Holdings under a Holder Record receives:

(a) Notice of Death of the relevant Holder; or

(b) a request from the trustee in Bankruptcy of the relevant Holder to initiate a Holder Record Lock,

the Controlling Participant must within 1 Business Day Transmit a Valid Originating Message requesting ASX Settlement to apply:

(c) a Holder Record Lock to all CHESS Holdings under that Holder Record; and

(d) a Named Holder Indicator to identify the deceased or bankrupt Participant Sponsored Holder.

Introduced 11/03/04 Origin SCH 11.2.1, 11.2.2

8.15.9 Notification of death of a joint Participant Sponsored Holder

If the Controlling Participant for joint Holdings under a Holder Record receives Notice of Death of one of the relevant Holders, the Controlling Participant must within 1 Business Day establish a new Holder Record in respect of the surviving Participant Sponsored Holder and Transfer the Holdings into new Holdings under the new Holder Record.

Introduced 11/03/04 Origin SCH 11.2.3

8.15.10 Notification of bankruptcy of a joint Participant Sponsored Holder

If the Controlling Participant for joint Holdings under a Holder Record receives a request from the trustee in Bankruptcy in respect of one of the relevant Holders to initiate a Holder Record Lock, the Controlling Participant must:

(a) establish new Holder Records in respect of:

(i) the bankrupt Participant Sponsored Holder, and

(ii) the remaining Participant Sponsored Holder;

(b) Transmit Messages to Transfer the interests of the bankrupt Participant Sponsored Holder and the remaining Participant Sponsored Holder into new CHESS Holdings under the respective Holder Records; and

(c) Transmit a Valid Originating Message requesting that ASX Settlement apply a:

(i) Holder Record Lock to all CHESS Holdings under the Holder Record of the bankrupt Participant Sponsored Holder; and

(ii) Named Holder Indicator to identify the bankrupt Participant Sponsored Holder.

Introduced 11/03/04 Origin SCH 11.2.4

8.15.11A Controlling Participant may by Notice request that a Holder Record Lock apply for a specific period

A Controlling Participant that has Transmitted a Valid Originating Message requesting ASX Settlement to apply a Holder Record Lock under Rule 8.15.1, 8.15.8 or 8.15.10, may by way of Notice to ASX Settlement, specify a period during which the restriction on the Transfer of Financial Products in a Holder Record is to apply.

8.15.11 Controlling Participant must give supporting documents to ASX Settlement if requested

Prior to a Controlling Participant Transmitting a Message under Rule 8.15.8(b), or 8.15.10(c) in respect of the Bankruptcy of a Participant Sponsored Holder, the Controlling Participant must have documentation to verify that the requested action is correct and that the Controlling Participant is authorised to request that action. The Controlling Participant must maintain that documentation.

ASX Settlement may request that such documentation be provided to it within a specified time and if so, the Controlling Participant must, within that time:

(a) give ASX Settlement such documentation as ASX Settlement requires to support the requested action; and

(b) reference the supporting documentation to:

(i) in respect of Rule 8.15.8(b), the HIN for the relevant Holder Record and UUID for the Holder;

(ii) in respect of Rule 8.15.10(c), the HINs for the relevant Holder Records and UUID for the Holder; and

(iii) the Transaction Identifier of the Originating Message.

Introduced 11/03/04 Origin SCH 11.2.5 Amended 09/05/05

8.15.12 Applications of a Holder Record Lock by ASX Settlement to a Holder Record

If ASX Settlement~~:~~

~~(a)~~ receives a Valid Originating Message from a Participant in accordance with Rule 8.15.8(c~~a~~), 8.15.8(d) or 8.15.10(c),~~; or~~

~~(b) is satisfied that a requested action pursuant to Rule 8.15.8(b) or 8.15.10(c) is supported by the documentation given to ASX Settlement by a Participant under Rule 8.15.11,~~

ASX Settlement must:

~~(c) within the Scheduled Time:~~

(a~~i~~) apply the requested Holder Record Lock;

(b) apply a Named Holder Indicator to identify the Holder relevant to the Valid Originating Message sent in Rule 8.15.8(d) or 8.15.10(c)(ii);

(c~~ii~~) notify the Controlling Participant; ~~and~~

(d~~iii~~) in respect of each class of Financial Products in the CHESS Holding of that person, notify the Issuer of those Financial Products that the Holder Record Lock has been applied; and

(e~~d~~) give Notice that the Holder Record Lock has been applied to:

(i) if the Locked Holding is a Participant Sponsored Holding, the Holder;

(ii) if some or all of the Financial Products in the Locked Holding are reserved in a Subposition, the Participant in whose favour the Financial Products are reserved; and

(iii) the Approved Listing Market Operator.

Introduced 11/03/04 Origin SCH 11.4.1, 11.4.2, 11.4.3 Amended 27/06/11

8.15.13 ~~Rejection~~ Removal of ~~request for~~ Holder Record Lock

If ASX Settlement is not satisfied that the requested action under Rule 8.15.8(b) or 8.15.10(c) is supported by the documentation ~~given~~ provided to ASX Settlement on request under Rule 8.15.11, ASX Settlement must ~~reject~~ remove the Holder Record Lock ~~the request~~ and notify the Controlling Participant accordingly.

Introduced 11/03/04 Origin SCH 11.4.4

8.15.14 Application of ~~Holding Lock~~ Holder Record Lock for the purpose of freezing assets

If a Controlling Participant for Holdings under a Holder Record has an obligation to freeze assets under any legislation or regulations, including as specified in the Procedures the Controlling Participant may Transmit a Valid Originating Message requesting ASX Settlement to apply a Holder Record Lock to all Holdings under that Holder Record.

Introduced 11/03/04

8.15.15 Application of Holding Lock or Holder Record Lock by ASX Settlement for the purpose of freezing assets

If ASX Settlement has an obligation to freeze assets under any legislation or regulations, including as specified in the Procedures, ASX Settlement may apply a Holder Record Lock or Holding Lock (as required) to all relevant Holdings the subject of the obligation.

Introduced 11/03/04

8.15.16 Indemnity by Controlling Participant requesting a Holder Record Lock

If a Controlling Participant Transmits a Message to ASX Settlement requesting the application of a Holder Record Lock and Named Holder Indicator (where relevant) pursuant to Rule 8.15.1, 8.15.8, 8.15.10(c) or 8.15.14, and ASX Settlement applies a Holder Record Lock and Named Holder Indicator (where relevant), that Controlling Participant indemnifies ASX Settlement and the Holder from and against all losses, damages, costs and expenses which ASX Settlement and the Holder may suffer or incur as a result of ASX Settlement acting upon that request.

Introduced 11/03/04 Origin SCH 11.4.5 Amended 09/05/05

8.15.17 Restriction on Access to Locked Holdings

If:

(a) ASX Settlement receives an Originating Message from a Participant that initiates a Transfer or Conversion of Financial Products in a CHESS Holding; and

(b) either the Source Holding or the Target Holding specified in the Message is a Locked CHESS Holding,

ASX Settlement must:

(c) reject the Message; and

(d) notify the Participant that Transmitted the Originating Message of the rejection and the reason for the rejection.

Introduced 11/03/04 Origin SCH 11.5.1

8.15.18 Notification of rejected Message

If an Issuer receives a Message requesting authorisation of a Transfer or Conversion of Financial Products in a Locked Holding that is an Issuer Sponsored Holding:

(a) the Issuer must reject the Message and notify ASX Settlement of the rejection and the reason for the rejection; and

(b) on receipt of a notification under Rule 8.15.18(a), ASX Settlement must notify the Participant that initiated that Transfer or Conversion of the rejection.

Introduced 11/03/04 Origin SCH 11.5.2

8.15.19 Giving Effect to Message

(a) ~~Subject to the terms of any court order under which a Holding Lock has been applied, if~~ If ASX Settlement receives a Valid Message from an Issuer that initiates a Holding Adjustment or a Financial Products Transformation in relation to Financial Products held or to be held in a Holding subject to a Holding Lock or Holder Record Lock~~Locked Holding~~, ASX Settlement must give effect to that Message where:

(i) the Holding Adjustment or Financial Products Transformation is a Reconstruction; or

(ii) the Holding Adjustment or Financial Products Transformation results in an increase to the number of Financial Products in the Holding; or

(iii) the Holding is subject to a Holder Record Lock due to the death or bankruptcy of a Holder.

~~, ASX Settlement must give effect to that Message.~~

(b) ASX Settlement will not give effect to a Valid Message from an Issuer that initiates a Holding Adjustment or Financial Products Transformation in relation to Financial Products held in a Locked Holding that is not of a type identified in Rule 8.15.19(a).

Note: In the case of a Locked Holding that relates to a Demand Lock or a Settlement Lock:

(a) Rule 8.26.1 provides the process for the removal of such lock (and therefore the Holding ceasing to be a Locked Holding) prior to the Issuer initiating a Holding Adjustment or Financial Product Transformation by way of a Valid Message in respect of a Reconstruction; and

(b) a Holding Adjustment or Financial Product Transformation that increases the number of Financial Products in a Holding is not prevented, given that such locks only prevent the specified number of Financial Products that are subject to a transfer from being deducted.

Introduced 11/03/04 Origin SCH 11.5.3

8.15.20 Ratio between Financial Products after Reconstruction subject to a Holding Lock

If:

(a) a Reconstruction occurs in relation to a class of Approved Financial Products which is given effect to through a Valid Message in accordance with Rule 5.26;

(b) the Financial Product Code for that class will continue following the Reconstruction; and

(c) the Reconstruction affects Financial Products in a CHESS Holding that are subject to a Holding Lock that applies to some, but not all, Financial Products in a CHESS Holding,

at the time ASX Settlement enters Financial Products into, or deducts Financial Products from, that Holding, ASX Settlement must also apply the Holding Lock to, or remove the Holding Lock from, Financial Products in that Holding, so that the ratio between:

(d) the number of Financial Products in that Holding subject to the Holding Lock; and

(e) the total number of Financial Products in that Holding,

is, as far as possible having regard to fractional entitlements, the same before and after the Reconstruction.

8.15.21 Request to apply a Settlement Lock

A Participant who controls a Source Holding (other than an Accumulation Account or Settlement Account) may within the Scheduled Time, Transmit to ASX Settlement a Valid Message in accordance with the Procedures requesting ASX Settlement to apply a Settlement Lock to all of the Financial Products which are (or may be) scheduled for settlement by ASX Settlement in connection with a Unilateral Batch Instruction or Bilateral Batch Instruction.

Note: A Participant who controls a Source Holding (that is not an Accumulation Account or Settlement Account) may also request a Settlement Lock be applied in a Unilateral Batch Message or a Bilateral Batch Message Transmitted under Rule 10.9.11 or 10.9.2.

8.15.22 Application of Settlement Lock by ASX Settlement

If ASX Settlement receives a Valid Message under Rule 8.15.21 requesting ASX Settlement to apply a Settlement Lock and there are sufficient Available Financial Products in the Source Holding, ASX Settlement must promptly apply a Settlement Lock to the Financial Products identified in that Message.

8.15.23 Rejection of request for Settlement Lock

If ASX Settlement receives a Valid Message under Rule 8.15.21 and the requirements set out in Rule 8.15.21 or 8.15.22 are not met, ASX Settlement will reject the Message and notify the Participant accordingly.

8.15.24 Indemnity by Participant requesting a Settlement Lock

If a Participant Transmits a Message to ASX Settlement requesting the application of a Settlement Lock under Rule 8.15.21, 10.9.2 or 10.9.11 and ASX Settlement applies a Settlement Lock under Rule 8.15.22, 10.9.3A, 10.9.3 or 10.9.11, that Participant indemnifies ASX Settlement and the Holder from and against all losses, damages, costs and expenses which ASX Settlement and the Holder may suffer or incur as a result of ASX Settlement acting upon that request.

8.16 REMOVING HOLDING LOCK FROM A CHESS HOLDING, ~~OR~~ A HOLDER RECORD LOCK FROM A HOLDER RECORD OR A SETTLEMENT LOCK FROM A CHESS HOLDING

8.16.1 Removal of Holding Lock by Issuer

If a Holding Lock has been applied at the request of an Issuer, ASX Settlement must remove the Holding Lock:

(a) if that Issuer ~~may~~ gives Notice in the form specified by ASX Settlement requesting ASX Settlement to remove the Holding Lock; ~~and~~or

(b) if the Issuer specified a period during which the restriction on the Transfer of Financial Products in the Holding was to apply in the Notice requesting ASX Settlement apply a Holding Lock under Rule 8.15.1, on the first Business Day following expiry of that period. ~~if an Issuer gives Notice under paragraph (a), ASX Settlement must remove the Holding Lock.~~

Introduced 11/03/04 Origin SCH 11.6.1, 11.6.2

8.16.2 Removal of Holding Lock or Holder Record Lock by court order

If:

(a) ASX Settlement is served with a court order requiring ASX Settlement to remove a Holding Lock or Holder Record Lock from a CHESS Holding; or

(b) the court order initiating the Holding Lock or Holder Record Lock under Rule 8.15.1 specified a period during which the restriction on the Transfer of Financial Products in the Holding was to apply and that period has expired,

ASX Settlement must remove the Holding Lock or Holder Record Lock (as applicable) from that Holding.

Introduced 11/03/04 Origin SCH 11.6.3

8.16.3A Removal of Holder Record Lock by Controlling Participant

If a Holder Record Lock has been applied at the request of a Controlling Participant, ASX Settlement must remove the Holder Record Lock and any related Named Holder Indicator:

(a) if that Controlling Participant Transmits an Originating Message requesting ASX Settlement to remove the Holder Record Lock; or

(b) if the Controlling Participant specified a period during which the restriction on the Transfer of Financial Products in a Holder Record was to apply by way of Notice to ASX Settlement under Rule 8.15.11A, on the first Business Day following expiry of that period.

8.16.3 ~~Removal of Holder Record Lock by~~ Controlling Participant must maintain and give supporting documents to ASX Settlement if requested

~~If a Holder Record Lock has been applied at the request of a Controlling Participant:~~

~~(a)~~ A Controlling Participant must, prior to Transmitting a Message to ASX Settlement:

(a) requesting that ASX Settlement remove a Holder Record Lock under Rule 8.16.3A(a); or

(b) specifying by way of Notice under Rule 8.15.11A, a period during which a Holder Record Lock should apply,

have and maintain documentation to verify that the requested action is correct and that the Controlling Participant is authorised to request that action.

ASX Settlement may request that such documentation be provided to it within a specified time and if so, the Controlling Participant must, within that time:

(c) give ASX Settlement such documentation as ASX Settlement requires to support the requested action; and

(d) reference the supporting documentation to the HIN for the relevant Holder Record, UUID for the relevant Holder (if relevant) and the Transaction Identifier of the Originating Message.

~~that Controlling Participant may Transmit an Originating Message requesting ASX Settlement to remove the Holder Record Lock;~~

~~(b) after receipt of a Message from ASX Settlement confirming acceptance of the Valid Originating Message, the Controlling Participant must, within the Scheduled Time:~~

~~(i) give ASX Settlement such documentation as ASX Settlement requires to support the requested action; and~~

~~(ii) reference the supporting documentation to the HIN for the relevant Holder Record and the Transaction Identifier of the Originating Message;~~

~~(c) if ASX Settlement is satisfied that the request for the removal of the Holder Record Lock is supported by the documentation given to ASX Settlement by a Controlling Participant under paragraph (b), ASX Settlement must within the Scheduled Time, remove the Holder Record Lock;~~

~~(d) if ASX Settlement is not satisfied that the request for the removal of the Holder Record Lock is supported by the documentation given to ASX Settlement under paragraph (b), ASX Settlement must reject the request and notify the Controlling Participant accordingly; and~~

~~(e) the Controlling Participant must maintain documentation to verify that the request to remove the Holder Record Lock is correct and that the Controlling Participant was authorised to make the request.~~

~~Introduced 11/03/04 Origin SCH 11.6.4, 11.6.5, 11.6.6, 11.6.8~~

8.16.4 Action following removal of a Holding Lock, ~~or a~~ Holder Record Lock or a related Named Holder Indicator

On removal of a Holding Lock from a CHESS Holding, ~~or~~ a Holder Record Lock from a Holder Record~~,~~ or related Named Holder Indicator (where relevant), ASX Settlement must give Notice in accordance with and to the persons identified in the Procedures.

Introduced 11/03/04

8.16.5 Indemnity by Controlling Participant requesting removal of Holder Record Lock

If a Controlling Participant:

(a) Transmits a Message to ASX Settlement requesting the removal of a Holder Record Lock and related Named Holder Indicator (where relevant), under Rule 8.16.3A and ASX Settlement removes the Holder Record Lock and related Named Holder Indicator; or

(b) specifies an expiry date in an Originating Message requesting the application of a Holder Record Lock under Rule 8.15.1, 8.15.8 or 8.15.10(c),

that Controlling Participant indemnifies ASX Settlement ~~or~~ and the Issuer from and against all losses, damages, costs and expenses which ASX Settlement or the Issuer may suffer or incur because the Controlling Participant was not authorised at the time that the Message was Transmitted to request the removal or to so limit the period during which the Holder Record Lock should apply.

Introduced 11/03/04

8.16.6 Removal of Settlement Lock on request

If ASX Settlement has applied a Settlement Lock to Financial Products at the request of a Participant who controls a Source Holding under these Rules, that Participant may Transmit to ASX Settlement a Valid Message within the Scheduled Time and in the manner set out in the Procedures requesting ASX Settlement to remove the Settlement Lock.

On receipt of a Valid Message containing the information set out in the Procedures, ASX Settlement must promptly remove the Settlement Lock.

8.16.7 Removal of Settlement Lock on cancellation of Instructions

ASX Settlement must promptly remove a Settlement Lock if the Unilateral Batch Message, Bilateral Batch Message, Unilateral Batch Instruction or Bilateral Batch Instruction which the Settlement Lock was applied in connection with, is cancelled in accordance with these Rules.

8.16.8 Removal of Settlement Lock or Demand Lock by ASX Settlement

ASX Settlement may at any time, remove a Settlement Lock or a Demand Lock if ASX Settlement reasonably considers it necessary in order to maintain the orderly operation and integrity of the Settlement Facility.

8.16.9 Removal of Settlement Lock by ASX Settlement due to imposition of Restrictions, suspension or termination of a Participant's participation

If ASX Settlement imposes Restrictions on, suspends or terminates the participation of a Participant under Rule 12.19.1, ASX Settlement may remove any Settlement Lock from a CHESS Holding controlled by that Participant.

8.16.10 Removal of Settlement Lock by ASX Settlement due to a Clearing Participant default

If an Approved Clearing Facility notifies ASX Settlement that it considers an event of default in respect of a Clearing Participant has occurred in accordance with its operating rules, ASX Settlement may:

(a) where a Settlement Participant acts as Settlement Agent for the defaulting Clearing Participant, remove any Settlement Lock from a CHESS Holding controlled by the Settlement Agent in respect of the defaulting Clearing Participant; or

(b) where a Participant is also the defaulting Clearing Participant, remove any Settlement Lock from a CHESS Holding controlled by that Participant.

8.16.11 Action following removal of a Settlement Lock on request

On removal of a Settlement Lock in accordance with Rule 8.16.6, 8.16.8, 8.16.9 or 8.16.10, ASX Settlement must give Notice to the persons identified in the Procedures.

8.17 CHANGE OF CONTROLLING PARTICIPANT

8.17.1 Notice to be given to ASX Settlement

(a) If a Participant Sponsored Holder changes the Controlling Participant for its Holding, then both the Participant relinquishing control of the Holding, and the Participant assuming control of the Holding must ~~give Notice of~~ Transmit a Valid Message as to the change of Controlling Participant to ASX Settlement within the Scheduled Time and, after receipt of both Messages~~Notices~~, ASX Settlement ~~must~~will, subject to Rule 7.4.1, 8.17(1)(b) and 8.17.1(c) execute the necessary CHESS Subregister administration processes to give effect to the change of Controlling Participant.~~:~~

~~(a) process all Transfers and Conversions initiated by the Participant relinquishing control prior to the change; and~~

~~(b) execute the necessary CHESS Subregister administration processes to give effect to the change of Controlling Participant.~~

(b) If the Participant relinquishing control of a Holding has initiated Transfers and Conversions affecting any Holding operated under the relevant Holder Record which are yet to be effected, ASX Settlement will not give effect to the Change of Controlling Participant and will reject the Messages under Rule 8.17.1(a).

(c) If the Participant assuming control of the Holding Transmits a Valid Message to cancel the change of Controlling Participant before the change of Controlling Participant has been given effect to by ASX Settlement under Rule 8.17.1(a), ASX Settlement will not give effect to the change of Controlling Participant.

(d) If a Message to cancel the change of Controlling Participant is sent by a Participant under Rule 8.17.1(c), the Participant will be deemed not to have Transmitted a Valid Message to ASX Settlement for the purpose of its obligations under Rule 8.17.1(a).

Introduced 11/03/04 Origin SCH 11.7 Amended 21/03/14

8.18 CHANGE OF HOLDER RECORD DETAILS

8.18.1 No change of Registration Details without authority

A Participant must not effect a change of Registration Details in relation to a Holder Record without the prior written authority of the relevant Holder. The Participant must retain that written authority.

Introduced 11/03/04 Origin SCH 11.8.1 Amended 09/05/05

8.18.2 Action following change of Registration Details

(a) If there is any change to the Registration Details recorded in a Holder Record for a person on behalf of whom a Participant is authorised to operate one or more CHESS Holdings, the Participant must within 2 Business Days of receiving written authority from the Holder to effect that change, notify ASX Settlement of the change to the Registration Details in accordance with the Procedures.

(b) If a Participant becomes aware, as a result of a returned or undelivered Holding statement or other Notice sent or given to a Participant Sponsored Holder, that any of the Registration Details recorded in a Holder Record for the Participant Sponsored Holder are incorrect, the Participant must as soon as reasonably practicable take all reasonable steps to obtain:

(i) the correct details from the Holder; and

(ii) the Holder's written authority to effect the correction to the Registration Details.

The Participant must within 2 Business Days of receiving written authority from the Holder to effect that correction, notify ASX Settlement of the corrected details in accordance with the Procedures.

Introduced 11/03/04 Origin SCH 11.8.2, 11.8.3, 11.8.4, 11.8.8, 11.8.9 Amended 18/12/06

8.18.3 Action to be taken by ASX Settlement

Subject to Rule 8.18.4, ASX Settlement, after receipt of a Valid Originating Message in accordance with the Procedures under Rule 8.18.2 for change of Registration Details of the Holder must:~~, within the Scheduled Time~~

(a) change the Registration Details recorded in the Holder Record in accordance with the details in the Valid Originating Message; and

(b) ~~must~~ within the Scheduled Time, give ~~N~~notice to the persons identified in the Procedures of the matters specified in the Procedures.

Introduced 11/03/04

8.18.4 ASX Settlement may request documentation

Prior to Transmitting a Message under Rule 8.18.2, a Participant must have and maintain documentation to verify that the requested ~~Before accepting or rejecting any~~ change of Registration Details is correct and that the Participant is authorised to request the change.~~:~~

~~(a)~~ ASX Settlement may request that such documentation be provided to it within a specified time and if so, the Participant must within that time:

(a) give ASX Settlement such documentation as ASX Settlement requires to support the requested change; and ~~supporting the change; and~~

(b) reference the supporting documentation to the HIN for the relevant Holder Record and the UUID for the relevant Holder (if applicable). ~~if the Participant cannot provide this, ASX Settlement will reject the request and notify the Controlling Participant accordingly.~~

Introduced 11/03/04 Origin SCH 11.8.6

8.18.5 Participant indemnity for unauthorised or incorrect request

If a Participant has Transmitted a Message to ASX Settlement requesting a change to the Registration Details of a Participant Sponsored Holder but the Participant:

(a) was not authorised, at the time that the Message was Transmitted by that Participant Sponsored Holder to request the change; or

(b) has provided incorrect details in:

(i) the Message requesting the change to Holder Record details; or

(ii) the documents to be maintained under Rule 8.18.4 where the change in ~~r~~Registration ~~d~~Details includes a change of name,

the Participant indemnifies ASX Settlement ~~or~~ and the Issuer from and against all losses, damages, costs and expenses which ASX Settlement or the Issuer may suffer or incur by reason of, or as a result of, the matters described in this paragraph (a) or (b).

Introduced 11/03/04 Origin SCH 11.8.7

8.18.6 Change of Holder Type or removal of Holder Record

A Participant may Transmit an Originating Message to ASX Settlement that includes the matters specified in the Procedures to request:

(a) if modifiable in accordance with the User Technical Documentation, a change to the Holder Type recorded as part of a Holder Record that the Participant controls; or

(b) the removal from CHESS of a Holder Record that the Participant controls where there are no Holdings under that Holder Record.~~,~~

~~By:~~

~~(c) giving Notice of the request to ASX Settlement;~~

~~(d) referencing that Notice to the HIN for the Holder; and~~

~~(e) providing with that Notice such documentation as ASX Settlement requires to support the requested change or the removal, as the case requires.~~

Introduced 11/03/04 Origin SCH 11.9.1

8.18.7 Action by ASX Settlement to change Holder Type or remove Holder Record

If ASX Settlement receives a Valid Originating Message under Rule 8.18.6, ~~is satisfied that a request for a change to a Holder Type or for removal of a Holder Record under Rule 8.18.6 is supported by the documentation given to ASX Settlement by the Participant that made the request,~~ ASX Settlement must~~, within the Scheduled Time~~:

(a) process the change of Holder Type or the removal of the Holder Record as requested; and

(b) notify the Participant that the change or removal, as the case requires, has been effected.

Introduced 11/03/04 Origin SCH 11.9.2

8.18.8 ASX Settlement may request information~~Rejection by ASX Settlement of request to change Holder Type or remove Holder Record~~

Prior to Transmitting a Message under Rule 8.18.6, a Participant must have and maintain documentation to verify that the requested change of Holder Type or removal of a Holder Record is correct and that the Participant is authorised to request the action.

ASX Settlement may request that such documentation be provided to it within a specified time and if so, the Participant must within that time:

(a) give ASX Settlement such documentation as ASX Settlement requires to support the requested change; and

(b) reference the supporting documentation to the HIN for the relevant Holder Record.

~~If ASX Settlement is not satisfied that documentation provided with:~~

~~(a) a request to change a Holder Type; or~~

~~(b) a request to remove a Holder Record,~~

~~under Rule 8.18.6 supports the change, ASX Settlement must, within the Scheduled Time, reject the request and notify the Participant that made the request accordingly.~~

~~Introduced 11/03/04 Origin SCH 11.9.3~~

8.18.9 Change of Residency Indicator – FOR Financial Products

If:

(a) a Participant is directed by a Holder to change a Residency Indicator recorded in a Holder Record in respect of an Issuer whose Financial Products are included in Schedule 1; or

(b) a Participant becomes aware that a Residency Indicator recorded in a Holder Record in respect of an Issuer whose Financial Products are included in Schedule 1 is incorrect,

the Participant must immediately notify ASX Settlement of a change to the Residency Indicator recorded in that Holder Record in accordance with the Procedures.

Introduced 11/03/04 Origin SCH 11.9A.1 Amended 18/12/06

8.18.10 Action by ASX Settlement and Participant notice of change of Residency Indicator

If a Controlling Participant Transmits a Valid Originating Message under Rule 8.18.9 which relates to a change of Residency Indicator, ASX Settlement will, within the Scheduled Time, take the action specified in the Procedures.

Introduced 11/03/04 Origin SCH 11.9A.2, 11.9A.3

8.18.11 Indemnity if Participant is not authorised to change Residency Indicator

If a Participant has Transmitted a Message to ASX Settlement requesting a change to a Residency Indicator of a Participant Sponsored Holder but the Participant:

(a) is not authorised at the time that the Message is Transmitted by that Participant Sponsored Holder to request the change; or

(b) has provided incorrect details in the Message requesting the change of Residency Indicator,

the Participant indemnifies ASX Settlement and the Issuer from and against all losses, damages, costs and expenses which ASX Settlement or the Issuer may suffer or incur by reason of, or as a result of, the matters described in this Rule 8.18.11(a) or (b).

Introduced 11/03/04 Origin SCH 11.9A.4

8.18.12 Change of other Holder Record details

Subject to Rules 8.18.1 to 8.18.11, if there is any other change to the Holder Record details recorded in a Holder Record for a person on behalf of whom a Participant is authorised to operate one or more CHESS Holdings that are modifiable in accordance with the User Technical Documentation, the Participant must notify ASX Settlement of the change to the Holder Record details in accordance with the Procedures.

8.18.13 Action to be taken by ASX Settlement

ASX Settlement, after receipt of a Valid Originating Message in accordance with the Procedures under Rule 8.18.12 for change of Holder Record details of the Holder must:

(a) change the Holder Record details recorded in the Holder Record in accordance with the details in the Valid Originating Message; and

(b) within the Scheduled Time, give Notice to the persons identified in the Procedures of the matters specified in the Procedures.

8.18.14 Participant indemnity for unauthorised or incorrect request

If a Participant has Transmitted a Message to ASX Settlement requesting a change to the Holder Record details of a Participant Sponsored Holder under Rule 8.18.12, but the Participant:

(a) was not authorised, at the time that the Message was Transmitted by that Participant Sponsored Holder to request the change; or

(b) has provided incorrect details in the Message requesting the change to Holder Record details,

the Participant indemnifies ASX Settlement and the Issuer from and against all losses, damages, costs and expenses which ASX Settlement or the Issuer may suffer or incur by reason of, or as a result of, the matters described in this paragraph (a) or (b).

8.19 TAX FILE NUMBER (TFN), AUSTRALIAN BUSINESS NUMBER (ABN), EXEMPTION CODE AND ~~AUSTRALIAN ADI~~ BANK ACCOUNT NOTIFICATION

8.19.1 Notice by Participant of TFN, ABN or Exemption Code details

A Participant may notify an Issuer of TFN, ABN or Exemption Code details:

(a) for a CHESS Holding, by Transmitting a Valid Message to ASX Settlement that specifies the details; or

(b) for an Issuer Sponsored Holding, by including the details in a Valid Message that initiates a CHESS to Issuer Sponsored Transfer or Conversion.

Introduced 11/03/04 Origin SCH 11.10.1

8.19.2 Order of details by Participant

If a Participant Transmits a Message specifying TFN, ABN or Exemption Code details under Rule 8.19.1 in respect of a joint Holding, the Participant must ensure that the TFN, ABN or Exemption Code details that appear in the Message relate to the relevant joint Holder~~in the order in which the names of the joint Holders appear~~:

(a) where Rule 8.19.1(a) applies, in the Holder Record for that CHESS Holding; or

(b) where Rule 8.19.1(b) applies, in the Registration Details for the Target Holding specified in the Message.

Introduced 11/03/04 Origin SCH 11.10.2

8.19.3 Action by ASX Settlement following Message

If ASX Settlement receives ~~a~~ TFN, ABN or Exemption Code details under Rule 8.19.1, ASX Settlement must within the Scheduled Time give n~~N~~otice in accordance with and to the persons identified in the Procedures.

Introduced 11/03/04

8.19.4 Action by Issuer following notification by ASX Settlement

An Issuer must record any TFN, ABN or Exemption Code details notified by ASX Settlement under the Procedures to Rule 8.19.3:

(a) in relation to a CHESS Holding, before End of Day on the day the Issuer receives the Message from ASX Settlement; and

(b) in relation to an Issuer Sponsored Holding, at the time the Issuer enters the Financial Products into the Target Holding.

Introduced 11/03/04 Origin SCH 11.10.5

8.19.5 Confidentiality

ASX Settlement must not disclose ~~a~~ TFN, ABN or Exemption Code details to any person other than the Issuer nominated by the Participant and must not use the TFN, ABN or Exemption Code details for any other purpose. Without limiting the foregoing, ASX Settlement must not view or access a TFN other than in accordance with Rule 8.19.5A.

Introduced 11/03/04 Origin SCH 11.10.6

8.19.5A Access to TFNs by ASX Settlement

ASX Settlement must take all reasonable technical and organisational measures to ensure that it does not view or access a TFN specified in a Message Transmitted by a Participant under Rule 8.19.1 other than:

(a) where it is required to do so in order to resolve a technical issue in relation to the Message or where ASX Settlement is required to give notice under Rule 8.19.3, including debugging software or to recover or resend a faulty Message or notice;

(b) where the Participant instructs ASX Settlement to do so, including for the purpose of resolving a dispute; or

(c) in any circumstances specified in the Procedures.

For the avoidance of doubt, if ASX Settlement views or accesses a TFN in accordance with this Rule, ASX Settlement does so only on behalf of the relevant Participant, and for the purpose of:

(a) resolving a technical issue in relation to a Message or notice that ASX Settlement is required to give under Rule 8.19.3; or

(b) complying with an instruction from the Participant; or

(c) giving effect to the circumstances set out in the Procedures.

8.19.6 ASX Settlement not liable for loss, damage etc

If ASX Settlement notifies the TFN, ABN or Exemption Code details to an Issuer within the time specified in Rule 8.19.3, ASX Settlement will not be liable to any person for any losses, damages, costs and expenses arising from:

(a) the Participant providing TFN, ABN or Exemption Code details:

(i) without the authority of the Participant Sponsored Holder; or

(ii) which are incorrect; or

(b) the TFN, ABN or Exemption Code details not being recorded by an Issuer on or before a Record Date.

Introduced 11/03/04 Origin SCH 11.10.7

8.19.7 Notice by Participant of bank ~~Australian ADI A~~account details

A Participant may notify an Issuer of the addition or cancellation of:

(a) Australian ADI Account details; or

(b) Foreign Bank Account details (including the currency of the relevant Foreign Bank Account),

for a CHESS Holding by Transmitting a Valid Message to ASX Settlement that specifies the details.

Introduced 09/05/05 Amended 02/11/09

8.19.8 Action by ASX Settlement following Message

If ASX Settlement receives a Message in relation to the addition or cancellation of Australian ADI Account details or Foreign Bank Account details under Rule 8.19.7, ASX Settlement must within the Scheduled Time give Notice notifying:

(a) the Issuer of the Financial Products of the addition or cancellation of Australian ADI Account details or Foreign Bank Account details (as applicable); and

(b) the Controlling Participant that the addition or cancellation of Australian ADI Account details or Foreign Bank Account details (as applicable) has been notified to the Issuer.

Introduced 09/05/05 Amended 02/11/09

8.19.9 Action by Issuer following notification by ASX Settlement of details to be added

If an Issuer is notified by ASX Settlement under Rule 8.19.8 of any Australian ADI Account details or Foreign Bank Account details to be added the Issuer must, within the Scheduled Time:

(a) notify ASX Settlement that it accepts the details; or

(b) notify ASX Settlement that it rejects the details and provide the reason for the rejection.

Introduced 09/05/05 Amended 02/11/09

8.19.10 Issuer to record the bank ~~Australian ADI A~~account details

If the Issuer notifies ASX Settlement under Rule 8.19.9(a) that it accepts Australian ADI Account details or Foreign Bank Account details the Issuer must, within the Scheduled Time, record the details.

Introduced 09/05/05 Amended 02/11/09

8.19.11 Action by Issuer following notification by ASX Settlement of details to be cancelled

If an Issuer is notified by ASX Settlement under Rule 8.19.8 of any Australian ADI Account details or Foreign Bank Account details to be cancelled the Issuer must, within the Scheduled Time, remove the details.

Introduced 09/05/05 Amended 02/11/09

8.19.12 ASX Settlement not liable for loss, damage, etc

If ASX Settlement notifies the addition or cancellation of Australian ADI Account details or Foreign Bank Account details to an Issuer under Rule 8.19.8, ASX Settlement will not be liable to any person for any losses, damages, costs or expenses arising from:

(a) the Participant providing Australian ADI Account details or Foreign Bank Account details (as applicable):

(i) without the authority of the Participant Sponsored Holder; or

(ii) which are incorrect; or

(b) Australian ADI Account details or Foreign Bank Account details (as applicable) not being recorded or removed by an Issuer in accordance with Rule 8.19.10 or 8.19.11.

Introduced 09/05/05 Amended 02/11/09, 04/06/10

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8.20 HOLDING STATEMENTS

8.20.1 ASX Settlement to send Holding statements

~~Subject to Rule 8.20.3,~~ [~~i~~f, during a monthly interval referred to in paragraph (b), any Financial Products have been entered into or deducted from a Participant Sponsored Holding ASX Settlement must:

(a) within five (5) Business Days of the end of the month to which the Holding statement relates; and

(b) at intervals of no more than one (1) calendar month,

produce and send to each Participant Sponsored Holder, a Holding statement that sets out any Holding movement in respect of each Holding of that Holder.

Introduced 11/03/04 Origin SCH 11.11.1, 11.11.2

8.20.2 Suppression or reinstatement of production of Holding statements [Deleted]

~~A Participant may, by Notice containing the matters specified in the Procedures, request ASX Settlement to:~~

~~(a) suppress; or~~

~~(b) if a request to suppress has previously been processed, reinstate,~~

~~production of Holding statements in relation to CHESS Holdings of a Participant Sponsored Holder if that Participant Sponsored Holder is a person specified in the Procedures.~~

~~Introduced 11/03/04 Origin SCH 11.11.3~~

8.20.3 Action by ASX Settlement in relation to Holding statements [Deleted]

~~If ASX Settlement receives Notice under Rule 8.20.2 from a Participant and that Notice meets the requirements of Rule 8.20.2, ASX Settlement must:~~

~~(a) in the case of a Notice to suppress the production of Holding statements for a Holder, produce a Holding statement for each Holding if there have been movements in the Holding since the last Holding statement was issued and suppress the production of further Holding statements until after receipt of a Notice to reinstate production of Holding statements;~~

~~(b) in the case of a Notice to reinstate the production of Holding statements for a Holder, produce a Holding statement which notes the current Holding Balance in each Holding as at the date of reinstatement of the production of Holding statements; and~~

~~(c) give Notice of the suppression or reinstatement (whichever is relevant) to the Participant Sponsored Holder at the time.~~

Introduced 11/03/04 Origin SCH 11.11.5

8.21 CORRECTION OF ERRORS

8.21.1 Correction of Errors on CHESS Subregister Caused by Participants or Issuers

If ASX Settlement is satisfied on reasonable grounds that an error has occurred in relation to a CHESS Holding or Holder Record and the error was caused by a Participant or an Issuer:

(a) ASX Settlement may give advice or directions to the Participant or Issuer, as the case requires, to correct the error; and

(b) if ASX Settlement gives advice or directions to a Participant or an Issuer under paragraph (a), the Participant or the Issuer, as the case requires, must observe and within 2 Business Days give effect to that advice or directions.

Introduced 11/03/04 Origin SCH 11.13

8.21.2 Correction of Processing Errors on the CHESS Subregister

If ASX Settlement is satisfied on reasonable grounds that an error has occurred in relation to a CHESS Holding or Holder Record and the error was caused by:

(a) incorrect processing by ASX Settlement of a Valid Message Transmitted to it by a Participant or an Issuer; or

(b) ASX Settlement otherwise incorrectly applying information provided to it,

ASX Settlement must take such steps as may be necessary for ASX Settlement to correct the error.

Introduced 11/03/04 Origin SCH 11.14

8.21.3 Correction of Errors by Issuers across Subregisters

If the correction of an error on a CHESS Holding by ASX Settlement in accordance with Rule 8.21.2 affects an Issuer Sponsored Holding, then:

(a) ASX Settlement must promptly give Notice to the Issuer of the corrective action to be taken by the Issuer; and

(b) if ASX Settlement gives Notice to an Issuer under paragraph (a), the Issuer must within 2 Business Days take such action as is necessary to correct the affected Issuer Sponsored Holding.

Introduced 11/03/04 Origin SCH 11.15.1, 11.15.2

8.21.4 Correction of errors by ASX Settlement across Subregisters

If the correction of an error on an Issuer Sponsored Holding by an Issuer affects a CHESS Holding, then:

(a) the Issuer must within 2 Business Days give Notice to ASX Settlement of the corrective action to be taken by ASX Settlement; and

(b) if an Issuer gives Notice to ASX Settlement under paragraph (a), ASX Settlement must promptly take such action as is necessary to correct the affected CHESS Holding.

Introduced 11/03/04 Origin SCH 11.15.3, 11.15.4

8.21.5 Notice by ASX Settlement

Where ASX Settlement takes steps in accordance with Rule 8.21.2 or 8.21.4 to correct an error, ASX Settlement must promptly give Notice of the correction to:

(a) the Issuer;

(b) the Participant that controls the affected CHESS Holding; or

(c) if the affected CHESS Holding is a Participant Sponsored Holding, the Holder.

Introduced 11/03/04 Origin SCH 11.15.5

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8.25 PROCESSING ON CHESS SUBREGISTER IN RELATION TO ELECTIVE CORPORATE ACTIONS

8.25.1 Ceasing quotation of Financial Products

If quotation of Financial Products by the Approved Listing Market Operator ceases (other than because quotation is merely suspended) for:

(a) partly paid Financial Products on which final calls are payable;

(b) convertible Financial Products that are due to mature;

(c) company options that are due to expire;

(d) redeemable Financial Products; or

(e) warrants that are due to expire;

subject to Rule 8.25A, ASX Settlement must:

(f) suspend an Instruction or Message that would Transfer or Convert those Financial Products after End of Day on the Business Day on which the CHESS Subregister closes and remove the Instruction or Message on the ~~10th~~ 15th Business Day after the Subregister closes. For the purposes of this Rule 8.25.1(f), ASX Settlement may, in its absolute discretion, remove any Instruction or Message on or after the 10th Business Day after the relevant Subregister closes; or

(g) cancel a Message which has not been Matched at End of Day on the Business Day on which the CHESS Subregister closes,

as the case requires.

8.25A Discretion to allow Instruction

If quotation of Financial Products by the Approved Listing Market Operator ceases under Rule 8.25.1, ASX Settlement may in its discretion determine to give effect to an Instruction or a class of Instructions or a Message or a class of Messages that would affect a CHESS Holding of those Financial Products and if ASX Settlement so determines must give notice to:

(a) the Issuer;

(b) the Approved Listing Market Operator; and

(c) to the extent that ASX Settlement considers reasonably necessary, other Facility Users.

8.26 SUSPENSION OF PROCESSING ON A CHESS SUBREGISTER FOR A RECONSTRUCTION

8.26.1 Where ASX Settlement receives notification of a Reconstruction

If:

(a) ASX Settlement receives notification from an Approved Listing Market Operator of:

(i) a Reconstruction that affects a class of Approved Financial Products;

(ii) the effective date and the Issue Date for that Reconstruction; and

(b) the Financial Product Code for that class will continue following the Reconstruction;

ASX Settlement must:

(c) as the case requires:

(i) reschedule an Instruction that is received before End of Day on the second Business Day after the effective date that would Transfer Financial Products in that class between End of Day on the effective date and End of Day on the Issue Date; or

(ii~~d~~) reject an Instruction or Message that is received after End of Day on the effective date that would Transfer or Convert Financial Products in that class between End of Day on the second Business Day after the effective date and End of Day on the Issue Date; and

(d) remove any Settlement Locks or Demand Locks (as applicable) that have been applied to Holdings in the class of Financial Product subject to the Reconstruction and give notice of the removal to the Participant controlling

the Holding that the Settlement Lock or Demand Lock has been removed from; and

~~as the case requires, and~~

(e) give notice regarding the suspension of processing under this Rule 8.26.1 to:

(i) the Issuer;

(ii) the relevant Approved Market Operator; and

(iii) to the extent ASX Settlement considers reasonably necessary, other Facility Users.

Introduced 11/03/04 Origin SCH 12.7 Amended 18/12/06, 27/06/11, 04/03/13, 14/04/14, 07/03/16

8.26.2 Removal of processing suspension

If the Reconstruction under Rule 8.26.1 is completed, if ASX Settlement is otherwise satisfied that the circumstances that gave rise to the suspension of processing under Rule 8.26.1 no longer exist, ASX Settlement must:

(a) remove the suspension; and

(b) give notice to:

(i) the Issuer;

(ii) the relevant Approved Market Operator; and

(iii) to the extent ASX Settlement considers reasonably necessary, other Facility Users.

Introduced 11/03/04 Origin SCH 12.7 Amended 18/12/06, 27/06/11, 04/03/13, 14/04/14, 07/03/16

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8.30 REGISTRATION IDENTIFIER

8.30.1 Establishing a Registration Identifier

If a Participant Transmits a Valid Originating Message to ASX Settlement requesting ASX Settlement to establish a Registration Identifier for a person that includes the matters specified in the Procedures, ASX Settlement must establish a Registration Identifier on CHESS for that person and allocate a RGID.

8.30.2 Automatic removal of dormant Registration Identifiers

ASX Settlement will automatically remove Registration Identifiers with no pending transactions at End of Day on each Business Day and notify the Controlling Participant that the Registration Identifier has been removed.

8.31 ZERO HOLDING BALANCE

8.31.1 Notification of zero Holding Balance

If the Holding Balance of a CHESS Holding (other than an Accumulation Account or Settlement Account) in a Financial Product is reduced to zero in accordance with these Rules, ASX Settlement must notify the Issuer that the Holding Balance has been reduced to zero.

SECTION 9 TRANSFERS AND CONVERSIONS OF FINANCIAL PRODUCTS

The purpose of this Section 9 is to set out the basis on which Transfers and Conversions of Financial Products may occur in the Settlement Facility, including on a DvP basis in Real Time Gross Settlement.

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9.4 ~~SINGLE ENTRY~~UNILATERAL DEMAND TRANSFERS

9.4.1 Message to initiate ~~Single Entry~~Unilateral Demand Transfer

Subject to Rule 9.4.4, a Participant may initiate a ~~Single Entry~~Unilateral Demand Transfer of Financial Products by Transmitting to ASX Settlement a Valid Originating Message in accordance with the Procedures.

Introduced 11/03/04 Origin SCH 6.2.1

9.4.2 Action by ASX Settlement following ~~Single Entry~~Unilateral Demand Transfer Message

If an Originating Message Transmitted to ASX Settlement complies with Rule 9.4.1 and there are sufficient Available Financial Products in the Source Holding:

(a) ASX Settlement must deduct the number of Financial Products specified in the Message from the Source Holding;

(b) ASX Settlement must enter that number of Financial Products into the Target Holding; and

(c) if the Target Holding has a Residency Indicator of foreign (as identified in the User Technical Documentation)~~"F"~~, those Financial Products will have the status of Confirmed FOR Financial Products.

Introduced 11/03/04 Origin SCH 6.2.2, 6.2.2A

9.4.3 Effect of ~~Single Entry~~Unilateral Demand Transfer

A ~~Single Entry~~Unilateral Demand Transfer initiated under Rule 9.4.1:

(a) takes effect when, under Rule 9.4.2, ASX Settlement deducts Financial Products from the Source Holding; and

(b) is taken to be effected by the Participant whose PID is included in the Valid Originating Message as that of the Participant Transmitting the Message.

Introduced 11/03/04 Origin SCH 6.2.3

9.4.4 Restriction on Participant initiating ~~Single Entry~~Unilateral Demand Transfer

A ~~Single Entry~~Unilateral Demand Transfer may only be initiated by a Participant if the Participant controls both the Source Holding and the Target Holding unless:

(a) the ~~Single Entry~~Unilateral Demand Transfer Message specifies a Target Holding that is controlled by another Participant;

(b) both the Participant that Transmits the Originating Message and the Participant that controls the Target Holding are members of the same Participant Group; and

(c) either Participant is the Parent Participant for that Participant Group.

Introduced 11/03/04 Origin SCH 6.2.4, 6.2.5 Amended 18/12/06

9.5 ~~DUAL ENTRY~~BILATERAL DEMAND TRANSFERS

9.5.1 Message to initiate a ~~Dual Entry~~Bilateral Demand Transfer

A Participant may initiate a ~~Dual Entry~~Bilateral Demand Transfer of Financial Products by Transmitting to ASX Settlement a ~~Dual Entry~~Bilateral Demand Message in accordance with the Procedures.

Note: A Valid ~~Dual Entry~~Bilateral Demand Message that is Matched by ASX Settlement will be a proper ASTC transfer.

Introduced 11/03/04 Origin SCH 6.2.6

9.5.1A Restrictions on Transfers and Conversions

If a Participant who controls a Source Holding:

(a) Transmits a Valid Bilateral Demand Message in accordance with Rule 9.5.1; and

(b) there are sufficient Available Financial Products or Entitlements in the Source Holding,

ASX Settlement will apply a Demand Lock and the relevant Financial Products (including any Entitlements) will be prevented from being deducted from the relevant Holding, except where:

(c) the relevant Financial Product are Transferred under Rule 9.5.4(a);

(d) the relevant Bilateral Demand Message has been rejected in accordance with Rule 9.5.1B;

(e) the relevant Bilateral Demand Transfer has been rejected in accordance with Rule 9.5.4(b); or

(f) the relevant Bilateral Demand Message has been cancelled in accordance with Rule 9.5.7 or 9.5.8.

9.5.1B Bilateral Demand Messages - Rejection

If a Valid Bilateral Demand Message is received by ASX Settlement from the Participant that controls the Source Holding and either:

(a) the Source Holding; or

(b) during an Ex Period, a Cum Entitlement Balance for the Source Holding,

specified in the Bilateral Demand Message does not hold sufficient Available Financial Products or Entitlements to meet the delivering Participant's obligation for the Source Holding, ASX Settlement must:

(c) reject the Bilateral Demand Message; and

(d) notify the delivering Participant.

9.5.2 Matching ~~Dual Entry~~Bilateral Demand Transfer Messages

If:

(a) a Participant Transmits a Valid ~~Dual Entry~~Bilateral Demand Message in accordance with the Procedures; and

(b) the Valid Message Transmitted by the counterparty Participant:

(i) specifies the same details;~~, and~~

(ii) specifies or implies the same designation as Cum or Ex Entitlement; and

(iii) if the Secondary Matching Flag is indicated as applying in the Message, the Participants have specified the same Matching Reference,

ASX Settlement must Match the Messages.

Introduced 11/03/04 Origin SCH 6.2.7

9.5.3 ~~Dual Entry~~Bilateral Demand Transfers in respect of Confirmed FOR Financial Products

If ASX Settlement matches a Valid ~~Dual Entry~~Bilateral Demand Message under Rule 9.5.2 which initiates a Foreign to Foreign Allocation; and

(a) ASX Settlement enters Financial Products into a Target Holding pursuant to Rule 9.5.4(a)(ii); and

(b) the Target Holding has a Residency Indicator of foreign (as identified in the User Technical Documentation)~~"F"~~,

those Financial Products will have the status of Confirmed FOR Financial Products.

Introduced 11/03/04 Origin SCH 6.2.8A

9.5.4 Action by ASX Settlement following Matching of ~~Dual Entry~~Bilateral Demand Messages~~Transfer~~

If a Valid ~~Dual Entry~~Bilateral Demand Message is Matched by ASX Settlement with another Valid ~~Dual Entry~~Bilateral Demand Message Transmitted by the counterparty Participant then:

(a) if there are sufficient Available Financial Products in the Source Holding, ASX Settlement must Transfer Financial Products by:

(i) deducting the number of Financial Products specified in the Message from the Source Holding; and

(ii) entering that number of Financial Products into the Target Holding; or

(b) if either:

(i) the Source Holding; or

(ii) during an Ex Period, a Cum Entitlement Balance for the Source Holding,

specified in the ~~Dual Entry~~Bilateral Demand Message does not hold sufficient Available Financial Products or Entitlements to meet the delivering Participant's obligation for the Source Holding, ASX Settlement must:

(iii) reject the ~~Dual Entry~~Bilateral Demand Transfer; and

(iv) notify both the delivering and the receiving Participants.

Introduced 11/03/04 Origin SCH 6.2.8, 6.2.11

9.5.5 Effect of ~~Dual Entry~~Bilateral Demand Transfer

A ~~Dual Entry~~Bilateral Demand Transfer initiated under Rule 9.5.1:

(a) takes effect when, under Rule 9.5.4 ASX Settlement deducts Financial Products from the Source Holding; and

(b) is taken to be effected by:

(i) in the case of a Transfer in respect of an On Market Transaction that involves only one Participant that is a Clearing Participant, that Participant;

(ii) in any other case, the delivering Participant.

Introduced 11/03/04 Origin SCH 6.2.9

9.5.6 Application of Standing HIN [Deleted]

~~If a Participant's Valid Dual Entry Demand Message does not specify a HIN, ASX Settlement is entitled to apply the Standing HIN of the Participant that Transmitted the Message.~~

Introduced 11/03/04 Origin SCH 6.2.10

9.5.7 Participant may cancel ~~Dual Entry~~Bilateral Demand Message

A Participant may cancel a Valid ~~Dual Entry~~Bilateral Demand Message that has not been Matched by ASX Settlement, by Transmitting to ASX Settlement a Valid Message requesting cancellation before ASX Settlement Matches the original Message under Rule 9.5.2.

Introduced 11/03/04 Origin SCH 6.2.12

9.5.8 Action by ASX Settlement if Messages are not Matched

If a ~~Dual Entry~~Bilateral Demand Message has not been Matched within the Scheduled Time, ASX Settlement must:

(a) cancel the ~~Dual Entry~~Bilateral Demand Message; and

(b) within the Scheduled Time, notify:

(i) the Participant that Transmitted the Message; and

(ii) the counterparty Participant

that the ~~Dual Entry~~Bilateral Demand Message has been cancelled.

Introduced 11/03/04 Origin SCH 6.2.13

9.5.9 Removal of Demand Lock

If:

(a) the relevant Bilateral Demand Transfer has been rejected in accordance with Rule 9.5.4(b); or

(b) the relevant Bilateral Demand Message has been cancelled in accordance with Rule 9.5.7 or 9.5.8,

then ASX Settlement will remove the Demand Lock that was applied in connection with the relevant Bilateral Demand Transfer or Bilateral Demand Message.

9.5A BILATERAL DEMAND SETTLEMENT TRANSFERS

9.5A.1 Message to initiate a Bilateral Demand Settlement Transfer

A Participant may initiate a Bilateral Demand Settlement Transfer of Financial Products by Transmitting to ASX Settlement a Valid Bilateral Demand Settlement Message in accordance with the Procedures.

Note: A Valid Bilateral Demand Settlement Message that is Matched by ASX Settlement will be a proper ASTC transfer.

9.5A.2 Financial Products must not be Transferred or Converted

If a Participant who controls a Source Holding

(a) Transmits a Valid Bilateral Demand Settlement Message in accordance with Rule 9.5A.1; and

(b) there are sufficient Available Financial Products or Entitlements,

ASX Settlement will apply a Demand Lock and the relevant Financial Products (including any Entitlements) will be prevented from being deducted from the relevant Holding, except where:

(c) the relevant Financial Products are Transferred pursuant to settlement of the resulting Bilateral Demand Settlement Instruction;

(d) the relevant Bilateral Demand Settlement Message has been rejected in accordance with Rule 9.5A.3; or

(e) the relevant Bilateral Demand Settlement Message has been cancelled in accordance with Rule 9.5A.7 or 9.5A.8.

9.5A.3 Bilateral Demand Settlement Messages - Rejection

If a Valid Bilateral Demand Settlement Message is received by ASX Settlement from the Participant that controls the Source Holding and either:

(a) the Source Holding; or

(b) during an Ex Period, a Cum Entitlement Balance for the Source Holding,

specified in the Bilateral Demand Settlement Message does not hold sufficient Available Financial Products or Entitlements to meet the delivering Participant's obligation for the Source Holding, ASX Settlement must:

(c) reject the Bilateral Demand Settlement Message; and

(d) notify the delivering Participant.

9.5A.4 Matching Bilateral Demand Settlement Messages

If:

(a) a Participant Transmits a Valid Bilateral Demand Settlement Message in accordance with the Procedures; and

(b) the Valid Message Transmitted by the other Participant:

(i) subject to paragraph (iv), specifies the same details;

(ii) specifies or implies the same designation as Cum Entitlement or Ex Entitlement;

(iii) if specified in the Message, the Participants have specified the same Matching Reference; and

(iv) either:

(A) specifies the same Settlement Amount or a Settlement Amount that differs by no more than the Settlement Amount Tolerance;

(B) if only one Participant has specified an Override Tolerance Amount, the other Participant has specified the same Settlement Amount or a Settlement Amount that differs by no more than the Override Tolerance Amount; or

(C) if both Participants have specified an Override Tolerance Amount, the Settlement Amount specified by both Participants is the same or differs by no more than the higher of the Override Tolerance Amounts specified by the Participants,

then, subject to paragraph (c), ASX Settlement must Match the Messages.

(c) Where there are multiple available Matches for a Bilateral Demand Settlement Message, ASX will Match:

(i) for multiple available Matches with the same Settlement Amount as the Bilateral Demand Settlement Message, the Bilateral Demand Settlement Message which was received earliest by CHESS; and

(ii) for multiple available Matches which differ in Settlement Amount from the Bilateral Demand Settlement Message:

(A) the Bilateral Demand Settlement Message which has the closest Settlement Amount to the Bilateral Demand Settlement Message; or

(B) if there are multiple available Matches at the closest Settlement Amount to the Bilateral Demand Settlement

Message, the Bilateral Demand Settlement Message which was received earliest by CHESS.

9.5A.5 Bilateral Demand Settlement Transfers in respect of Confirmed FOR Financial Products

If ASX Settlement matches a Valid Bilateral Demand Settlement Message under Rule 9.5A.4 which initiates a Foreign to Foreign Allocation; and

(a) ASX Settlement enters Financial Products into a Target Holding pursuant to demand settlement of the Bilateral Demand Settlement Instruction; and

(b) the Target Holding has a Residency Indicator of "F",

those Financial Products will have the status of Confirmed FOR Financial Products.

9.5A.6 Action by ASX Settlement following Matching of Bilateral Demand Settlement Messages

If a Valid Bilateral Demand Settlement Message is Matched by ASX Settlement with another Valid Bilateral Demand Settlement Message Transmitted by the counterparty Participant then:

(a) ASX Settlement will treat the Matched Messages as a Bilateral Demand Settlement Instruction to be settled in Real Time Gross Settlement under Section 11;

(b) for the purposes of determining the Settlement Amount in a Bilateral Demand Settlement Instruction, ASX Settlement will:

(i) if the amount to be included as the Settlement Amount specified by each Participant differs by no more than the Settlement Amount Tolerance, apply the lower of the two amounts as the Settlement Amount for the Bilateral Demand Settlement Instruction scheduled for settlement;

(ii) if only one Participant has specified an Override Tolerance Amount and the amount to be included as the Settlement Amount specified by each Participant differs by no more than the Override Tolerance Amount, apply the Settlement Amount specified by the Participant which did not submit an Override Tolerance Amount as the Settlement Amount for the Bilateral Demand Settlement Instruction scheduled for settlement;

(iii) if both Participants specify different Override Tolerance Amounts and the amount to be included as the Settlement Amount specified by each differs by no more than the higher of the Override Tolerance Amounts specified by the Participants, apply the Settlement Amount submitted by the Participant with the lowest Override Tolerance Amount as the Settlement Amount for the Bilateral Demand Settlement Instruction scheduled for settlement; or

(iv) if both Participants specify the same Override Tolerance Amount and the amount to be included as the Settlement Amount by each Participant differs by no more than the Override Tolerance Amount specified by the Participants, apply the lower of the two Settlement Amounts submitted by the Participants as the Settlement Amount for the Bilateral Demand Settlement Instruction scheduled for settlement; and

(c) ASX Settlement will notify each Participant that the Bilateral Demand Settlement Instruction will be settled in Real Time Gross Settlement under Section 11.

9.5A.7 Participant may cancel Bilateral Demand Settlement Message

A Participant may cancel a Valid Bilateral Demand Settlement Message that has not been Matched by ASX Settlement, by Transmitting to ASX Settlement a Valid Message requesting cancellation before ASX Settlement Matches the original Message under Rule 9.5A.4.

9.5A.8 Action by ASX Settlement if Messages are not Matched

If a Bilateral Demand Settlement Message has not been Matched within the Scheduled Time, ASX Settlement must:

(a) cancel the Bilateral Demand Settlement Message; and

(b) within the Scheduled Time, notify:

(i) the Participant that Transmitted the Message; and

(ii) the counterparty Participant,

that the Bilateral Demand Settlement Message has been cancelled.

9.5A.9 Removal of Demand Lock

If:

(a) the relevant Bilateral Demand Settlement Message has been rejected in accordance with Rule 9.5A.3; or

(b) the relevant Bilateral Demand Settlement Message has been cancelled in accordance with Rule 9.5A.7 or 9.5A.8,

then ASX Settlement will remove the Demand Lock that was applied in connection with the relevant Bilateral Demand Settlement Message.

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9.7 TRANSFERS AND CONVERSIONS FROM CHESS HOLDINGS

9.7.1A Messages linked by a RGID or a HIN

For the purpose of this Rule 9.7, a reference to 'Valid Originating Message', 'Originating Message', 'Valid Message' or 'Message' includes multiple Messages linked by a RGID or a HIN.

9.7.1 CHESS to Issuer Sponsored Demand Transfers or Conversions

A Participant may initiate a CHESS to Issuer Sponsored Demand Transfer or Conversion by Transmitting to ASX Settlement a Valid Originating Message in accordance with the Procedures, except in the circumstances specified in the Procedures.

Introduced 11/03/04 Origin SCH 6.3.1 Amended 21/05/13

9.7.2 Action by ASX Settlement

If an Originating Message Transmitted to ASX Settlement complies with Rule 9.7.1 and there are sufficient Available Financial Products in the Source Holding, ASX Settlement must:

(a) deduct the number of Financial Products specified in the Message from the Source Holding; and

(b) Transmit a Message to the Issuer to Transfer or Convert Financial Products in accordance with the Originating Message.

Introduced 11/03/04 Origin SCH 6.3.2

9.7.3 Action by Issuer

If an Issuer receives a Valid Message under Rule 9.7.2(b), the Issuer must, within the Scheduled Time, enter Financial Products into the Target Holding in accordance with that Message.

Introduced 11/03/04 Origin SCH 6.3.3

9.7.4 Action by Issuer where Foreign to Foreign Allocation

If an Issuer receives a Valid Message under Rule 9.7.2(b) which initiates a Foreign to Foreign Allocation; and

(a) the Issuer enters Financial Products into a Target Holding pursuant to Rule 9.7.3; and

(b) the Target Holding has a Residency Indicator of foreign (as identified in the User Technical Documentation)~~"F"~~,

those Financial Products will have the status of Confirmed FOR Securities.

Introduced 11/03/04 Origin SCH 6.3.3A

9.7.5 Time when Demand Transfer takes effect

A Demand Transfer initiated under Rule 9.7.1:

(a) takes effect when, under Rule 9.7.2(a), ASX Settlement deducts Financial Products form the Source Holding; and

(b) is taken to be effected by the Participant whose PID is that of the Participant Transmitting the Message.

Introduced 11/03/04 Origin SCH 6.3.4

9.7.6 Participant restriction on Demand Transfers and Conversions

Where an Issuer operates an Issuer Sponsored Subregister~~.~~, the Participant must ensure that any Transfer or Conversion ~~or Transfer~~ of Financial Products from the CHESS Subregister is to the Issuer Sponsored Subregister.

Introduced 11/03/04 Origin SCH 6.9.1

9.8 TRANSFERS AND CONVERSIONS INTO CHESS HOLDINGS

9.8.1A Messages linked by a RGID or a HIN

For the purpose of this Rule 9.8, a reference to 'Valid Originating Message', 'Originating Message', 'Valid Message' or 'Message' includes multiple Messages linked by a RGID or a HIN.

9.8.1 Issuer Sponsored to CHESS Demand Transfers or Conversions

A Participant may initiate an Issuer Sponsored to CHESS Demand Transfer or Conversion by Transmitting to ASX Settlement a Valid Originating Message in accordance with the Procedures.

Introduced 11/03/04 Origin SCH 6.5.1

9.8.2 Action by ASX Settlement following Demand Transfer or Conversion

If an Originating Message Transmitted to ASX Settlement complies with Rule 9.8.1, ASX Settlement will Transmit to the Issuer a Message requesting the Issuer to authorise the Transfer or Conversion of Financial Products in accordance with the Originating Message.

9.8.3 Action by Issuer following receipt of Message from a ~~Settlement~~ Participant

If in the case of a Valid Message received by an Issuer under Rule 9.8.2:

(a) the SRN for the Holder of the Source Holding specified in the Message matches the Issuer's records~~there are sufficient Available Financial Products in the Source Holding~~;

(b) ~~the SRN for the Holder of the Source Holding specified in the Message matches the Issuer's records~~there are sufficient Available Financial Products in the Source Holding;~~ and~~

(c) in the case of a Message requesting the Issuer to authorise a Conversion, the Registration Details for the Target Holding specified in the Message match the Registration Details for the Source Holding maintained by the Issuer; ~~,~~ and

(d) in the case of a Message requesting the Issuer to authorise a Transfer, the Registration Details for the Source Holding specified in the Message match the Registration Details for the Source Holding maintained by the Issuer,

the Issuer must subject to Rule 9.8.5 authorise the Transfer or Conversion, as the case requires.

Introduced 11/03/04 Origin SCH 6.5.3, 6.5.3A

9.8.4 Other action by Issuer [Deleted]

~~If a Valid Message is received by an Issuer under Rule 9.8.2 pursuant to an Originating Message Transmitted by:~~

~~(a) a Participant other than a Settlement Participant that is a:~~

~~(i) Trading Participant of ASX;~~

~~(ii) Custodial Settlement Participant; or~~

~~(iii) Recognised Market Operator,~~

~~the Issuer must not authorise the Transfer unless:~~

~~(b) there are sufficient Available Financial Products in the Source Holding; and~~

~~(c) it has received within 5 Business Days of ASX Settlement Transmitting the message a Registrable Transfer Document purporting to be signed by, or executed by or on behalf of, the Holder of the Source Holding, the details of which match the Issuer's records in relation to that Holder.~~

Introduced 11/03/04 Origin SCH 6.5.4 Amended 23/10/09

9.8.5 Rejection of Transfer or Conversion by Issuer

If the conditions for authorisation by the Issuer of a Transfer or Conversion as stipulated in Rule~~s~~ 9.8.3 ~~or 9.8.4~~ are not met, the Issuer must:

(a) reject the Transfer or Conversion; and

(b) within the Scheduled Time, notify ASX Settlement of that rejection and the reason for the rejection.

Introduced 11/03/04 Origin SCH 6.5.5, 6.5.6

9.8.6 Action by Issuer if Transfer or Conversion authorised

If an Issuer authorises a Transfer or Conversion under Rule 9.8.3 ~~or 9.8.4~~, the Issuer must, within the Scheduled Time:

(a) deduct the number of Financial Products specified in that Message from the Source Holding; and then

(b) Transmit a Message to ASX Settlement to Transfer or Convert those Financial Products in accordance with the Originating Message.

Introduced 11/03/04 Origin SCH 6.5.7

9.8.7 Action following Transfer or Conversion

If ASX Settlement receives a Valid Message under Rule 9.8.6(b);

(a) ASX Settlement must enter Financial Products into the Target Holding in accordance with the Originating Message; and

(b) if the Message under Rule 9.8.6(b) initiates a Foreign to Foreign Allocation and the Target Holding has a Residency Indicator of foreign (as identified in the User Technical Documentation) ~~"F"~~ those Financial Products will have the status of Confirmed FOR Financial Products.

Introduced 11/03/04 Origin SCH 6.5.8, 6.5.8A

9.8.8 Effect of a Demand Transfer initiated under Rule 9.8.1

A Demand Transfer initiated under Rule 9.8.1:

(a) takes effect when, under Rule 9.8.6(a), the Issuer deducts Financial Products from the Source Holding; and

(b) is taken to be effected by the Participant whose PID is included in the Valid Originating Message as that of the Participant Transmitting the Message.

Introduced 11/03/04 Origin SCH 6.5.9 Amended 18/12/06

9.8.9 ASX Settlement may purge unactioned Messages

If an Issuer receives a Message from ASX Settlement under Rule 9.8.2 and does not respond to ASX Settlement under either Rule 9.8.5 or Rule 9.8.6 within the relevant Scheduled Time for response, ASX Settlement may purge the unactioned Message from the Settlement Facility.

Introduced 09/05/05

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9.9.1 Purpose of Rules [Deleted]

~~The Procedures apply for the purposes of determining whether a Message of a type listed in Appendix 2 specifies a Source Holding or a Target Holding in accordance with this Section 9.~~

Introduced 11/03/04 Origin SCH 6.7.1

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9.10.1 ASX Settlement or Issuer to reject Message

Notwithstanding any other provision of this Section 9, if ASX Settlement or an Issuer receives a Valid Message that initiates or seeks authorisation for a Foreign to Foreign Allocation and:

(a) the number of Confirmed FOR Financial Products in the Source Holding specified in the Message is less than the number of Confirmed FOR Financial Products to be Transferred or Converted; or

(b) the Source Holding, being the Source Holdings which is specified:

(i) in the Message; or

(ii) on the Issuer Operated Subregister,

is a Source Holding which does not have a Residency Indicator of foreign (as identified in the User Technical Documentation)~~"F"~~, ASX Settlement or the Issuer must reject the Message as the case requires.

Introduced 11/03/04 Origin SCH 6.10

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9.12 ELECTRONIC ACCESS TO HOLDINGS

9.12.1 Warranty of Holder's authority

If, in a Message that initiates an Issuer Sponsored to CHESS Transfer or Conversion of Financial Products, a Participant includes ~~other than a Settlement Participant that is a:~~

~~(a) Market Participant of ASX;~~

~~(b) Custodial Settlement Participant; or~~

~~(c) Recognised Market Operator includes,~~

a Holder's SRN, the Participant warrants to the Issuer that it has the Holder's authority to access the Source Holding specified in the Message.

Introduced 11/03/04 Origin SCH 10.7.2

9.12.2 Other Participants must have Registrable Transfer Document [Deleted]

~~A Participant other than a Settlement Participant that is a:~~

~~(a) Market Participant of ASX;~~

~~(b) Custodial Settlement Participant; or~~

~~(c) Recognised Market Operator,~~

~~must not Transmit a Message that initiates an Issuer Sponsored to CHESS Transfer of Financial Products unless that Participant has possession of a Registrable Transfer Document signed by, or executed by or on behalf of, the registered Holder of the Financial Products to be Transferred.~~

Introduced 11/03/04 Origin SCH 10.7.1

9.12.3 Specifying the Transaction Identifier on the Registrable Transfer Document [Deleted]

~~If a Participant other than a Settlement Participant that is a:~~

~~(a) Market Participant of ASX;~~

~~(b) Custodial Settlement Participant; or~~

~~(c) Recognised Market Operator,~~

~~Transmits a Message to ASX Settlement that complies with Rule 9.8.1, then as soon as ASX Settlement acknowledges acceptance of that Message, that Participant must in the case of a Message that initiates a Transfer of Financial Products:~~

~~(d) specify the Transaction Identifier on the Registrable Transfer Document held by it under Rule 9.12.2;~~

~~(e) immediately send that document to the office of the Issuer's principal register; and~~

~~(f) store a copy of the documentation sent to the Issuer in a secure location.~~

Introduced 11/03/04 Origin SCH 10.7.3

9.12.4 Application of Rules 9.12.5 to 9.12.8 [Deleted]

~~Rules 9.12.5 to 9.12.8 apply only to Settlement Participants that are:~~

~~(a) Market Participants of ASX;~~

~~(b) Custodial Settlement Participants; or~~

~~(c) Recognised Market Operators.~~

Introduced 11/03/04

9.12.5 ~~Electronic Access to Issuer Sponsored Holdings by Settlement Participants~~Warranty by Participant if Rule 9.12.6 applies

If, in a Message that initiates an Issuer Sponsored to CHESS Transfer ~~or Conversion~~ of Financial Products, a ~~Settlement~~ Participant includes a Holder's SRN, that Participant warrants to the Issuer that it has, if Rule 9.12.6 applies:

~~(a) the Holder's authority to access the Source Holding specified in the Message; and~~

~~(b) if Rule 9.12.6 applies :~~

(a~~i~~) the authority of the person specified as the transferor on the Registrable Transfer Document referred to in Rule 9.12.6(a) to effect an Issuer Sponsored to CHESS Transfer; and

(b~~ii~~) possession of the Registrable Transfer Document.

Introduced 11/03/04 Origin SCH 9.6.1 Amended 10/06/04

9.12.5A Pre transfer validation [Deleted]

~~A Custodial Settlement Participant must not Transmit a Message that initiates an Issuer Sponsored to CHESS Transfer of Financial Products unless the Custodial Settlement Participant has verified that the SRN and Registration Details that they have for the Holder of the Source Holding match the SRN and Registration Details for the Holder maintained by the Issuer.~~

Introduced 18/12/19

9.12.6 Registrable Transfer Document

If:

(a) a ~~Settlement~~ Participant takes possession of a Registrable Transfer Document from a person other than the person specified as the transferor in that document; and

(b) the person who supplies the Registrable Transfer Document to that Participant instructs the Participant to move the Financial Products the subject of the Transfer to a CHESS Holding (whether or not that Holding is in the name of that person),

then the Participant must not Transmit a Message that initiates an Issuer Sponsored to CHESS Transfer unless that Participant has also been authorised to effect that Transfer by the person specified as the transferor in the Registrable Transfer Document.

9.12.7 Participant to check registration details [Deleted]

~~On receipt of notification from ASX Settlement that an Issuer Sponsored to CHESS Transfer has been effected, a Settlement Participant must check to make sure that the Financial Products which were specified in the Transfer were deducted from the correct Issuer Sponsored Holding.~~

Introduced 11/03/04 Origin SCH 9.6.3

9.12.8 Rectifying Errors [Deleted]

~~If, under Rule 9.12.7, it is determined that the Financial Products specified in the Transfer were not deducted from the correct Issuer Sponsored Holding, the Participant that initiated the Transfer must liaise with the Issuer and take such steps as are necessary to rectify the error.~~

Introduced 11/03/04 Origin SCH 9.6.4

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9.13 ~~SINGLE ENTRY~~UNILATERAL TRANSFER REQUESTS

9.13.1 Message to initiate ~~Single Entry~~Unilateral Transfer Request

Subject to Rule 9.13.4, a Participant may initiate a ~~Single Entry~~Unilateral Transfer Request of Financial Products by Transmitting to ASX Settlement a Valid Originating Message in accordance with the Procedures.

9.13.2 Action by ASX Settlement following ~~Single Entry~~Unilateral Transfer Request Message

If an Originating Message Transmitted to ASX Settlement complies with Rule 9.13.1 and there are sufficient Available Financial Products in the Source Holding:

(a) ASX Settlement must deduct the number of Financial Products specified in the Message from the Source Holding; and

(b) ASX Settlement must enter that number of Financial Products into the Target Holding.

9.13.3 Effect of ~~Single Entry~~Unilateral Transfer Request

A ~~Single Entry~~Unilateral Transfer Request initiated under Rule 9.13.1:

(a) takes effect when, under Rule 9.13.2, ASX Settlement deducts Financial Products from the Source Holding; and

(b) is taken to be effected by the Participant whose PID is included in the Valid Originating Message as that of the Participant Transmitting the Message.

9.13.4 Restriction on Participant initiating ~~Single Entry~~Unilateral Transfer Request

A ~~Single Entry~~Unilateral Transfer Request may only be initiated by a Participant if the Participant is authorised by an Issuer of Financial Products to provide the service as set out in the Procedures.

Introduced 10/05/04

9.14 REQUEST FOR DETAILS OF SRN OR HOLDING BALANCE OF ISSUER SPONSORED HOLDING

9.14.1 Messages linked by a RGID

For the purpose of this Rule 9.14, a reference to 'Valid Originating Message', 'Originating Message', 'Valid Message' or 'Message' includes multiple Messages linked by a RGID.

9.14.2 Message to initiate request for SRN or Holding Balance of Issuer Sponsored Holding

Subject to Rule 6.7.1, a Sponsoring Participant may initiate a request for the details of the SRN of a Holding on the Issuer Sponsored Subregister or the Holding Balance of a

Holding on the Issuer Sponsored Subregister by transmitting to ASX Settlement a Valid Originating Message in accordance with the Procedures.

9.14.3 Action by ASX Settlement following receipt of Message from Sponsoring Participant

If an Originating Message Transmitted to ASX Settlement complies with Rule 9.14.2, ASX Settlement will Transmit to the Issuer a Message requesting the Issuer to provide the details of the SRN or Holding Balance of the Issuer Sponsored Holding requested in the Originating Message.

9.14.4 Action by Issuer following receipt of Message from ASX Settlement

If in the case of a Valid Message received by an Issuer under Rule 9.14.3:

(a) in relation to a request for the SRN of a Holding, the Registration Details specified in the Message match the Registration Details for the Source Holding maintained by the Issuer; or

(b) in relation to a request for a Holding Balance of a Holding, the SRN and Registration Details for the Holding specified in the Message match the SRN and Registration Details for the Source Holding maintained by the Issuer,

the Issuer must, within the Scheduled Time, Transmit a Valid Message to ASX Settlement with the requested details of the SRN of a Holding on the Issuer Sponsored Subregister or the Holding Balance of a Holding on the Issuer Sponsored Subregister (as applicable).

9.14.5 Further action by ASX Settlement

If ASX Settlement receives a Valid Message under Rule 9.14.4, it must send a Message to the Sponsoring Participant which initiated the request under Rule 9.14.2, providing the SRN or Holding Balance details included in the Message from the Issuer under Rule 9.14.4.

9.14.6 ASX Settlement may purge unactioned Messages

If an Issuer receives a Message from ASX Settlement under Rule 9.14.2 and does not respond to ASX Settlement under Rule 9.14.4 within the relevant Scheduled Time for response, ASX Settlement may purge the unactioned Message from the Settlement Facility.

SECTION 10 BATCH SETTLEMENT

A Settlement Participant may settle Instructions in the Settlement Facility in Batch Settlement or Real Time Gross Settlement. Batch Settlement is governed by Section 10 of these Rules. Real Time Gross Settlement is governed by Section 11.

Batch Settlement involves the settlement of Batch Instructions. Batch Instructions may be:

(a) for value. This is known as DvP Batch Settlement. Batch Instructions that can be settled in DvP Batch Settlement are:

(i) CCP Batch Instructions. These consist of CCP Market Trade ~~Net~~ Batch Instructions, ~~and CCP Gross Batch Instructions~~ CCP Rescheduled Batch Instructions, CCP Offsetting Transaction Arrangement Batch Instructions and CCP Isolate Counterparty Batch Instructions;

(ii) Direct Batch Instructions; and

(iii) ~~Dual Entry~~Bilateral Batch Instructions;

(b) free of value. Batch Instructions that can be settled in Batch Settlement free of value are either:

(i) ~~Dual Entry~~Bilateral Batch Instructions; or

(ii) ~~Single Entry~~Unilateral Batch Instructions; or

(iii) Accrued Batch Instructions; and

(c) for payment free of delivery. Batch Instructions that can be settled in Batch Settlement for payment free of delivery are known as Payment Batch Instructions which consist of CCP Derivatives Payment Batch Instructions~~, Dual Entry Payment Batch Instructions~~ and AQUA Payment Batch Instructions.

In addition to determining the eligibility of Batch Instructions to be included in DvP Batch Settlement and Batch Settlement, the purpose of this Section is to set out Rules relating to the operation of Batch Settlement in the Settlement Facility including:

(a) the basis on which Settlement Participants can act in respect of Batch Settlement;

(b) payment arrangements for Batch Settlement;

(c) removal, cancellation and change of Batch Instructions;

(ca) linking Batch Instructions for the purpose of Batch Settlement;

(d) discharge of settlement obligations;

(e) failing Batch Instructions;

(ea) notification to the Approved Clearing Facility of failed CCP Batch Instructions which become subject to settlement through Offsetting Transaction Arrangements;

(f) suspension or cancellation of settlement; and

(g) settlement subject to entitlements and adjustments.

This section also deals with Client Trust Account settlement obligations that need to be discharged.

10.4 BATCH INSTRUCTIONS INCLUDED IN BATCH SETTLEMENT

10.4.1 Classes of Batch Instructions included in Batch Settlement

Unless ASX Settlement determines otherwise, a Batch Instruction is eligible for Batch Settlement under this Section 10 if the Batch Instruction is:

(a) a CCP Batch Instruction;

(b) a Direct Batch Instruction;

(c) a ~~Dual Entry~~Bilateral Batch Instruction;

(d) a ~~Single Entry~~Unilateral Batch Instruction;

(da) an Accrued Batch Instruction;

(e) a Payments Batch Instruction; or

(f) any other class of Batch Instruction ASX Settlement may determine from time to time. In determining whether a class of Batch Instruction is eligible for DvP Batch Settlement, ASX Settlement must have regard to the following factors:

(i) where it is necessary that any person communicates reliably with CHESS; that person meets any technical and/or performance requirements;

(ii) the inclusion of the additional class of Batch Instruction in DvP Batch Settlement will:

A. permit Batch Instructions the subject of National Guarantee Fund protection regime to be distinguished, and if necessary, segregated from, Batch Instructions in DvP Batch Settlement which are not the subject of NGF coverage; and

B. not adversely affect the NGF coverage;

(iii) Participants who will be parties to the additional Batch Instructions admitted to DvP Batch Settlement, and investors upon whose behalf they act, will be informed that the additional

class of Batch Instruction is not covered by the National Guarantee Fund;

(iv) DvP Batch Settlement of the class of Batch Instruction is likely to be commercially viable for ASX Settlement and will not adversely affect the integrity, reliability or efficiency of the Settlement Facility; and

(v) where the Commission requires that the class of transactions to be admitted to Batch Settlement be covered by an investor protection regime, and NGF coverage is not applicable to the class of Batch Instruction, there is an applicable investor protection regime which is acceptable to the Commission.

A person may apply to ASX Settlement in the form prescribed by ASX Settlement to have a class of Batch Instruction included in DvP Batch Settlement.

A Batch Instruction in which the obligation is to deliver or receive Financial Products for value will be settled in DvP Batch Settlement.

Introduced 11/03/04 Origin SCH 7.1.3 Amended 23/10/09

10.4.2 CCP Batch Instructions notified by Approved Clearing Facility

ASX Settlement will schedule for settlement in DvP Batch Settlement all CCP Batch Instructions received by ASX Settlement from an Approved Clearing Facility on the Settlement Date notified by the Approved Clearing Facility. In the circumstances of Failed CCP Batch Instructions notified to the Approved Clearing Facility under Rule 10.11.7A or 10.16A, the CCP Batch Instructions to be scheduled for settlement in DvP Batch Settlement on a Business Day will also include CCP Batch Instructions relating to obligations and entitlements under the second leg of Offsetting Transaction Arrangements entered into in respect of the CCP Batch Instructions Failed on the previous Business Day in the manner set out in the operating rules of the Approved Clearing Facility.

Introduced 11/03/04 Amended 28/04/14

10.4.3 Direct Batch Instructions notified by Approved Market Operator or Approved Clearing Facility

ASX Settlement will schedule for settlement in DvP Batch Settlement all Direct Batch Instructions received by ASX Settlement from an Approved Market Operator or Approved Clearing Facility on the Settlement Date notified respectively by the Approved Market Operator or Approved Clearing Facility.

Unless ASX Settlement has agreed in writing, an Approved Market Operator that is provided with a Settlement Facilitation Service under Rule 4.1A is not eligible to submit Direct Batch Instructions.

Introduced 11/03/04 Origin SCH 7.4.3 Amended 27/06/11, 28/12/11

10.4.4 Notice by ASX Settlement in respect of Direct Batch Instructions

Within the Scheduled Time, ASX Settlement will notify each Settlement Participant that is a party to a Direct Batch Instruction that it is scheduled for settlement.

Introduced 11/03/04 Origin SCH 7.4.4 Amended 28/12/11

10.4.5 Notification of Batch Instructions

A Settlement Participant must notify ASX Settlement in the manner specified in the Procedures if the Settlement Participant wishes to schedule for settlement in DvP Batch Settlement a Batch Instruction of a type specified in the Procedures.

Introduced 11/03/04 Origin SCH 7.1.3A.3 Amended 28/12/11

10.4.5A Power to impose conditions on scheduling of Batch Instructions

ASX Settlement may at any time impose any conditions on the scheduling for settlement in DvP Batch Settlement of a Batch Instruction of a type specified in the Procedures that it considers are reasonably necessary to preserve the integrity, reliability and efficiency of the Settlement Facility. ASX Settlement must notify the affected Settlement Participants in writing of any condition imposed under this rule.

Introduced 28/12/11

10.4.5B Designation of Batch Instructions

A Settlement Participant must designate in a form required by ASX Settlement the classes of Batch Instruction set out in the Procedures.

Introduced 28/12/11

10.4.6 Priority where Batch Instructions are Failed

ASX Settlement may in its absolute discretion determine the priority in which Batch Instructions in DvP Batch Settlement will be Failed if one or more instructions scheduled for settlement on a Business Day would give rise to a Financial Products Shortfall or a Payment Shortfall (or to limit a Settlement Participant's net obligation to make payment in respect of that Payment Facility to the amount notified under Rule 10.10.4(a)).

Introduced 11/03/04 Amended 28/04/14

10.4.7 Removing Batch Instructions from Batch Settlement

ASX Settlement may immediately remove a class of Batch Instruction from either Batch Settlement or DvP Batch Settlement if ASX Settlement forms the reasonable opinion that:

(a) the integrity, reliability or efficiency of the Settlement Facility will be significantly impaired by allowing the class of Batch Instruction to continue to be included in Batch Settlement or DvP Batch Settlement; or

(b) it is necessary for the protection of Participants from risk of loss.

Where ASX Settlement removes a class of Batch Instruction from DvP Batch Settlement, ASX Settlement may where it considers it appropriate, allow that class of Batch Instruction to be settled in Batch Settlement.

Introduced 11/03/04 Origin SCH 7.1.3C

10.4.8 Notice of removal of Batch Instructions from Batch Settlement

If ASX Settlement removes a class of Batch Instruction from Batch Settlement or DvP Batch Settlement, ASX Settlement will give Notice of the removal to all Settlement Participants.

Introduced 11/03/04 Origin SCH 7.1.3D

10.4.9 Appeal against decisions about Batch Settlement – [Deleted]

Introduced 11/03/04 Origin SCH 7.1.3E Amended 31/03/08, 01/08/10 Deleted 28/12/11

10.4.10 Convening the Appeal Tribunal – [Deleted]

Introduced 11/03/04 Origin SCH 7.1.3F, 7.1.3G Deleted 31/03/08

10.4.11 Decisions of the Appeal Tribunal – [Deleted]

Introduced 11/03/04 Origin SCH 7.1.3D, 7.1.3I Deleted 31/03/08

10.5 REMOVAL OF BATCH INSTRUCTIONS FROM BATCH SETTLEMENT

10.5.1 Removal of Batch Instructions from Batch Settlement by ASX Settlement

ASX Settlement may remove a Batch Instruction from either Batch Settlement or DvP Batch Settlement and (if applicable) reschedule the Batch Instruction for settlement in Batch Settlement or DvP Batch Settlement on another Business Day if:

(a) ASX Settlement reasonably considers it necessary in order to maintain the orderly operation and integrity of the Settlement Facility;

(b) it is requested to do so by an Approved Market Operator in accordance with the Terms of Trade Acceptance Service, or by an Approved Clearing Facility, in order to ensure the efficiency, orderly operation, integrity or proper functioning of the market or facility; or

(c) it is notified by an Approved Market Operator in accordance with the Terms of Trade Acceptance Service, or by an Approved Clearing Facility, that a Batch Instruction scheduled for settlement has been cancelled,

and if it removes or reschedules the Batch Instruction ASX Settlement will immediately notify:

(d) the affected Settlement Participants that the Batch Instruction has been removed from, or rescheduled for, Batch Settlement or DvP Batch Settlement; and

(e) where relevant, the Approved Market Operator or the Approved Clearing Facility that the Batch Instruction has been removed from, or rescheduled for, Batch Settlement or DvP Batch Settlement

Introduced 11/03/04 Origin SCH 7.5A.1, 7.5A.2 Amended 27/06/11

10.5.2 Removal of Batch Instructions from Batch Settlement by a Settlement Participant

If a Settlement Participant that is obliged to deliver or receive Financial Products:

(a) wishes to use an Alternative Settlement Facility other than ASX Settlement to settle a Batch Instruction; or

(b) wishes to remove a Batch Instruction from DvP Batch Settlement or from Batch Settlement.~~; or~~

~~(c) wishes to settle a Batch Instruction on a Real Time Gross Settlement basis under Section 11;~~

and the Settlement Participant:

(c~~d~~) obtains the consent of the other Settlement Participant to the Batch Instruction; and

(d~~e~~) complies with the Rules relating to the removal of Batch Instructions from DvP Batch Settlement or, if relevant, Batch Settlement,

the Settlement Participant may remove the Batch Instruction from DvP Batch Settlement or Batch Settlement~~ or may settle the Batch Instruction under Section 11~~, as the case may be. This Rule 10.5.2 does not apply to CCP Batch Instructions.

Note: Settlement Participants may seek the cancellation of CCP Isolate Counterparty Batch Instructions in accordance with Rule 10.9.1.

Introduced 11/03/04 Origin SCH 7.1.4A

10.5.3 Cancellation of Batch Instruction by Settlement Participant

If within the Scheduled Time the parties to a Batch Instruction that is a Direct Batch Instruction or a ~~Dual Entry~~Bilateral Batch Instruction Transmit a Valid Message that requests cancellation of the Batch Instruction and the Messages are Matched by ASX Settlement, ASX Settlement will:

(a) remove the Batch Instruction from Batch Settlement; and

(b) notify the Settlement Participants that the Batch Instruction has been removed from Batch Settlement.

Introduced 11/03/04 Origin SCH 7.12.1

10.5.4 If Message not Matched

If a Message Transmitted under Rule 10.5.3 has not been Matched, the party that Transmitted the Message may cancel the request by Transmitting a further Valid Message to ASX Settlement revoking the initial request.

Introduced 11/03/04 Origin SCH 7.12.3

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10.6 REAL TIME GROSS SETTLEMENT - REMOVAL OF DUAL ENTRY BATCH INSTRUCTIONS FROM DVP BATCH SETTLEMENT [DELETED]

10.6.1 Removal of Dual Entry Batch Instructions from DvP Batch Settlement [Deleted]

~~If, within the Scheduled Time:~~

~~(a) the parties to a Dual Entry Batch Instruction that has been scheduled for settlement under Rule 10.9.3 and is eligible for Real Time Gross Settlement under Rule 11.1.1, Transmit a Valid Dual Entry Switch to RTGS Message to ASX Settlement; and~~

~~(b) the Messages are Matched,~~

~~ASX Settlement will remove the Dual Entry Batch Instruction from DvP Batch Settlement and process it in Real Time Gross Settlement under Rule 11.11.1 and 11.11.2.~~

Introduced 11/03/04 Origin SCH 7.12A.1, 7.16A.1

10.6.2 Limit on ASX Settlement's obligation to remove Dual Entry Batch Instructions from DvP Batch Settlement [Deleted]

~~Each Settlement Participant acknowledges that ASX Settlement's ability to process a Dual Entry Switch to RTGS Message that requests removal of a Dual Entry Batch Instruction from DvP Batch Settlement on the Business Day on which the Message is Transmitted to ASX Settlement will depend on system processing demands in the Settlement Facility between Start of Day and Settlement Cut-Off on that day. Despite any other Rule, while ASX Settlement will use reasonable endeavours to process any such request, it will not be liable for any failure to remove any such Dual Entry Batch Instruction from DvP Batch Settlement on that day.~~

~~*Note: CHESS queuing processes for preparation of the daily batch settlement will in the ordinary course have priority over messages requesting switches that are received close to Settlement Cut-off.*~~

Introduced 11/03/04 Origin SCH 7.16A.3

10.6.3 Cancelling a request to remove Dual Entry Batch Instructions to Real Time Gross Settlement [Deleted]

~~If a Message Transmitted under Rule 10.6.1 has not been Matched, the Settlement Participant that Transmitted the Message may cancel the request by Transmitting a further Valid Message to ASX Settlement revoking the initial request.~~

Introduced 11/03/04 Origin SCH 7.12A.3, 7.16A.2

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10.9 BATCH INSTRUCTIONS

10.9.1 ~~Change~~ Cancellation of ~~to~~ CCP ~~Gross~~ Isolate Counterparty Batch Instructions

If in relation to CCP Isolate Counterparty Batch Instructions that arose as the result of a request from a Clearing Participant to isolate a counterparty in accordance with the operating rules of the Approved Clearing Facility:

(a) the receiving Settlement Participant under a CCP Isolate Counterparty Batch Instruction Transmits a Valid Message to ASX Settlement within the Scheduled Time that requests the cancellation of the CCP Isolate Counterparty Batch Instruction; and

(b) the delivering Settlement Participant or ~~and the receiving~~ Settlement Participants ~~to~~ under a CCP ~~Gross~~ Isolate Counterparty Batch Instructions that (in total) match the number of Financial Products in the CCP Isolate Counterparty Batch Instruction referred to in paragraph (a) above, each Transmit a Valid Message to ASX Settlement within the Scheduled Time that requests the cancellation of those CCP Isolate Counterparty Batch Instructions, ~~Transmit a Valid Message to ASX Settlement within the Scheduled Time that requests a change to the settlement obligations under the instruction, then ASX Settlement will take the following action:~~

~~(a) if the Messages are Matched ASX Settlement will:~~

~~(i) change the settlement obligations in accordance with the Matched Messages;~~

~~(ii) within the Scheduled Time, notify the Settlement Participants that the change has been effected; and~~

~~(iii) include the CCP Gross Batch Instruction in a Surveillance Report of changed Batch Instructions; or~~

~~(b) if the Messages are not Matched and the Settlement Participant that Transmitted the Message cancels the request by Transmitting a further Valid Message to ASX Settlement revoking the initial request ASX Settlement will:~~

~~(i) cancel the initial request; and~~

~~(ii) notify the Settlement Participant that the request has been cancelled.~~

then ASX Settlement will cancel the CCP Isolate Counterparty Batch Instructions referred to in paragraph (a) and (b) above and notify the Settlement Participants accordingly~~may provide the Surveillance Report referred to in paragraph (a)(iii) to the relevant Approved Market Operator or as required by these Rules or the law~~.

Introduced 11/03/04 Origin SCH 7.14.1, 7.14.2, 7.14.3,7.14.4 Amended 27/06/11

10.9.1A Notification of CCP Batch Instructions to Settlement Agent

Within the Scheduled Time, ASX Settlement will for each Business Day, send to a Settlement Participant acting as a Settlement Agent for a Clearing Participant for settling Cash Market Transactions (as applicable):

(a) CCP Rescheduled Batch Instructions containing the details specified in Rule 12.6.2B of the ASX Clear Operating Rules;

(b) CCP Offsetting Transaction Arrangement Batch Instructions containing the details specified in Rule 12.6.2A(c) of the ASX Clear Operating Rules; and

(c) CCP Isolate Counterparty Batch Instructions containing the details specified in Rule 12.9.1 of the ASX Clear Operating Rules.

10.9.2 ~~Dual Entry~~Bilateral Batch Instructions

Within the Scheduled Time, a Settlement Participant may Transmit to ASX Settlement a Valid Bilateral Batch Message containing the details specified in the Procedures.~~:~~

~~(a) a Valid Dual Entry Batch Message containing the details specified in the Procedures; or~~

~~(b) a Valid Dual Entry Payment Batch Message containing the details specified in the Procedures.~~

Introduced 11/03/04 Origin SCH 7.151

10.9.3A Bilateral Batch Instructions – Application of Settlement Lock prior to Matching

If:

(a) a delivering Settlement Participant Transmits a Bilateral Batch Message in accordance with Rule 10.9.2 requesting ASX Settlement to promptly apply a Settlement Lock to all the Financial Products specified in the Bilateral Batch Message;

(b) the Source Holding is a CHESS Holding (other than a Settlement Account or Accumulation Account); and

(c) there are sufficient Available Financial Products in the Source Holding,

ASX Settlement must promptly apply a Settlement Lock to all the Financial Products identified in the Bilateral Batch Message.

If there are insufficient Available Financial Products in the Source Holding or the Source Holding is a Settlement Account or Accumulation Account, ASX Settlement must cancel the Bilateral Batch Message and notify the Participant accordingly.

10.9.3 ~~Dual Entry~~Bilateral Batch Instructions – Matching

If:

(a) a Settlement Participant Transmits a ~~Dual Entry~~Bilateral Batch Message ~~or a Dual Entry Payment Batch Message~~ that specifies or implies the details contained in the Procedures; and

(b) the Message Transmitted by the other Participant:

(i) subject to sub-paragraph (iv), specifies the same details,

(ii) specifies or implies the same designation as Cum Entitlement or Ex Entitlement;

(iii) if the Secondary Matching Flag is indicated as applying in the Message, the Participants have specified the same Matching Reference; and

(iv~~ii~~) either:

(A) specifies the same Settlement Amount or a Settlement Amount that differs by no more than the Settlement Amount Tolerance; or

(B) if only one Participant has specified an Override Tolerance Amount, the other Participant has specified the same Settlement Amount or a Settlement Amount that differs by no more than the Override Tolerance Amount; or

~~(A)~~(C) if both Participants have specified an Override Tolerance Amount, the Settlement Amount specified by both Participants is the same or differs by no more than the higher of the Override Tolerance Amounts specified by the Participants,

ASX Settlement will, subject to paragraph (ba), Match the Messages; and

(ba) where there are multiple available Matches for a Bilateral Batch Message, ASX will Match:

(i) for multiple available Matches with the same Settlement Amount as the Bilateral Batch Message, the Bilateral Batch Message which was received earliest by CHESS;

(ii) for multiple available Matches which differ in Settlement Amount from the Bilateral Batch Message:

(A) the Bilateral Batch Message which has the closest Settlement Amount to the Bilateral Batch Message; or

(B) if there are multiple available Matches at the closest Settlement Amount to the Bilateral Batch Message, the Bilateral Batch Message which was received earliest by CHESS.

(c) if the Messages are Matched within the Scheduled Time, ASX Settlement will:

(i) treat the Matched Messages as a ~~Dual Entry~~Bilateral Batch Instruction~~ or a Dual Entry Payment Batch Instruction as the case may be~~;

(ii) schedule the ~~Dual Entry~~Bilateral Batch Instruction ~~or the Dual Entry Payment Batch Instruction, as the case may be,~~ for settlement on the Settlement Date specified in the instruction;

(iii) notify each Participant that the ~~Dual Entry~~Bilateral Batch Instruction ~~or Dual Entry Payment Batch Instruction~~ has been scheduled for settlement; and

(iv) for the purposes of determining the Settlement Amount in a Bilateral Batch Instruction, ASX Settlement will:

(A) if the amount to be included as the Settlement Amount specified by each Participant differs by no more than the Settlement Amount Tolerance, apply the lower of the two amounts as the Settlement Amount for the ~~Dual Entry~~Bilateral Batch Instruction ~~or the Dual Entry Payment Batch Instruction~~ that is scheduled for settlement;~~ or~~

(B) if only one Participant has specified an Override Tolerance Amount and the amount to be included as the Settlement Amount specified by each Participant differs by no more than the Override Tolerance Amount, apply the Settlement Amount specified by the Participant which did not submit an Override Tolerance Amount as the Settlement Amount for the Bilateral Batch Instruction scheduled for settlement;

(C) if both Participants specify different Override Tolerance Amounts and the amount to be included as the Settlement Amount specified by each differs by no more than the higher of the Override Tolerance Amounts specified by the Participants, apply the Settlement Amount submitted by the Participant with the lowest Override Tolerance Amount as the Settlement Amount for the Bilateral Batch Instruction scheduled for settlement; or

(D) if both Participants specify the same Override Tolerance Amount and the amount to be included as the Settlement Amount by each Participant differs by no more than the Override Tolerance Amount specified by the Participants, apply the lower of the two Settlement Amounts submitted by the Participants as the Settlement Amount for the Bilateral Batch Instruction scheduled for settlement; and

(v) if the delivering Settlement Participant requested ASX Settlement to apply a Settlement Lock to all the Financial Products specified in the Bilateral Batch Message from the time that the Messages are Matched, and if:

(A) there are sufficient Available Financial Products in the Source Holding, ASX Settlement will promptly apply a Settlement Lock to all of the Financial Products identified in the Message and will notify the Participant that the Settlement Lock has been applied; or

(B) there are insufficient Available Financial Products in the Source Holding, ASX Settlement will not apply a Settlement Lock and will notify the Participant that the Settlement Lock could not be applied; or

(d) if the Messages have not been Matched within the Scheduled Time, ASX Settlement will:

(i) cancel the ~~Dual Entry~~Bilateral Batch Message~~ or the Dual Entry Payment Batch Message~~; and

(ii) within the Scheduled Time notify both Settlement Participants of that fact.

Note: A Bilateral Batch Message will not be cancelled if ASX Settlement was unable to apply a Settlement Lock in response to a Settlement Participant's request for a Settlement Lock to apply on Match in accordance with Rules 10.9.2 and 10.9.3 due to there being insufficient Available Financial Products in the Source Holding.

Introduced 11/03/04 Origin SCH 7.16.1, 7.16.2, 7.16.3, 7.16.4

10.9.4 Change of Batch Instructions – Matched Messages [Deleted]

~~A Settlement Participant may Transmit to ASX Settlement a Valid Message requesting a change to a Dual Entry Batch Instruction or a Dual Entry Payment Batch Instruction to which the Participant is a party.~~

~~If, within the Scheduled Time both Settlement Participants to a Dual Entry Batch Instruction or a Dual Entry Payment Batch Instruction Transmit a Valid Message that requests a change to the instruction:~~

~~(a) if the Messages are Matched by ASX Settlement, ASX Settlement will change the instruction; or~~

~~(b) if the Messages are not Matched by ASX Settlement, the Participant that Transmitted the Message may cancel the request by Transmitting within the Scheduled Time a further Valid Message that requests cancellation of the original request.~~

Introduced 11/03/04 Origin SCH 7.21.1, 7.21.2, 7.21.3

10.9.5 Change of Batch Instructions – single Messages

If, within the Scheduled Time, a Settlement Participant to a ~~Dual Entry~~Bilateral Batch Instruction Transmits a Valid Message that requests a change to:

(a) the designation of the ~~Dual Entry~~Bilateral Batch Instruction as available or not available for settlement in part;

(b) if the Participant is a delivering Participant, the Source Holding; ~~and~~

(c) if the Participant is a receiving Participant, the Target Holding;

(d) the contact details of the relevant Holder;

(e) the inclusion or, if provided, the amendment of a Settlement Link ID; or

(f) the underlying reference,

ASX Settlement will:

(g~~d~~) change the ~~Dual Entry~~Bilateral Batch Instruction in accordance with the Message; ~~and~~

(h~~e~~) notify the Participant that Transmitted the Message within the Scheduled Time; and

(i) if there is a change to the Source Holding and Financial Products within that Source Holding were subject to a Settlement Lock, remove the Settlement Lock.

Note: Changes of the kind specified in this Rule are only notified to the Participant that Transmitted the Message.

Introduced 11/03/04 Origin SCH 7.21.4

10.9.6 Cancellation of ~~Dual Entry~~Bilateral Batch Message ~~or Dual Entry Payment Batch Message~~ by Settlement Participant

A Settlement Participant may, by Transmitting a Valid Message to ASX Settlement within the Scheduled Time, cancel a ~~Dual Entry~~Bilateral Batch Message ~~or a Dual Entry Payment Batch essage~~ Transmitted by the Settlement Participant under Rule 10.9.2 if the Message has not been Matched under Rule 10.9.3.

Introduced 11/03/04 Origin SCH 7.20.1(a)

10.9.7 Cancellation of ~~Dual Entry~~Bilateral Batch Message ~~or Dual Entry Payment Batch Message~~ by both Settlement Participants

If, within the Scheduled Time both Settlement Participants to a ~~Dual Entry~~Bilateral Batch Instruction ~~or a Dual Entry Payment Batch Instruction~~ Transmit a Valid Message that requests cancellation of the instruction:

(a) if the Messages are Matched by ASX Settlement, ASX Settlement will cancel the instruction; or

(b) if the Messages are not Matched by ASX Settlement, the Settlement Participant that Transmitted the Message may cancel the request by Transmitting within the Scheduled Time a further Valid Message that requests cancellation of the original request.

Introduced 11/03/04 Origin SCH 7.20.2, 7.20.3

10.9.8 Obligations of Participants

Subject to Rules 6.20.1, 6.20.2, 6.20.3 and 6.20.4, the obligations or entitlements, as the case requires, of the Participants to a ~~Dual Entry~~Bilateral Batch Instruction:

(a) to deliver or receive Financial Products or Entitlements; and

(b) if the instruction is to be settled in DvP Settlement Batch Settlement, to pay or receive an amount,

are owed to each other as principals, even if a Settlement Participant has a settlement obligation to another person, or is acting on behalf of a Market Participant, Clearing Participant or another Settlement Participant in relation to the instruction.

Introduced 11/03/04 Origin SCH 7.16.5

10.9.9 Obligations of Participants to a Dual Entry Payment Batch Instruction [Deleted]

~~The obligation or entitlements, as the case requires, of the Participants to a Dual Entry Payment Batch Instruction to pay or receive an amount are owed to each other as principals, even if a Settlement Participant has a settlement obligation to another person, or is acting on behalf of a Market Participant, Clearing Participant or another Settlement Participant in relation to the instruction.~~

Introduced 11/03/04

10.9.10 Part Settlement

ASX Settlement will be entitled to treat any CCP Batch Instruction as designated as available for settlement in part under this Section 10.

Introduced 11/03/04 Origin SCH 7.11.1

10.9.11 Unilateral~~Single Entry~~ Batch Instructions

Subject to Rules 6.3B.2, 6.3B.3 and 6.3B.4 in respect of Client Trust Account Amount Messages, if within the Scheduled Time, a Settlement Participant Transmits to ASX Settlement a Valid Unilateral ~~Single Entry~~ Batch Message that contains the details specified in the Procedures and:

(a) if the Settlement Participant requested ASX Settlement to apply a Settlement Lock to the Financial Products specified in the Valid Unilateral Batch Message and there are sufficient Available Financial Products in the Source Holding, ASX Settlement will:

(~~a~~i) treat the Valid Unilateral ~~Single Entry~~ Batch Message as a Unilateral ~~Single Entry~~ Batch Instruction;

(ii~~b~~) schedule the Unilateral~~Single Entry~~ Batch Instruction for settlement on the Settlement Date specified in the instruction;

(iii) promptly apply a Settlement Lock to the Financial Products identified in the Message (but only where the Source Holding is a CHESS Holding (other than a Settlement Account or Accumulation Account)); and

(iv~~e~~) notify the Settlement Participant that the Unilateral~~Single Entry~~ Batch Instruction has been scheduled for settlement; or

(b) if the Settlement Participant has not requested ASX Settlement to apply a Settlement Lock to the Financial Products specified in the Valid Unilateral Batch Message, ASX Settlement will:

(i) treat the Valid Unilateral Batch Message as a Unilateral Batch Instruction;

(ii) schedule the Unilateral Batch Instruction for settlement on the Settlement Date specified in the instruction; and

(iii) notify the Settlement Participant that the Unilateral Batch Instruction has been scheduled for settlement.

Note: A Batch Instruction cannot always be scheduled for settlement on the Settlement Date specified in the Message, if the Financial Products in question are the subject of a corporate action. For example, a Batch Instruction cannot be scheduled for settlement on a cum entitlement basis on a Business Day after the Record Date for the relevant Corporate Action.

Introduced 11/03/04 Origin SCH 7.17.1, 7.17.2 Amended 25/05/2015

10.9.12A Rejection of Unilateral Batch Message

If a Settlement Participant requested ASX Settlement to apply a Settlement Lock in a Unilateral Batch Message under Rule 10.9.11, and ASX Settlement is unable to apply the Settlement Lock because there are insufficient Available Financial Products in the Source Holding or the Source Holding is a Settlement Account or Accumulation Account, ASX Settlement will reject the Unilateral Batch Message and notify the Participant accordingly.

10.9.12 Cancelling a ~~Single Entry~~Unilateral Batch Message

A Settlement Participant may, by Transmitting a Valid Message to ASX Settlement within the Scheduled Time, cancel a ~~Single Entry~~Unilateral Batch Message Transmitted by the Settlement Participant under Rule 10.9.11.

Introduced 11/03/04 Origin SCH 7.20.1(b)

10.9.13 ~~Standing~~ Nominated Settlement HINs

A CCP ~~Net~~ Batch Instruction will be taken to specify:

(a) the ~~Standing~~ Nominated Settlement HIN of the Settlement Participant as the HIN for the Source Holding or the Target Holding, as the case requires; and

(b) the ~~Standing~~ Nominated Settlement HIN of CCP as the HIN for the Source Holding or Target Holding, as the case requires.

~~If a Settlement Participant Transmits:~~

~~(a) a Dual Entry Batch Message; or~~

~~(b) a Single Entry Batch Message,~~

~~and the relevant HIN for the Target or Source Holding as the case requires is not specified, ASX Settlement will apply the Settlement Participant's Standing Settlement HIN as the case requires.~~

Note: ASX Settlement will reject a message that does not specify a HIN or imply a ~~Standing~~ Nominated Settlement HIN.

Introduced 11/03/04 Origin SCH 7.10, 7.18.1, 7.18.2, 7.18.3

10.9.14 Part Settlement designated by a Settlement Participant

Subject to Rule 10.9.17, a Settlement Participant may designate a Batch Instruction other than a CCP Derivatives Payment Batch Instruction or CCP Batch Instruction as available or not available for settlement in part.

In the event of a Payment Shortfall by a Settlement Participant (or to limit a Settlement Participant's net obligation to make payment in respect of that Payment Facility to the amount notified under Rule 10.10.4(a)), ASX Settlement may in its absolute discretion override any designation by the Settlement Participant under this Rule and designate a Batch Instruction as available or not available for settlement in part.

Introduced 11/03/04 Origin SCH 7.19.1 Amended 28/04/14 Amended 25/05/2015

10.9.15 Financial Products Shortfall may be settled in part

If:

(a) (i) a Source Holding; or

(ii) during an Ex Period, a Cum Entitlement Balance for a Source Holding,

specified in one or more Batch Instructions scheduled for settlement on a Business Day would give rise to a Financial Products Shortfall; and

(b) the instruction is available for settlement in part,

ASX Settlement may apply such lesser number of Financial Products or Entitlements as are available for settlement, in settling the Batch Instruction.

~~*Note: A Batch Instruction removed from DvP Batch Settlement under Rule 10.6.1, 10.6.2 or 10.6.3 will not be available for settlement in part under Section 11.*~~

Introduced 11/03/04 Origin SCH 7.19.2

10.9.16 Accrued Batch Instructions

If ASX Settlement generates an Accrued Batch Instruction in accordance with Rule 10.17.1(d), ASX Settlement will schedule the Accrued Batch Instruction for settlement on the Settlement Date specified in the instruction.

Introduced 11/03/04 Origin SCH 7.22.1

10.9.17 Client Trust Account Amount Messages not available for settlement in part

A Batch Instruction that gives effect to a Client Trust Account Amount Message is not available for settlement in part.

Introduced 25/05/2015

10.9.18 Linked Instructions (Bilateral Batch Instructions and Unilateral Batch Instructions)

If two or more Bilateral Batch Messages under Rule 10.9.2, or Unilateral Batch Messages under Rule 10.9.11, are Transmitted to ASX Settlement by the same Settlement Participant, where:

(a) one or more of the Messages involves the delivery of a particular Financial Product or Entitlement from a HIN;

(b) one or more of the Messages involves the receipt of the same Financial Product or Entitlement and into the same HIN;

(c) each of the Messages under paragraphs (a) and (b) specify the same Settlement Link ID;

(d) the Messages specify the same Settlement Date; and

(e) the HIN referred to in paragraphs (a) and (b) is not for an Accumulation Account or a Settlement Account,

and each of those Bilateral Batch Messages are Matched and treated as a Bilateral Batch Instruction under Rule 10.9.3, or each of those Unilateral Batch Messages are treated as a Unilateral Batch Instruction under Rule 10.9.11, ASX Settlement will:

(f) apply to those Instructions the same Settlement Link ID as the Message from which they result; and

(g) link, for the purpose of Batch Settlement, the Instructions with the same Settlement Link ID, so that if one of the Linked Instructions is Failed or Failed in part on a Business Day, the Linked Instruction(s) with the same Settlement Link ID will also be Failed or Failed in part (as applicable) on that Business Day.

10.9.19 Linked CCP Instructions (CCP Isolate Counterparty Batch Instructions)

If two or more CCP Isolate Counterparty Batch Instructions have been received by ASX Settlement from an Approved Clearing Facility, ASX Settlement will:

(a) apply to those Instructions the unique identifier code notified by the Approved Clearing Facility in respect of the CCP Isolate Counterparty Batch Instructions; and

(b) link, for the purpose of Batch Settlement, the CCP Isolate Counterparty Batch Instructions with the same unique identifier code, so that if one of the linked CCP Isolate Counterparty Batch Instructions is Failed or Failed in part on a Settlement Date, the linked CCP Isolate Counterparty Batch Instructions with

the same unique identifier code will also be Failed or Failed in part (as applicable) on that Business Day.

10.10A CLIENT TRUST ACCOUNT SETTLEMENT OBLIGATIONS

10.10A.1 Calculation by ASX Settlement of Client Trust Account Settlement Obligations

On each Business Day, ASX Settlement will calculate for each Settlement Participant's PID for that Business Day a net obligation to make payment to or net entitlement to receive payment from the Client Trust Account in respect of Client Trust Account Amount Messages scheduled for settlement on that Business Day that is equal to the difference between:

(a) the total of all amounts payable to the Client Trust Account on that Business Day as specified in each Client Trust Account Amount Message under Rules 6.3B.2 and 6.3B.3 scheduled for settlement on that Business Day for that PID; and

(b) the total of all amounts receivable from the Client Trust Account on that Business Day as specified in each Client Trust Account Amount Message under Rule 6.3B.4 scheduled for settlement on that Business Day for that PID.

Introduced 25/05/2015

10.10A.2 Notification by ASX Settlement of net obligations for Client Trust Account

Within the Scheduled Time on each Business Day, ASX Settlement will notify each Settlement Participant, in respect of each PID, of its net obligation to make payment to or net entitlement to receive payment from the Client Trust Account in respect of Client Trust Account Amount Messages scheduled for settlement on that Business Day.

Notwithstanding that the net amount to be paid to or received from the Client Trust Account under this Rule 10.10A.2 is not a Settlement Amount to be paid or received in Batch Settlement, the Settlement Participant:

(a) must, where a net amount is required to be paid to the Client Trust Account, pay that amount through its Payments Provider to the Client Trust Account concurrent with Batch Settlement on that Business Day;

(b) may, where a net amount is entitled to be received from the Client Trust Account, receive that amount through its Payments Provider from the Client Trust Account concurrent with Batch Settlement on that Business Day.

Note: The net amount notified by ASX Settlement under Rule 10.10A does not represent "Customer Net Funds" to be paid into or received from Payment Facilities made available by a Payments Provider to the Settlement Participant and is not an amount payable or receivable in relation to the Payment Facility established in respect of that PID under the Standard Payments Provider Deed. Payment to, or receipt from, the Client Trust Account of that net amount occurs separately to Batch Settlement and the Standard Payments Provider Deed.

Introduced 25/05/2015

10.10A.3 Net obligations for Client Trust Account where multiple Settlement Accounts

Where each of the following applies:

(a) a Settlement Participant operates multiple Settlement Accounts for the settlement of Batch Instructions in respect of a PID of the Participant;

(b) the Settlement Participant has more than one Payment Facility linked to those Settlement Accounts; and

(c) Client Trust Account Amount Messages scheduled for settlement on a Business Day relate to more than one of those Settlement Accounts,

ASX Settlement will calculate and notify a separate net obligation to make payment to or net entitlement to receive payment from the Client Trust Account under Rule 10.10A.1 and 10.10A.2 in respect of each Payment Facility linked to a Settlement Account to which the Client Trust Account Amount Messages relate.

10.10 SETTLEMENT OBLIGATIONS

10.10.1 Calculation by ASX Settlement of Settlement Obligations

On each Business Day, ASX Settlement will calculate for each Settlement Participant's PID for that Business Day:

(a) a net obligation to deliver or net entitlement to receive Financial Products or during an Ex Period, Entitlements due to be:

(i) deducted from each Source Holding or the Cum Entitlement Balance for the Source Holding; or

(ii) entered into each Target Holding or the Cum Entitlement Balance for the Target Holding,

specified in each Batch Instruction scheduled for settlement on that Business Day;

(b) a net obligation to make payment from or net entitlement to receive payment into each Payment Facility identified in each Batch Instruction scheduled for settlement in DvP Batch Settlement on that Business Day; and

(c) a net obligation to make payment from or net entitlement to receive payment into each Payment Facility identified in each Payment Batch Instruction scheduled for settlement on that Business Day.

Note: For the purposes of calculating the net obligations of a Settlement Participant in respect of a PID under this Rule 10.10.1, ASX Settlement will have regard to the relevant Novated Net Delivery Position(s) (as defined in the ASX Clear Operating Rules) calculated by ASX Clear and notified to ASX Settlement at the commencement of the Settlement Processing Phase on that Business Day in accordance with Rule 12.6.1A of the ASX Clear Operating Rules in respect of the Settlement Participant's CCP Market Trade Batch Instructions.

Introduced 11/03/04 Origin SCH 7.24.1 Amended 08/08/13

10.10.2 Notification by ASX Settlement of projected net obligations [Deleted]

~~Within the Scheduled Time on each Business Day, ASX Settlement will notify each Settlement Participant, in respect of each PID, of its:~~

~~(a) projected net obligation to make payment from a Payment Facility identified in one or more Batch Instructions scheduled for settlement in DvP Batch Settlement on that Business Day;~~

~~(b) projected net obligation to make payment from a Payment Facility identified in one or more Payment Batch Instructions scheduled for settlement on that Business Day.; and~~

~~(c) if:~~

~~(i) a Source Holding; or~~

~~(ii) during an Ex Period, the Cum Entitlement Balance for a Source Holding,~~

~~specified in one or more Batch Instructions scheduled for settlement on that Business Day, would give rise to a Financial Products Shortfall, the number of Financial Products or Entitlements required to meet that shortfall.~~

Introduced 11/03/04 Origin SCH 7.24.2 Amended 08/08/13

10.10.3 No legal set off – [Deleted]

Introduced 11/03/04 Origin SCH 7.24.3 Deleted 01/05/07

10.10.4 Notification by ASX Settlement of net obligations

Within the Scheduled Time on each Business Day, ASX Settlement will notify each Settlement Participant, in respect of each PID, of its:

(a) net obligation to make payment from or net entitlement to receive payment into each Payment Facility identified in one or more Batch Instructions scheduled for settlement on that Business Day, and

(b) its revised net obligation (if any) to make payment from or revised net entitlement (if any) to receive payment into each Payment Facility identified in one or more Batch Instructions scheduled for settlement on that Business Day.

Introduced 11/03/04 Origin SCH 7.24A1 Amended 08/08/13

10.11 FAILING BATCH INSTRUCTIONS

10.11.1 Failure in Part

If a Batch Instruction is designated as available for settlement in part, ASX Settlement may Fail the Batch Instruction in part under this Rule 10.11.

Introduced 11/03/04 Origin SCH 7.25.1

10.11.2 Failure of Batch Instructions

If, by the Scheduled Time, on a Business Day either:

(a) (i) a Source Holding; or

(ii) during an Ex Period, a Cum Entitlement Balance for a Source Holding,

specified in one or more Batch Instructions scheduled for settlement on that Business Day, would give rise to a Financial Products Shortfall; or

(b) a Settlement Participant's net obligation to make payment from a Payment Facility identified by one or more Batch Instructions scheduled for settlement on that Business Day is not authorised by the Payments Provider that operates the Payment Facility;

ASX Settlement will subject to Rule 10.11.6:

(c) in the case of a Financial Products Shortfall, Fail one or more Batch Instructions, that specify the Holding as a Source Holding, to remove the Financial Products Shortfall; or

(d) in the case of a Payment Shortfall, Fail one or more Batch Instructions that identify the Payment Facility to remove the Payment Shortfall.

Note: The removal of a Financial Products Shortfall will result in a Source Holding having a balance after Batch Settlement equal to or greater than zero. The removal of a Payment Shortfall will reduce the Settlement Participant's net obligation to make payment from that Payment Facility to zero, or will create a net entitlement to receive payment into that Payment Facility.

Introduced 11/03/04 Origin SCH 7.25.2

10.11.3 Consequential failing of Batch Instructions

If a Batch Instruction that is Failed under Rule 10.11.2 causes:

(a) a Financial Products Shortfall for a Target Holding that is also specified as a Source Holding in other Batch Instructions scheduled for settlement on that Business Day; or

(b) an increase in a Settlement Participant's net obligation to make payment from a Payment Facility identified in one or more Batch Instructions scheduled for settlement on that Business Day;

ASX Settlement will subject to Rule 10.11.6:

(c) in the case of a Financial Products Shortfall, Fail one or more Batch Instructions that specify the Holding as a Source Holding to remove the Financial Products Shortfall; and

(d) in the case of a Settlement Participant's increased net obligation to make payment in respect of a Payment Facility, Fail one or more Batch Instructions that identify that Payment Facility to limit the Settlement Participant's net obligation to make payment in respect of that Payment Facility to the amount notified under Rule 10.10.4(a) or, within the Scheduled Time, ASX Settlement may request the Payments Provider that operates the Payment Facility to authorise the increased net obligation to make payment.

Note: The removal of a Financial Products Shortfall will result in a Source Holding having a balance after Batch Settlement equal to or greater than zero. The removal of a Payment Shortfall (or of Batch Instructions to limit a Settlement Participant's net obligation to make payment in respect of that Payment Facility to the amount notified under Rule 10.10.4(a)) will reduce the Participant's net obligation to make payment from that Payment Facility to the amount previously authorised by the Payments Provider (or notified to the Payments Provider under Rule 10.10.4(a)) or will create a net entitlement to receive payment into that Payment Facility.

Introduced 11/03/04 Origin SCH 7.25.3 Amended 28/04/14

10.11.4 Removal of a Payment Shortfall

If ASX Settlement requests a Payments Provider under Rule 10.11.3(d) to authorise a Settlement Participant's increased net obligation to make payment and the Payments Provider does not authorise the Settlement Participant's increased net obligation to make payment, ASX Settlement will, subject to Rule 10.11.6, Fail one or more Batch Instructions that identify that Payment Facility to remove the Payment Shortfall.

Note: The removal of a Payment Shortfall will reduce the Participant's net obligation to make payment from that Payment Facility to the amount previously authorised by the Payments Provider or will create a net entitlement to receive payment into that Payment Facility.

Introduced 11/03/04 Origin SCH 7.25.4

10.11.5 Failure of Settlement Participant Batch Instructions in respect of Confirmed FOR Financial Products

Notwithstanding any other provision of this Section, if a Settlement Participant generates a Batch Instruction in relation to Foreign to Foreign Allocation and:

(a) the number of Confirmed FOR Financial Products in the Source Holding specified in the Message is less than the number of Confirmed FOR Financial Products to be transferred; or

(b) the Source Holding which is specified is a Source Holding which does not have a Residency Indicator of foreign (as identified in the User Technical Documentation)~~"F"~~,

ASX Settlement will ~~f~~Fail the Batch Instruction.

Introduced 11/03/04 Origin SCH 7.25A1

10.11.6 Principles that apply to Failing Batch Instructions

In Failing a Batch Instruction under Rules 10.11.2, 10.11.3 or 10.11.4, ASX Settlement will use its best endeavours to:

(a) subject to Linked Instructions or Linked CCP Instructions Failed in accordance with Rule 10.9.18 or 10.9.19, minimise:

(i) Financial Products Shortfalls; or

(ii) increases in the net obligation to make payment from one or more Payment Facilities identified in one or more Batch Instructions;

(b) subject to Rule 10.11.6(a):

(i) give priority to settlement of rescheduled Batch Instructions and to CCP Batch Instructions;

(ii) maximise the total value of Settlement Amounts of Batch Instructions that can be settled on that Business Day;

(iii) maximise the total number of Financial Products that can be settled on that Business Day.

Introduced 11/03/04 Origin SCH 7.271

10.11.7 Consequences of Failing a Batch Instruction

If a Batch Instruction is Failed under Rule 10.9.18, 10.19.9, 10.11.2, 10.11.3 or 10.11.4 ASX Settlement will:

(a) if the Batch Instruction is a Batch Instruction for value, adjust the net obligation to make payment or the net entitlement to receive payment of the Payment Facility of each Settlement Participant affected by the Fail in accordance with Rule 10.11.9 or 10.11.10, as the case requires;

(b) adjust the net obligation to deliver or the net entitlement to receive Financial Products or Entitlements for the Holding of each Participant affected by the Fail;

(ca) adjust the net obligation to make payment to or net entitlement to receive payment from the Client Trust Account under Rule 10.10A for the relevant Settlement Participant affected by the Fail by reference to the Client Trust Receivable Amount or the Client Trust Deductible Amount specified in the ~~Single Entry~~Unilateral Batch Instruction (as applicable);

(c) remove the Batch Instruction or part of the Batch Instruction, as the case requires, from Batch Settlement on that Business Day;

(d) other than where the Batch Instruction is a CCP Derivatives Payment Batch Instruction, a CCP Market Trade Batch Instruction referred to in Rule 10.11.7(e) or a CCP Batch Instruction referred to in Rule 10.11.7A, if the Batch Instruction has been Failed in full, reschedule the Batch Instruction for settlement on the next Business Day;

(e) if the Batch Instruction is a CCP Market Trade Batch Instruction that has been Failed in full due to a Financial Products Shortfall under Rule 10.11.2(c) or 10.11.3(c), notify the Approved Clearing Facility;

(~~e~~f) if the Batch Instruction has been Failed in part:

(i) process the Batch Instruction in respect of that part of the Batch Instruction that is to be settled; ~~and~~

(ii) other than where the Batch Instruction is a CCP Market Trade Batch Instruction referred to in Rule 10.11.7(f)(iii) or a CCP Batch Instruction referred to in Rule 10.11.7A, reschedule that part of the Batch Instruction that is to be Failed, for settlement on the next Business Day; and

(iii) if the Batch Instruction is a CCP Market Trade Batch Instruction that has been Failed due to a Financial Products Shortfall under Rule 10.11.2(c) or 10.11.3(c), notify the Approved Clearing Facility; and

(g~~f~~) notify both Settlement Participants.

Where ASX Settlement has removed a CCP Market Trade Batch Instruction from Batch Settlement and notified that Failed CCP Batch Instruction to the Approved Clearing Facility under Rule 10.11.7(e) or Rule 10.11.7(f)(iii), ASX Settlement has no obligation in relation to that Instruction.

Note: In the case of CCP Market Trade Batch Instructions that have been Failed, notification of their removal occurs on a net basis across those CCP Market Trade Batch Instructions in respect of a Settlement Account of the Settlement Participant for a class of Financial Products and is identified through the generation of a CCP Rescheduled Batch Instruction or a CCP Offsetting Transaction Arrangement Batch Instruction in respect of those CCP Market Trade Batch Instructions.

Introduced 11/03/04 Origin SCH 7.28.1 Amended 28/04/14 Amended 25/05/2015

10.11.7A Failed CCP Batch Instructions due to Payment Shortfall settled through Offsetting Transaction Arrangements

A CCP Batch Instruction (where the CCP is ASX Clear) that has been Failed by ASX Settlement under Rule 10.19.9, 10.11.2, 10.11.3 or 10.11.4 due to a Payments Shortfall (or to limit a Settlement Participant's net obligation to make payment in respect of that Payment Facility to the amount notified under Rule 10.10.4(a)), will be:

(a) removed by ASX Settlement from Batch Settlement on that Business Day;

(b) notified to ASX Clear; and

(c) other than for the defaulting Clearing Participant, subject to set-off against entitlements and obligations under the first leg of an Offsetting Transaction Arrangement entered into in respect of the Failed CCP Batch Instruction under the ASX Clear Operating Rules.

Where ASX Settlement has removed a CCP Batch Instruction from Batch Settlement and notified that Failed CCP Batch Instruction to ASX Clear under this Rule 10.11.7A, ASX Settlement has no obligation in relation to that Instruction.

Introduced 28/04/14

10.11.8 Removing a re-scheduled Batch Instruction to RTGS [Deleted]

~~If, within the Scheduled Time:~~

~~(a) the parties to a Failed Batch Instruction (other than a CCP Net Batch Instruction) that has been rescheduled for settlement under Rule 10.11.7 and relates to a Batch Instruction that is eligible for Real Time Gross Settlement under Rule 11.1.1, Transmit a Valid Dual Entry Switch to RTGS Message to ASX Settlement; and~~

~~(b) the Messages are Matched,~~

~~ASX Settlement will remove the Batch Instruction from DvP Batch Settlement and process it in Real Time Gross Settlement under Rule 11.11, however:~~

~~(c) Each Settlement Participant acknowledges that ASX Settlement's ability to process a Dual Entry Switch to RTGS Message that requests removal of a Batch Instruction from DvP Batch Settlement on the Business Day on which the Message is Transmitted to ASX Settlement will depend on system processing demands in the Settlement Facility between Start of Day and Settlement Cut-off on that day.~~

~~(d) Despite any other Rule, while ASX Settlement will use reasonable endeavours to process any Message received in terms of this Rule 10.11.8, it will not be responsible for any failure to remove any such Batch Instruction from DvP Batch Settlement on that day.~~

~~*Note: It is not possible to switch a CCP Net Batch Instruction, once included in netting pursuant to the operating rules of an Approved Clearing Facility, to line-by-line settlement in RTGS.*~~

~~*Note: CHESS queuing processes for preparation of the daily net batch settlement will in the ordinary course have priority over messages requesting switches that are received close to Settlement Cut-off*.~~

Introduced 11/03/04 Origin SCH 7.28.5, 7.28.6

10.11.9 Consequences of Failing a Batch Instruction for value that is not a CCP ~~Net~~ Batch Instruction

If a Batch Instruction for value that is not a CCP ~~Net~~ Batch Instruction is Failed, ASX Settlement will adjust the net obligation to make payment and the net entitlement to

receive payment of each Settlement Participant by reference to the Settlement Amount specified in the Batch Instruction.

Introduced 11/03/04 Origin SCH 7.28.3

10.11.10 Consequences of Failing a Batch Instruction for value that is a CCP ~~Net~~ Batch Instruction

If a Batch Instruction for value that is a CCP ~~Net~~ Batch Instruction is Failed, ASX Settlement will adjust the net obligation to make payment and the net entitlement to receive payment of each Settlement Participant by reference to the Settlement Amount notified to ASX Settlement by the CCP.

Introduced 11/03/04

10.11.11 Fee for Failed Batch Instruction

If a Batch Instruction is Failed under Rule 10.11.2, the delivering Settlement Participant is liable to pay a fee calculated in accordance with the Fees and Charges Schedule.

Note: The effect of Rule 10.11.11 is to cause fail administration fees to be levied only against those Participants that enter the Batch Settlement process with net short positions. It does not cause fail administration fees to be levied against those Participants whose obligations to deliver Financial Products are Failed under Rule 10.11.3 as a result of other Participants Failing to deliver Financial Products to them during the Batch Settlement process.

Introduced 11/03/04 Origin SCH 7.28.4 Amended 30/03/09

10.11.12 Automatic Close Out

Notwithstanding any other provision of these Rules, if a Failed Settlement Shortfall exists in relation to either:

(a) a Source Holding; or

(b) during an Ex Period, a Cum Entitlement Balance for a Source Holding,

specified in a Rescheduled Batch Instruction at the Scheduled Time on the second Business Day after the day on which the Rescheduled Batch Instruction was originally scheduled for settlement, the delivering Settlement Participant must either:

(c) close out the Failed Settlement Shortfall on the next Business Day (or if that is not a Trading Day, the next Trading Day) by entering into one or more transactions, or causing a Market Participant to enter into one or more transactions on its behalf, on a market conducted by an Approved Market Operator, to acquire the number of Financial Products of the relevant class equal to the Failed Settlement Shortfall; or

(d) acquire under a securities lending arrangement the number of Financial Products of the relevant class equal to the Failed Settlement Shortfall and deliver those Financial Products pursuant to the Rescheduled Batch Instruction no more than two Business Days later.

Note: The effect of Rule 10.11.12 is to impose a close out obligation only on those Participants that enter the Batch Settlement process with a net short position where the resulting settlement shortfall remains after Batch Settlement is completed two Business Days later. It does not impose a close out obligation on those Participants whose obligations to deliver Financial Products are Failed under Rule 10.11.3 as a result of other Participants Failing to deliver Financial Products to them during the Batch Settlement process.

Introduced 30/03/09

10.12 SETTLEMENT

10.12.1 Settlement

If, within the Scheduled Time, ASX Settlement is satisfied, having regard to Batch Instructions that have Failed, that:

(a) (i) each Source Holding; and

(ii) during an Ex Period, each Cum Entitlement Balance for a Source Holding,

specified in a Batch Instruction included in Batch Settlement on that Business Day will not give rise to a Financial Products Shortfall;

(b) each Payment Facility identified in a Batch Instruction included in Batch Settlement on that Business Day will not give rise to a Payment Shortfall;

(c) each Payments Provider has registered payment instructions in the CHESS Payments Provider User Group in accordance with the terms of the Standard Payments Provider Deed; and

(d) DvP Declaration has been given to ASX Settlement by:

(i) the Bank; or

(ii) where ASX Settlement any time acts in the capacity of Bank, by the Reserve Bank of Australia as administrator of RITS,

for that Business Day,

ASX Settlement will:

(e) Transfer Financial Products in accordance with those Batch Instructions by:

(i) in the case of a Batch Instruction other than a CCP ~~Net~~ Batch Instruction, simultaneously generating Communications that:

A. deduct the number of Financial Products specified in each Batch Instruction from the Source Holding specified in each Batch Instruction; and

B. enter the number of Financial Products specified in each Batch Instruction into the Target Holding specified in each Batch Instruction; and

(ii) unless an Approved Clearing Facility notifies ASX Settlement that it is entitled to acquire title in the Financial Products, in the case of a CCP ~~Net~~ Batch Instruction, simultaneously generating Communications that transfer title directly from Source Holdings controlled by delivering Settlement Participants to those Target Holdings controlled by Receiving Settlement Participants in the manner contemplated by Rule 10.12.4(b);

(f) record the net effect of those Transfers by:

(i) offsetting the number of Financial Products, if any, that are entered into a Holding by virtue of a Communication against the number of Financial Products, if any, that are deducted from the same Holding by virtue of a Communication; and

(ii) recording the offsetting number as a movement of Financial Products against that Holding; and

(g) cause a DvP Notification to be sent to each Payments Provider that operates a Payment Facility identified in a Batch Instruction settled on that Business Day.

Note: A Communication generated by ASX Settlement under Rule 10.12.1(e) in relation to quoted financial products is a proper ASTC transfer for the purposes of the Corporations Act.

Introduced 11/03/04 Origin SCH 7.29.1 Amended 23/10/09

10.12.2 Settlement Transfer attributable to Settlement Participants

A Settlement Transfer in respect of each Batch Instruction included in Batch Settlement for a particular Business Day:

(a) is taken to be effected in respect of each Batch Instruction by the Communication generated by ASX Settlement under Rule 10.12.1(e);

(b) is taken to be effected in respect of each Batch Instruction when ASX Settlement generates that Communication under Rule 10.12.1(e); and

(c) is taken to be effected by:

(i) in the case of a CCP ~~Net~~ Batch Instruction which specifies a ~~net~~ number of Financial Products to be delivered by a Settlement Participant to CCP, that Settlement Participant;

(ii) in the case referred to in Rule 10.12.3, by each Settlement Participant identified by that Rule;

(iii) in any other case, the delivering Settlement Participant.

Introduced 11/03/04 Origin SCH 7.29.2

10.12.3 When transfer of Financial Products is effected

Where:

(a) a CCP ~~Net~~ Batch Instruction requires that a specified ~~net~~ number of Financial Products in a class of Financial Products be delivered by CCP to a receiving Settlement Participant on a particular Business Day is effected in accordance with Rule 10.12.1(e); and

(b) ASX Settlement deducts, or is taken by virtue of Rule 10.12.4 to have deducted, Financial Products of the same class from a Source Holding of one or more delivering Settlement Participants on the same Business Day in satisfaction of the delivering Settlement Participants' respective obligations to deliver Financial Products of that class on that Business Day under CCP ~~Net~~ Batch Instructions,

a transfer of the number of Financial Products deducted from each delivering Settlement Participant's Source Holding is taken to have been effected by the delivering Settlement Participant when ASX Settlement generates the Communication which deducts the Financial Products from that Source Holding.

Introduced 11/03/04 Origin SCH 7.29.3

10.12.4 CCP ~~Net~~ Batch Instructions

Where a CCP ~~Net~~ Batch Instruction is effected under Rule 10.12.2(c)(ii):

(a) CCP's obligation is discharged by effecting settlement in accordance with these Rules;

(b) title is taken to pass to Target Holdings controlled by receiving Settlement Participants directly from those Source Holdings controlled by delivering Settlement Participants from which Financial Products are deducted (or taken under Rule 10.12.1(e) to be deducted), and CCP is not taken to acquire title at any stage; and

(c) each Communication by which a Transfer of Financial Products is taken to be effected under Rules 10.12.1(e), 10.12.2 and 10.12.3 is deemed to include, in respect of the Transfer of the Financial Products specified in those Rules, the PID of the delivering Settlement Participant who is taken by virtue of those Rules to have effected the Transfer.

Introduced 11/03/04 Origin SCH 7.29.4 Amended 31/03/04

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10.12.8 Settlement on each Business Day

Subject to Rule 10.14.1, on~~On~~ each Business Day, ASX Settlement must settle Batch Instructions included in Batch Settlement on that day under this Rule 10.12.

Introduced 01/05/07

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10.13 DISCHARGE OF SETTLEMENT OBLIGATIONS

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10.13.2 Discharge of Settlement obligations for Batch Instructions for value

If ASX Settlement causes a DvP Notification to be sent to each Payments Provider under Rule 10.12.1(g):

(a) each obligation to make a payment under a Batch Instruction included in DvP Batch Settlement:

(i) is discharged irrevocably in full if the Batch Instruction is settled in full; or

(ii) is discharged irrevocably to the extent of the amount paid if the Batch Instruction is settled in part;

(b) each entitlement to receive a payment under a Batch Instruction included in DvP Batch Settlement:

(i) is satisfied irrevocably in full if the Batch Instruction is settled in full; or

(ii) is satisfied irrevocably to the extent of the amount received if the Batch Instruction is settled in part;

(c) each obligation to make a payment under a Payment Batch Instruction included in Batch Settlement:

(i) is discharged irrevocably in full if the Payment Batch Instruction is settled in full; or

(ii) is discharged irrevocably to the extent of the amount paid if the Payment Batch Instruction is settled in part; and

(d) each entitlement to receive a payment under a Payment Batch Instruction included in Batch Settlement:

(i) is satisfied irrevocably in full if the Payment Batch Instruction is settled in full; or

(ii) is satisfied irrevocably to the extent of the amount received if the Payment Batch Instruction is settled in part.

If ASX Settlement, in accordance with a Batch Instruction which initiates a Foreign to Foreign Allocation, Transfers Financial Products to a Target Holding pursuant to Rule 10.12.1(e) and the Target Holding has a Residency Indicator of foreign (as identified in the User Technical Documentation)~~"F"~~, those Financial Products will have the status of Confirmed FOR Financial Products.

Introduced 11/03/04 Origin SCH 7.30.2, 7.30A

10.13.3 Notifications relating to~~of~~ Settlement

(a) Within the Scheduled Time, ASX Settlement will notify a Settlement Participant of:

~~(a) each Batch Instruction that has been settled in Batch Settlement on that Business Day, whether in full or in part; and~~

~~(b) if a Batch Instruction has been settled in part in Batch Settlement on that Business Day, the extent to which that Batch Instruction has been settled,~~

~~to which the Settlement Participant is a party; and~~

(i~~c~~) the net movement of Financial Products and funds for each Holding controlled by the Settlement Participant in accordance with the Procedures; and

(ii~~d~~) the net movement of funds for each Payment Facility held in the name, or operated for the benefit, of the Settlement Participant.

(b) For the purpose of the notification provided under Rule 10.13.3(a)(i), the net movement of Financial Products and funds in respect of CCP Market Trade Batch Instructions will include any Financial Products in a Holding or Settlement Amounts that were specified in a CCP Market Trade Batch Instruction which has been Failed, in full or in part, either due to a:

(i) Financial Products Shortfall, and in respect of which a CCP Rescheduled Batch Instruction has been generated; and

(ii) Payment Shortfall (or to limit the Settlement Participant's net obligation to make payment in respect of a Payment Facility to the amount notified under Rule 10.10.4(a)), and in respect of which a CCP Offsetting Transaction Arrangement Batch Instruction has been generated.

(c) For the purpose of the notification provided under Rule 10.13.3(a)(i), the net movement of Financial Products and funds in respect of CCP Market Trade Batch Instructions will include any Financial Products in a Holding or Settlement Amounts that were specified in a CCP Market Trade Batch Instruction which has been suspended by ASX Settlement under Rule 8.5.1 and in respect of which a CCP Rescheduled Batch Instruction has been generated.

(d) If a Settlement Participant has not been notified by ASX Settlement that a Batch Instruction due for settlement on that Business Day has been Failed in full under Rule 10.9.18, 10.9.19, 10.11.2, 10.11.3, 10.11.4 or 10.11.5 or suspended in full under Rule 8.5.1, by the time the Settlement Participant receives a Message as to the completion of the Settlement Processing Phase under Rule 10.13.4, then:

(i) subject to Rule 10.13.3(d)(ii), that Batch Instruction is declared to have been settled in full in Batch Settlement on that Business Day; and

(ii) if the Settlement Participant has been notified by ASX Settlement that a Batch Instruction due for settlement on that Business Day has been

Failed in part under Rule 10.9.18, 10.9.19, 10.11.2, 10.11.3, 10.11.4 or 10.11.5 or suspended in part under Rule 8.5.1, that Batch Instruction is declared to have been settled in part in Batch Settlement on that Business Day to the extent that the Batch Instruction has not been Failed or suspended.

(e) For the purposes of paragraph (d) above, the notification to a Settlement Participant that CCP Market Trade Batch Instructions due for settlement on that Business Day have been Failed or suspended in full or in part will be on a net basis across those CCP Market Trade Batch Instructions by way of a CCP Rescheduled Batch Instruction or a CCP Offsetting Transaction Arrangement Batch Instruction (as applicable).

Note: The notifications referred to in this~~e~~ Rule 10.13 do not apply to obligations to make payment to or entitlements to receive payment from the Client Trust Account of the net amount notified by ASX Settlement under Rule 10.10A in respect of Client Trust Account Amount Messages scheduled for settlement on that Business Day. Payment to, or receipt from, the Client Trust Account of that net amount occurs separately to Batch Settlement and the Standard Payments Provider Deed.

To determine the net movement of Financial Products or funds for each Holding controlled by the Settlement Participant that were specified in CCP Batch Instructions scheduled for settlement on a Business Day, a Settlement Participant must read a Message sent under this Rule 10.13.3(a)(i) subject to any:

(a) CCP Rescheduled Batch Instruction generated by ASX Clear on that Business Day, in respect of CCP Market Trade Batch Instructions Failed due to a Financial Products Shortfall or suspended due to the suspension of approval of the underlying class of Financial Products on that Business Day; and

(b) CCP Offsetting Transaction Arrangement Batch Instruction generated by ASX Clear on that Business Day, to give effect to an Offsetting Transaction Arrangement entered into in respect of a CCP Batch Instruction Failed due to a Payment Shortfall (or to limit the Settlement Participant's net obligation to make payment in respect of a Payment Facility to the amount notified under Rule 10.10.4(a)) on that Business Day.

Introduced 11/03/04 Origin SCH 7.31.1 Amended 25/05/2015

10.13.4 Notification of completion of Settlement Processing Phase

On completion of the Settlement Processing Phase, ASX Settlement will send a Message to each Settlement Participant confirming that the Settlement Processing Phase is complete.

10.14 CANCELLATION OF SETTLEMENT

10.14.1 Cancellation of Batch Settlement

If:

(a) there is an Emergency Situation (as defined in the Standard Payments Provider Deed); or

(b) ASX Settlement is of the opinion that DvP Declaration cannot be achieved; or

(c) ASX Settlement, in its capacity of Bank, has reasonable grounds for believing that a payment to be made to the CHESS Clearing Account by a Payments Provider would, if the Payments Provider were subsequently wound up, be voidable under section 588FE of the Corporations Act,

ASX Settlement may cancel Batch Settlement for that Business Day.

Note: Settlement Participants should note that any of the following events may trigger the application of this Rule 10.14.1. These events may affect ASX Settlement directly (i.e. where it acts in the capacity of Bank) or indirectly (i.e. where ASX Settlement does not act as Bank but its arrangements with the Bank recognise that the Bank is not obliged to proceed with settlement on any of these events occurring):

(a) The Reserve Bank of Australia has directed the Bank not to proceed with settlement.

(b) The Bank would breach a law, regulation or official directive which has the force of law if the Bank proceeded with settlement.

(c) An insolvency event occurs and continues to subsist in relation to a settling Payments Provider which is due to make a payment to the CHESS Clearing Account on the settlement day.

(d) The Bank has reasonable grounds for believing that a payment to be made to the CHESS Clearing Account by a settling Payments Provider on the settlement day would, if the settling Payments Provider were subsequently wound up, be voidable under section 588FE of the Corporations Law.

Introduced 11/03/04 Origin SCH 7.32.1

10.14.2 Notice by ASX Settlement of cancellation of Batch Settlement

If ASX Settlement cancels Batch Settlement under Rule 10.14.1, ASX Settlement will within the Scheduled Time:

(a) notify:

(i) each Settlement Participant; and

(ii) each Payments Provider;

involved in Batch Settlement on that Business Day of the cancellation; and

(iii) the Approved Clearing Facility; and

(b) reschedule all Batch Instructions other than CCP Derivatives Payment Batch Instructions and CCP Market Trade Batch Instructions that were included in Batch Settlement on that Business Day, for settlement on the next Business Day.

For CCP Market Trade Batch Instructions scheduled for settlement on the date that ASX Settlement cancels batch settlement under Rule 10.14.1, ASX Settlement has no obligations in relation to those Instructions.

Note: Where there are CCP Market Trade Batch Instructions scheduled for settlement on the date that ASX Settlement cancels batch settlement under Rule 10.14.1, ASX Clear will generate CCP Rescheduled Batch Instructions in accordance with Rule 12.6.2B of the ASX Clear Operating Rules in respect of those CCP Market Trade Batch Instructions for settlement on the next Business Day.

Introduced 11/03/04 Origin SCH 7.32.2

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10.16 SUSPENSION OR TERMINATION OF A PAYMENTS PROVIDER

10.16.1 ASX Settlement's powers where Payments Provider terminated

If ASX Settlement suspends or terminates a Payments Provider in accordance with the Standard Payments Provider Deed, ASX Settlement may:

(a) (i) suspend any Batch Instruction included in DvP Batch Settlement;

(ii) suspend any Batch Instruction for inclusion in DvP Batch Settlement subsequently received from a Participant;

(iii) suspend any Payment Batch Instruction included in Batch Settlement; or

(iv) suspend any Payment Batch Instruction subsequently received from a Participant,

that would affect a Payment Facility held in the name, and operated for the benefit, of any Settlement Participant that is a customer of the suspended Payments Provider;

(aa) suspend any ~~Single Entry~~Unilateral Batch Instruction included in Batch Settlement or any ~~Single Entry~~Unilateral Batch Instruction for inclusion in Batch Settlement subsequently received from a Participant in respect of a Client Trust Account Amount Message;

(b) on each Business Day that those Batch Instructions remain suspended, reschedule all instructions other than CCP Derivatives Payment Batch

Instructions or CCP Batch Instructions referred to in Rule 10.16A for settlement on the next Business Day; and

(c) cancel any Batch Instruction that remains suspended on the 10th Business Day after the Payments Provider is suspended or terminated.

Introduced 11/03/04 Origin SCH 7.33A Amended 28/04/14 Amended 25/05/2015

10.17 SETTLEMENT SUBJECT TO ENTITLEMENTS AND ADJUSTMENTS

10.17.1 Financial Products Distributions

If a Parent Batch Instruction:

(a) is scheduled to settle on a Cum Entitlement basis;

(b) has an Entitlement to:

(i) a bonus issue;

(ii) a non-renounceable entitlement;

(iii) a renounceable rights issue; or

(iv) a distribution in specie,

(c) does not settle in full by End of Day on the Record Date for the Corporate Action,

ASX Settlement will within the Scheduled Time:

(d) generate an Accrued Batch Instruction; and

(e) notify the Accrued Batch Instruction to each affected Settlement Participant.

Introduced 11/03/04 Origin SCH 7.34.1

10.17.2 Accrued Batch Instructions

A Settlement Transfer may be initiated by an Accrued Batch Instruction which contains the details specified in the Procedures.

Introduced 11/03/04 Origin SCH 7.34.2, 7.34.3

10.17.3 Authority to ASX Settlement

The delivering Settlement Participant under an Accrued Batch Instruction authorises ASX Settlement to initiate a Settlement Transfer in accordance with the Accrued Batch Instruction and these Rules.

Introduced 11/03/04 Origin SCH 7.34.4

10.17.4 Number of Financial Products to be Transferred

The number of Financial Products to be Transferred by an Accrued Batch Instruction must be equal to the number of Entitlements that relate to the number of outstanding Financial Products specified in the Parent Batch Instruction at End Of Day on the Record Date for the Corporate Action.

Introduced 11/03/04 Origin SCH 7.34.5 Amended 18/12/06

10.17.5 Calculation of Settlement Amount

The Settlement Amount of an Accrued DvP Batch Instruction will be zero. ~~must be calculated by multiplying the adjustment per unit of Financial Product notified by the Approved Listing Market Operator by the number of Financial Products to be Transferred by the Accrued DvP Batch Instruction.~~

Introduced 11/03/04 Origin SCH 7.34.6 Amended 27/06/11

10.17.6 ASX Settlement to reduce Settlement Amount [Deleted]

~~ASX Settlement will reduce the Settlement Amount of a Parent DvP Batch Instruction by an amount equal to the Settlement Amount of the related Accrued DvP Batch Instruction.~~

Introduced 11/03/04 Origin SCH 7.34.7

10.17.7 Calculation of Settlement Date

ASX Settlement will calculate the Settlement Date for an Accrued Batch Instruction in accordance with the relevant operating rules of the Approved Listing Market Operator.

Introduced 11/03/04 Origin SCH 7.34.8 Amended 27/06/11

10.18 CASH DISTRIBUTIONS

10.18.1 Cash distributions for Parent DvP Batch Instructions

If a Parent DvP Batch Instruction:

(a) is scheduled to settle on a Cum Entitlement basis;

(b) has an Entitlement to:

(i) a dividend;

(ii) interest; or

(iii) a capital return; and

(c) does not settle in full by End of Day on the Record Date for the Corporate Action,

ASX Settlement will within the Scheduled Time:

(d) calculate a Settlement Adjustment by multiplying the adjustment per unit of Financial Product notified by the Approved Listing Market Operator by the number of outstanding Financial Products specified in the Parent DvP Batch Instruction at End of Day on the Record Date for the Corporate Action;

(e) reduce the S~~s~~ettlement Amount of the Parent Batch Instruction by ~~a~~ the Settlement Adjustment; and

(f) notify the Settlement Adjustment to each Settlement Participant.

Introduced 11/03/04 Origin SCH 7.35.1, 7.35.2 Amended 27/06/11

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10.20 BUYER'S RIGHT TO LAPSE ENTITLEMENT TO RENOUNCEABLE RIGHTS

10.20.1 Receiving Settlement Participant may give Notice

If a receiving Settlement Participant has not received Financial Products from a delivering Settlement Participant in Batch Settlement on the second Business Day before the Business Day on which ASX Settlement ceases to process Transfers before application money for a renounceable rights issue falls due, the receiving Settlement Participant may, within the Scheduled Time, give Notice to the delivering Settlement Participant that it does not require the renounceable rights to be taken up on its behalf. If the receiving Settlement Participant gives such Notice, the receiving Settlement Participant must, within the Scheduled Time:

(a) Transmit a Valid Message requesting cancellation of the Parent Batch Instruction to ASX Settlement; and

(b) if the Parent Batch Instruction is a Parent DvP Batch Instruction, pay the delivering Settlement Participant an amount equal to the Settlement Amount of the Parent DvP Batch Instruction,

and the delivering Settlement Participant must Transmit a Valid Message requesting cancellation of the Parent Batch Instruction to ASX Settlement by the Scheduled Time. This Rule 10.20 does not apply to Parent Batch Instructions that are CCP Batch Instructions.

Note: In the case of CCP Batch Instructions where the receiving Settlement Participant seeks to achieve an outcome provided for under this Rule, it will need to do so through the generation of CCP Isolate Counterparty Batch Instructions pursuant to the isolate counterparty functionality applicable under the ASX Clear Operating Rules and the cancellation of such CCP Isolate Counterparty Batch Instructions by agreement with the relevant delivering Settlement Participant(s) under Rule 10.9.1.

10.21 CASH ADJUSTMENTS FOR NO LIABILITY CALLS, OPTIONS AND CONVERTIBLE NOTES

10.21.1 Parent Batch Instruction

If a Parent Batch Instruction:

(a) is scheduled to settle before End of Day on the last Business Day that ASX Settlement will process Transfers before:

(i) a call for no liability company falls due;

(ii) the final date for the exercise of company issued options; or

(iii) the final date for the conversion of convertible Financial Products;

(b) does not settle in full by End of Day on that Business Day; and

(c) both Settlement Participants have agreed that settlement will be effected by a Transfer of the Financial Products that result from the:

(i) call;

(ii) exercise; or

(iii) conversion,

then each Settlement Participant must Transmit ~~a~~ Valid Messages to ASX Settlement by the Scheduled Time ~~requesting~~ which in effect ~~a~~ change ~~to~~ the Parent Batch Instruction through the cancellation of the Parent Batch Instruction and the generation of a new Batch Instruction with the revised details to reflect the number and class of Financial Products that are to be Transferred as a result of the call, exercise or conversion. This Rule 10.21 does not apply to Parent Batch Instructions that are CCP Batch Instructions.

Note: Depending upon the nature of the Corporate Action, it may be necessary to change the number and class of Financial Products, the Settlement Amount and the Settlement Date. In the case of a call or an exercise of an option, the delivering Settlement Participant is entitled to be paid the relevant call or exercise money by the receiving Settlement Participant before making an application to the Issuer to take up the resulting Financial Products.

In the case of CCP Batch Instructions where the receiving Settlement Participant seeks to achieve an outcome provided for under this Rule, it will need to do so through the generation of CCP Isolate Counterparty Batch Instructions pursuant to the isolate counterparty functionality applicable under the ASX Clear Operating Rules and the cancellation of such CCP Isolate Counterparty Batch Instructions by agreement with the relevant delivering Settlement Participant(s) under Rule 10.9.1 and the generation of new Batch Instruction(s) by agreement with those delivering Settlement Participant(s).

Introduced 11/03/04 Origin SCH 7.38.1

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SECTION 11 REAL TIME GROSS SETTLEMENT

A General Settlement Participant may settle Instructions in the Settlement Facility in Batch Settlement or Real Time Gross Settlement. Real Time Gross Settlement is governed by Section 11 of these Rules. Batch Settlement is governed by Section 10.

Real Time Gross Settlement involves the settlement of RTGS Instructions. RTGS Instructions~~may~~ include~~be~~ ~~CCP Gross Batch Instructions, Dual Entry~~Bilateral Demand Settlement ~~Batch~~ Instructions~~or Direct Batch Instructions that are eligible to be switched to Real Time Gross Settlement~~.

In addition to determining the eligibility of Instructions to be included in Real Time Gross Settlement the purpose of this Section is to set out Rules relating to the operation of Real Time Gross Settlement in the Settlement Facility including:

(a) the basis on which General Settlement Participants can act in respect of RTGS Settlement;

(b) payment arrangements for RTGS Settlement;

~~(c) the transfer and switch of Instructions between RTGS Settlement and Batch Settlement;~~

(c~~d~~) the requirements to be met for RTGS Instructions;

(d~~e~~) the ~~change to or~~ suspension and cancellation of RTGS Instructions;

(e~~f~~) RTGS Settlement processing;

~~(g) testing criteria including in relation to Financial Products and Debit Caps;~~

(f~~h~~) discharge of settlement obligations; and

(g~~i~~) failing of RTGS Instructions.

11.1 ELIGIBILITY OF INSTRUCTIONS FOR RTGS SETTLEMENT

11.1.1 Eligible Instructions

An Instruction is eligible for Real Time Gross Settlement under Section 11 if it is within a class of Instructions specified by ASX Settlement in the Procedures from time to time.~~, in accordance with the EIS, it may be processed for Real Time Gross Settlement and:~~

~~(a) it is not within a class of Instruction that has been determined as ineligible for, or has been removed from, Real Time Gross Settlement under Rule 11.1.2; and~~

~~(b) in the case of a DvP RTGS Instruction, it relates to RTGS Eligible Financial Products.~~

Introduced 11/03/04 Origin SCH 7A.1.1A

11.1.2 Non eligible classes of Instructions

ASX Settlement may at any time ~~determine that a class of Instructions is not eligible for Real Time Gross Settlement in CHESS, or may at any time~~ remove a class of Instructions from Real Time Gross Settlement if:

(a) ASX Settlement forms the reasonable opinion that Real Time Gross Settlement of the class of Instructions is unlikely to be commercially viable for ASX Settlement;

(b) ASX Settlement reasonably considers it necessary in order to maintain the orderly operation or integrity of the Settlement Facility or the efficiency of Real Time Gross Settlement in CHESS;

(c) it is requested to do so by an Approved Market Operator in accordance with the Terms of Trade Acceptance Service, or by an Approved Clearing Facility, in order to ensure the efficiency, integrity or proper functioning of that market or facility; or

(d) it is requested to do so by the Reserve Bank of Australia in order to ensure the proper functioning of RITS/RTGS.

Introduced 11/03/04 Origin SCH 7A.1.2 Amended 27/06/11

11.1.3 Notice given in relation to non eligible classes of Instructions

If ASX Settlement ~~makes a determination or~~ removes a class of Instructions from Real Time Gross Settlement under Rule 11.1.2, ASX Settlement must give Notice of the ~~determination or~~ removal to RTGS Participants.~~:~~

~~(a) the person that applied for admission of the relevant Approved Financial Products, giving reasons for the determination or removal; and~~

~~(b) Participants.~~

Introduced 11/03/04 Origin SCH 7A.1.3

11.2 APPEALS AGAINST RTGS DETERMINATIONS [DELETED]

11.2.1 Appeal Notices [Deleted]

~~The relevant person or any Participant (as applicable) may appeal against the decision of ASX Settlement to:~~

~~(a) not admit a class of Instructions into Real Time Gross Settlement; or~~

~~(b) remove a class of Instructions from Real Time Gross Settlement,~~

~~in accordance with the provisions of the ASX Enforcement and Appeals Rulebook.~~

Introduced 11/03/04 Origin SCH 7A.1.4 Amended 31/03/08, 01/08/10

11.2.2 Appeal Notice given to Appeal Tribunal – [Deleted]

Introduced 11/03/04 Origin SCH 7A.1.5 Deleted 31/03/08

11.2.3 Convening and conduct of Appeal Tribunal – [Deleted]

Introduced 11/03/04 Origin SCH 7A.1.6 Deleted 31/03/08

11.2.4 Decisions of Appeal Tribunal – [Deleted]

Introduced 11/03/04 Origin SCH 7A.1.7 Deleted 31/03/08

11.2.5 Appeal Tribunal decisions binding – [Deleted]

Introduced 11/03/04 Origin SCH 7A.1.8 Deleted 31/03/08

11.3 RTGS MANDATORY INSTRUCTIONS [DELETED]

11.3.1 Consultation with the Reserve Bank of Australia [Deleted]

~~After consultation with the Reserve Bank of Australia, ASX Settlement may determine that, in order to address settlement risk in the Settlement Facility reasonably and appropriately, a particular class of Instruction (which may, but need not, be classified in terms of value) will, to the extent it settles in the Settlement Facility after a date specified by ASX Settlement, settle on a Real Time Gross Settlement basis.~~

Introduced 11/03/04 Origin SCH 7A.1.9

11.3.2 Delivering Financial Products in RTGS [Deleted]

~~Subject to Rule 11.3.3, each Participant that is obliged to deliver or receive Financial Products that are RTGS Eligible, and the obligation is in respect of an Instruction that is RTGS Mandatory, must deliver or receive those Financial Products in Real Time Gross Settlement in accordance with this Section 11.~~

~~*Note: the effect of Rule 11.3 is that Real Time Gross Settlement is optional in CHESS except for any class of Instruction that ASX Settlement declares to be RTGS Mandatory.*~~

Introduced 11/03/04 Origin SCH 7A.1.10

11.3.3 Alternative Settlement Facility [Deleted]

~~If a Participant that is obliged to deliver or receive Financial Products:~~

~~(a) wishes to use a facility provided by an Alternative Settlement Facility other than the Settlement Facility to settle an Instruction that is RTGS Mandatory; and~~

~~(b) obtains the consent of the counterparty to the Instruction,~~

~~the Participant may:~~

~~(c) deliver or receive the Financial Products using a Demand Transfer in accordance with Section 9 of these Rules; and~~

~~(d) use the Alternative Settlement Facility to settle that Instruction.~~

Introduced 11/03/04 Origin SCH 7A.1.11 Amended 18/12/06

11.4 RTGS ADMINISTRATION OF AND PARTICIPATION IN REAL TIME GROSS SETTLEMENT

11.4.1 ASX Settlement as administrator

ASX Settlement is the administrator of Real Time Gross Settlement in CHESS.

Introduced 11/03/04 Origin SCH 7A.2.1

11.4.2 Participants eligible to participate in Real Time Gross Settlement in CHESS

A Participant is only eligible to participate in the Real Time Gross Settlement of Instructions in CHESS if it is an RTGS Participant.

Introduced 11/03/04 Origin SCH 7A.2.2

11.4.3 RTGS Participants must have an RTGS Payments Provider

An RTGS Participant must ensure that, for the purposes of irrevocably settling Payment Obligations in connection with RTGS Instructions, it has at all times:

(a) an RTGS Payments Provider (which may, but need not, be the same Payments Provider it utilises for the purposes of DvP Batch Settlement); ~~and~~

(b) at least one Payment Facility with an RTGS Payments Provider; and~~.~~

(c) a bank account, referable to that Payment Facility, with the RTGS Payments Provider which is available for use by the RTGS Participant to settle RTGS Instructions and the RTGS Participant:

(i) must give ASX Settlement notice of the prescribed particulars of that bank account; and

(ii) may by giving ASX Settlement notice, amend any of those prescribed particulars.

Introduced 11/03/04 Origin SCH 7A.2.4

11.4.4 RTGS Payments Provider

An RTGS Payments Provider:

(a) participates in that capacity in the Real Time Gross Settlement of Instructions in CHESS to the extent it performs, in accordance with Section 11, any Payment Obligation owed by an RTGS Participant; and

(b) may also be a Participant and may participate in Real Time Gross Settlement in CHESS in either capacity.

A Payments Provider is not permitted to participate in RTGS, unless it is also an RTGS Payments Provider.

Introduced 11/03/04 Origin SCH 7A.2.3, 7A.2.5

11.5 RTGS PARTICIPANTS~~ESTABLISHING AND MODIFYING NET POSITION RECORDS~~

11.5.1 Requirements to become an RTGS Participant~~Activating a Net Position Record~~

A Participant may participate in Real Time Gross Settlement in the capacity of an RTGS Participant, if it~~For each Participant that~~:

(a) is a General Settlement Participant; and

~~(b) has requested ASX Settlement to establish at least one Net Position Record to facilitate Real Time Gross Settlement; and~~

(b~~c~~) is RTGS Accredited.~~,~~

~~ASX Settlement must, on receipt of a Valid Message Transmitted by an RTGS Payments Provider in accordance with Rule 11.5.3:~~

~~(d) activate a Net Position Record linked to at least one RTGS Account Identifier; and~~

~~(e) allow that Participant to settle RTGS Instructions in the capacity of an RTGS Participant in Real Time Gross Settlement.~~

Introduced 11/03/04 Origin SCH 7A.4.1

11.5.2 RTGS Accredited Participants

To be RTGS Accredited, a Participant must, to the reasonable satisfaction of ASX Settlement~~, as shown by RTGS Pre-commencement Testing, meet the RTGS Participation Requirements.~~

(a) meet the requirements of Rule 11.4.3;

(b) be accredited to use the Messages relating to Bilateral Demand Settlement Instructions required to participate as an RTGS Participant; and

(c) meet any requirements set out in the Procedures.

Introduced 11/03/04 Origin SCH 7A.4.2

11.5.3 Authorisation by RTGS Payments Providers required for activation of a Net Position Record [Deleted]

~~ASX Settlement will not activate a Net Position Record for a Participant until an RTGS Payments Provider has confirmed to ASX Settlement, in the form prescribed by ASX Settlement, that that Payments Provider authorises:~~

~~(a) a Net Position Record being:~~

~~(i) activated with the attributes requested by the Participant under Rule 11.9.1; and~~

~~(ii) linked to a Payment Facility maintained or to be maintained by it for that Participant~~

~~(b) a Cash Sub-record being established under that Net Position Record, linked to an account designated by the RTGS Account Identifier nominated by that Participant; and~~

~~(c) the Payment Facility linked to the activated Net Position Record being available to settle any payment obligation identified in an Accrued RTGS Instruction that ASX Settlement generates in accordance with Rule 11.31.1 in connection with a Parent RTGS Instruction:~~

~~(i) to which the Participant is a counterparty; and~~

~~(ii) which is Recorded for Real Time Gross Settlement.~~

~~*Note: An Accrued RTGS Instruction usually involves a low value payment and in the normal course will be settled in DvP Batch Settlement under Section 10, but using the Payment Facility used in RTGS to settle the Parent RTGS Instruction.*~~

Introduced 11/03/04 Origin SCH 7A.4.3

11.5.4 Requirements for an active Net Position Record [Deleted]

~~An active Net Position Record must be:~~

~~(a) linked to one, but not more than one without ASX Settlement's permission, Payment Facility; and~~

~~(b) linked to at least one Cash Sub record which is linked to an RTGS Account Identifier.~~

Introduced 11/03/04 Origin SCH 7A.4.4, 7A.4.5, 7A.4.6, 7A.4.7

11.6 RTGS PAYMENTS PROVIDERS

11.6.1 Requirements for RTGS Payments Providers

A person may participate in Real Time Gross Settlement in CHESS in the capacity of an RTGS Payments Provider, if it:

(a) is a Payments Provider;

(b) is able to comply with the obligations of an RTGS Payments Provider as contemplated by the Rules;

(c) does not adversely affect the integrity or orderly operation of, or introduce significant new risk into, the Settlement Facility;

(d) is able to meet any technical and performance requirements prescribed by ASX Settlement to ensure that an RTGS Payments Provider maintains effective and efficient communications with ASX Settlement for the purposes of Real Time Gross Settlement;

(e) has applied to participate in the capacity of an RTGS Payments Provider in the form prescribed by ASX Settlement from time to time; and

(f) provides such information as ASX Settlement requires to demonstrate the applicant satisfies the criteria specified in the Rules.

Introduced 11/03/04 Origin SCH 7A.3.1, 7A.3.1A

11.6.2 Liability of RTGS Payments Provider

An RTGS Payments Provider assumes rights and incurs obligations in that capacity under the Rules in its own right and not as trustee for, or agent on behalf of, any other person.

Introduced 11/03/04 Origin SCH 7A.3.1

11.6.3 Application~~s~~ to participate as an RTGS Payments Provider

In respect of an application to participate in Real Time Gross Settlement in CHESS in the capacity of an RTGS Payments Provider under Rule 11.6.1:

(a) ASX Settlement may assume the correctness of any representation or warranty made by any applicant and is not required to conduct independent enquiries or verification;

(b) if the applicant satisfies all applicable participation criteria (including execution and delivery of the application in a manner satisfactory to ASX Settlement), ASX Settlement will admit a person to Real Time Gross Settlement in CHESS in the capacity of an RTGS Payments Provider; and

(c) if ASX Settlement rejects an application, it must notify the applicant within 30 days of determining not to accept an application, including the reasons for rejection of the application.

Introduced 11/03/04 Origin SCH 7A.3.1A, 7A.3.1B, 7A.3.1C

11.6.4 Covenants by RTGS Payments Providers

Each RTGS Payments Provider covenants with ASX Settlement, each Facility User and each other RTGS Payments Provider for the time being:

(a) to observe the Rules and the requirements of the User Technical Documentation~~EIS~~, to the extent and in the manner provided;

(b) in the capacity of a member of RITS/RTGS, to comply with the RITS Regulations, to the extent they apply or purport to apply to Instructions initiated in, and sent to RITS/RTGS from, CHESS; and

(c) as regards ASX Settlement and each RTGS Participant for which it maintains a Payment Facility, to bear risk of loss to the RTGS Payments Provider arising in connection with any breach of the RITS Regulations by any financial institution (including the RTGS Payments Provider) that is a member of RITS/RTGS or the Reserve Bank of Australia as operator of RITS/RTGS, relating to the settlement of a Payment Obligation, and

each RTGS Payments Provider acknowledges that its participation in Real Time Gross Settlement in CHESS constitutes its acceptance of the matters set out in paragraphs (a)-(c) inclusive.

Introduced 11/03/04 Origin SCH 7A.3.2

11.6.5 Communications between ASX Settlement and an RTGS Payments Provider

For the purposes of the operation of Real Time Gross Settlement in CHESS, ~~the Procedures in relation to Rule 4.7 and~~ each of Rules 1.10.1, 1.10.4, 16.1, 16.3, 16.11, 16.12, 16.14, 16.15, 16.16, 16.17, 16.21(b), 16.22 (last paragraph) and 16.23 apply to communications between ASX Settlement and an RTGS Payments Provider as if incorporated in this Section 11, on the basis that:

(a) (except in the case of Rules 16.1(a)~~,~~ and 16.1(b)~~ and paragraphs (a) and (c) of the Procedures in relation to Rule 4.7~~) that RTGS Payments Provider was a Facility User;

(b) in the case of Rules 16.1(a), 16.1(b)~~ and paragraphs (a) and (c) of the Procedures in relation to Rule 4.7~~, each reference to the User Technical Documentation~~EIS~~ was a reference to so much of the User Technical Documentation~~EIS~~ as relates to Payments Providers and is applicable in connection with Real Time Gross Settlement, and each reference to a Facility User was a reference to an RTGS Payments Provider;

(c) for the purposes of Rules 16.15 (last paragraph) and 16.16(a) and (b) only, that RTGS Payments Provider was an Issuer; and

(d) references generally to the User Technical Documentation~~EIS~~ were references to those parts of the User Technical Documentation ~~EIS~~ that are applicable to communications between ASX Settlement and the Payments Provider in connection with Real Time Gross Settlement.

Introduced 11/03/04 Origin SCH 7A.3.12

11.6.6 Notice given when ceasing to act as RTGS Payments Provider

An RTGS Payments Provider may give not less than 20 Business Days Notice to ASX Settlement stating that it will cease to participate in CHESS in that capacity and, if it does:

(a) the RTGS Payments Provider must give not less than 20 Business Days Notice to each RTGS Participant for which it maintains a Payment Facility for the purposes of Real Time Gross Settlement, stating that it will cease to participate as an RTGS Payments Provider in CHESS;

(b) each RTGS Participant that receives a Notice under paragraph (a) must ensure it has a Payment Facility for purposes of Real Time Gross Settlement in place with another RTGS Payments Provider by the Scheduled Time; and

(c) Notices given by an RTGS Payments Provider under this Rule 11.6.6 are irrevocable.

Introduced 11/03/04 Origin SCH 7A.3.13, 7A.3.14, 7A.3.15

11.6.7 Continuing liability of RTGS Payments Provider

Any cessation or termination of participation in Real Time Gross Settlement in CHESS of an RTGS Payments Provider will not affect any right or liability arising:

(a) under these Rules; or

(b) in respect of any act, matter or thing occurring,

before that resignation or termination takes effect.

Introduced 11/03/04 Origin SCH 7A.3.16

11.7 EXTERNAL ADMINISTRATION OF RTGS PARTICIPANTS AND RTGS PAYMENTS PROVIDERS

11.7.1 External administration of an RTGS Participant

An RTGS Participant that goes into external administration within the meaning of the Payment Systems and Netting Act must, without in any way limiting its obligation to give Notice to ASX Settlement in accordance with Rule 12.18.1, give Notice to any RTGS Payments Provider with which it maintains a Payment Facility for the purposes of Real Time Gross Settlement in CHESS, as soon as practicable after it becomes aware of the external administration.

For the avoidance of doubt, an obligation to give Notice arises under this Rule 11.7.1 when a Participant is a partnership or consists of 2 or more trustees, and a partner or a trustee goes into external administration within the meaning of the Payment Systems and Netting Act.

Introduced 11/03/04 Origin SCH 7A.2.7, 7A.2.8

11.7.2 Assumption of obligations by RTGS Payments Provider

If an RTGS Participant that has settled a Payment Obligation under the Rules through an RTGS Payments Provider:

(a) goes into external administration within the meaning of the Payment Systems and Netting Act; and

(b) fails to fulfil obligations outstanding in relation to the Payment Obligation,

the RTGS Payments Provider must assume those obligations.

Note: Rule 11.7.2 addresses the requirements of section 9(1)(g) of the Payment Systems and Netting Act.

Introduced 11/03/04 Origin SCH 7A.2.6

11.7.3 External administration of an RTGS Payments Provider

If an RTGS Payments Provider:

(a) goes into external administration within the meaning of the Payment Systems and Netting Act;

(b) becomes aware that an RTGS Participant for which it maintains a Payment Facility for the purposes of Real Time Gross Settlement has gone into external administration within the meaning of the Payment Systems and Netting Act; or

(c) receives a Notice given by an RTGS Participant under Rule 11.7.1,

it must give Notice to ASX Settlement, in accordance with the Rules and addressed to the Prescribed Person, as soon as practicable after becoming aware of the relevant external administration.

Introduced 11/03/04 Origin SCH 7A.2.9, 7A.2.10

11.7.4 Suspension of RTGS Payments Provider

Where ASX Settlement receives a Notice that relates to Rule 11.7.3(a) or it is otherwise satisfied that an RTGS Payments Provider has gone into external administration within the meaning of the Payment Systems and Netting Act, ASX Settlement may for a specified period of time suspend:

(a) that RTGS Payments Provider; and

(b) any RTGS Participant which holds its Payment Facilities for the purposes of Real Time Gross Settlement exclusively with that RTGS Payments Provider,

from participation in Real Time Gross Settlement in CHESS.

Note: Rules 11.7.1, 11.7.3, 11.7.4 and 11.8.2 address the requirements of sections 9(1)(e) and (f) of the Payment Systems and Netting Act. ~~*Refer also to Rule 11.8.9.*~~

Introduced 11/03/04 Origin SCH 7A.2.12

11.7.5 ASX Settlement not obliged to monitor

ASX Settlement has no obligation to keep itself informed about the status, financial condition or creditworthiness of any RTGS Participant or RTGS Payments Provider.

Introduced 11/03/04 Origin SCH 7A.2.13

11.8 SUSPENSION OF RTGS PARTICIPANTS AND RTGS PAYMENTS PROVIDERS

11.8.1 Penalties imposed on RTGS Payments Providers

Without in any way limiting Rule 11.7.4, if an RTGS Payments Provider:

(a) in the reasonable opinion of ASX Settlement:

(i) ceases to satisfy any of the applicable criteria for participation set out in Rule 11.6.1; or

(ii) fails to comply with any of its undertakings in Rule 11.6.4 in a manner which has a material adverse effect on its ability to comply with its obligations in that capacity under the Rules;

(b) breaches the Rules and fails to rectify the breach, or provide an explanation satisfactory to ASX Settlement within 10 Business Days after receiving Notice from ASX Settlement to remedy the breach; or

(c) has been suspended from participation as a Payments Provider in the arrangements established for DvP Batch Settlement under the Standard Payments Provider Deed,

ASX Settlement may:

(d) suspend the RTGS Payments Provider from participation in that capacity in Real Time Gross Settlement in CHESS for a specified period of time; or

(e) in lieu of suspending the RTGS Payments Provider, impose conditions on its participation in Real Time Gross Settlement in CHESS or its provision of services in that capacity to Participants.

Introduced 11/03/04 Origin SCH 7A.3.3

11.8.2 Restrictions on participation in Real Time Gross Settlement

For the avoidance of doubt, where ASX Settlement exercises its right under Rule 12.19 to impose Restrictions on, suspend or terminate the participation of a Participant that is an RTGS Participant, any such Restriction, suspension or termination applies to Restrict (except to the extent ASX Settlement otherwise specifies), suspend or terminate, as the case may be, the ability of that Participant to participate in Real Time Gross Settlement.

Introduced 11/03/04 Origin SCH 7A.2.11

11.8.3 Suspension of RTGS Payments Providers

If an RTGS Payments Provider is suspended:

(a) under Rule 11.7.4; or

(b) under Rule 11.8.1,

it is not entitled, from the date that suspension takes effect until the suspension is revoked, to:

(c) provide services to Participants in the capacity of an RTGS Payments Provider; or

(d) participate in Real Time Gross Settlement in CHESS,

except (without imposing an obligation on the RTGS Payments Provider to do so) to the extent, and on such conditions, as ASX Settlement may, at its discretion, permit. Nothing in this Rule 11.8.3 excuses an RTGS Payments Provider to which Rule 11.8.1(d) or

(e) applies from meeting its other obligations in that capacity under the Rules, except as expressly provided.

Note: Refer to Rule 11.17~~5~~ for the consequences for Instructions affecting Payment Facilities maintained for Participant customers of that RTGS Payments Provider.

Introduced 11/03/04 Origin SCH 7A.3.4

11.8.4 Termination of suspension of RTGS Payments Provider

At any time while a RTGS Payments Provider is suspended from participation in Real Time Gross Settlement in CHESS, ASX Settlement may:

(a) terminate the suspension; or

(b) change the period of suspension,

by Notice to that RTGS Payments Provider.

Introduced 11/03/04 Origin SCH 7A.3.5

11.8.5 Immediate termination for RTGS Payments Providers

If:

(a) an RTGS Payments Provider is suspended from participation in Real Time Gross Settlement in CHESS for a period or periods totalling in aggregate 15 Business Days in any period of 12 months; or

(b) ASX Settlement terminates the Standard Payments Provider Deed in force with a Payments Provider that is also an RTGS Payments Provider,

ASX Settlement may by giving notice to that RTGS Payments Provider terminate the participation of that RTGS Payments Provider in Real Time Gross Settlement in CHESS with immediate effect.

Introduced 11/03/04 Origin SCH 7A.3.6

11.8.6 Appeals by RTGS Payments Providers

If an RTGS Payments Provider:

(a) has its participation in Real Time Gross Settlement in CHESS suspended for a continuous period of 15 Business Days on grounds set out in Rule 11.8.1(a) or (b);

(b) has conditions imposed on its participation in Real Time Gross Settlement in CHESS pursuant to Rule 11.8.1(e); or

(c) has its participation in Real Time Gross Settlement in CHESS terminated on the grounds set out in Rule 11.8.5(a),

it may appeal to an Appeal Tribunal in accordance with the provisions of the ASX Enforcement and Appeals Rulebook. ~~an independent tribunal appointed by ASX~~

~~Settlement which may, but need not, be the independent tribunal appointed for the purposes of the Standard Payments Provider Deed, and Rules 11.8.7 to 11.8.13 apply.~~

Introduced 11/03/04 Origin SCH 7A.3.7

11.8.7 Appeals [Deleted]

~~An appeal initiated under Rule 11.8.6 by an RTGS Payments Provider will be conducted in accordance with Rules 11.8.8 to 11.8.13.~~

Introduced 11/03/04 Origin SCH 7A.3.8

11.8.8 ~~Time for making appeal~~ Ability to take action pending appeal

~~An appeal may only be made within 10 Business Days of the event appealed from by Notice in writing to ASX Settlement setting out the grounds of the appeal.~~ Pending the expiry of the notice period to appeal or the determination of the appeal, ~~-~~the suspension, condition or termination is fully effective in accordance with these Rules.

Introduced 11/03/04

11.8.9 Right of parties to be heard [Deleted]

~~ASX Settlement and the RTGS Payments Provider are entitled to be heard on the appeal and the appeal is to be conducted in private. Otherwise the procedure to be adopted on the appeal may be determined by the tribunal provided that the appeal must be:~~

~~(a) commenced as soon as practicable after Notice in writing to ASX Settlement under Rule 11.8.8; and~~

~~(b) conducted expeditiously and without unnecessary delays or adjournments.~~

Introduced 11/03/04

11.8.10 Qualified Privilege [Deleted]

~~Each of the RTGS Payments Provider and ASX Settlement and their respective officers and employees has qualified privilege as regards each other in respect of any statement made for the purposes of, or in connection with, the appeal.~~

Introduced 11/03/04

11.8.11 Determination of the appeal [Deleted]

~~In determining the appeal, the tribunal may:~~

~~(a) dismiss the appeal; or~~

~~(b) either:~~

~~(i) in the case of an appeal under Rule 11.8.6(a) or (b):~~

~~A. terminate a suspension;~~

~~B. change the period of suspension to a new specified period or time; or~~

~~C. vary or revoke any conditions imposed under Rule 11.8.1(e); or~~

~~(ii) in the case of an appeal under Rule 11.8.6(c), direct ASX Settlement to re-admit the RTGS Payments Provider to participation in Real Time Gross Settlement in CHESS.~~

~~As soon as practicable after the hearing of the appeal, the tribunal must notify ASX Settlement and the RTGS Payments Provider of its determination in writing.~~

Introduced 11/03/04

11.8.12 Costs of appeal [Deleted]

~~Each party must bear its own costs in relation to an appeal.~~

Introduced 11/03/04

11.8.13 Appeal proceedings confidential [Deleted]

~~Appeal proceedings (but not the written determination of an appeal) are confidential and may not be disclosed to any person except:~~

~~(a) with the consent of the RTGS Payments Provider, ASX Settlement and the tribunal;~~

~~(b) if required by law;~~

~~(c) in connection with legal proceedings relating to these Rules or the appeal;~~

~~(d) if the information is generally and publicly available other than because of a breach of this Rule 11.8.13; or~~

~~(e) to a Related Body Corporate of the party, provided the Related Body Corporate undertakes to observe this Rule.~~

~~Nothing in this Rule 11.8.13 prevents disclosure by the RTGS Payments Provider to any client of the RTGS Payments Provider of the fact that the RTGS Payments Provider has appealed, or intends to appeal, under these Rules with respect to the suspension or termination of the RTGS Payments Provider.~~

Introduced 11/03/04

11.8.14 Actions by ASX Settlement after tribunal determination [Deleted]

~~If:~~

~~(a) an RTGS Payments Provider has had its participation in Real Time Gross Settlement in CHESS:~~

~~(i) suspended on the grounds set out in Rule 11.8.1(c); or~~

~~(ii) terminated on the grounds set out in Rule 11.8.5(b); and~~

~~(b) the independent tribunal directs ASX Settlement:~~

~~(i) to terminate the Payments Provider's suspension from DvP Batch Settlement; or~~

~~(ii) to enter into a fresh Standard Payment Provider Deed with the Payments Provider,~~

~~ASX Settlement will be taken to have been further directed by the independent tribunal:~~

~~(c) to revoke the Payments Provider's suspension from participation in Real Time Gross Settlement in CHESS; or~~

~~(d) to re-admit the Payments Provider as an RTGS Payments Provider, on the terms and conditions of these Rules,~~

~~as applicable.~~

Introduced 11/03/04 Origin SCH 7A.3.9

11.8.15 RTGS Participant to nominate replacement RTGS Payments Provider

Without in any way limiting the exercise of ASX Settlement's discretion under Rule 11.7.4(b), where ASX Settlement determines to suspend or terminate the participation of an RTGS Payments Provider in Real Time Gross Settlement in CHESS, ASX Settlement may elect to require each RTGS Participant on whose behalf the RTGS Payments Provider operates a Payment Facility for the purposes of Real Time Gross Settlement, to nominate a Payment Facility with another RTGS Payments Provider (in the case of suspension of the first-mentioned Payments Provider, for the period of the suspension) and, if it so elects:

(a) ASX Settlement must give Notice to that effect to each such RTGS Participant; and

(b) that Participant must nominate a Payment Facility with another RTGS Payments Provider within the Scheduled Time.

Introduced 11/03/04 Origin SCH 7A.3.10, 7A.3.11

11.9 RTGS CREDIT CONTROLS [DELETED]

11.9.1 Creation of Net Position Records [Deleted]

~~Each request by a Participant to ASX Settlement to create and activate a Net Position Record under Rule 11.5.1(b), must:~~

~~(a) be in the form prescribed by ASX Settlement from time to time;~~

~~(b) indicate whether or not the nominated RTGS Payments Provider will utilise a Debit Cap to set its credit exposure in relation to the Payment Obligations to be recorded for that Participant against that Net Position Record; and~~

~~(c) if a Debit Cap is to be utilised, specify a maximum dollar limit (which may be zero) for its operation.~~

~~If a Debit Cap is not to be activated on creation of the Net Position Record, the Participant has the option to specify a maximum dollar limit (which may be zero) for its operation.~~

Introduced 11/03/04 Origin SCH 7A.5.1

11.9.2 RTGS Payments Provider's authorisations in relation to a Debit Cap status [Deleted]

~~An RTGS Payments Provider that in accordance with the Rules authorises a Participant's request to ASX Settlement to activate a Net Position Record with a Debit Cap Status recorded as:~~

~~(a) active will, on creation of that Net Position Record, be taken to have:~~

~~(i) elected to set its credit exposure, in relation to the Payment Obligations to be recorded against that Net Position Record, by means of a Debit Cap; and~~

~~(ii) authorised ASX Settlement to allow the Participant's Net Position Record to go into debit up to the Debit Limit, at any time on any RTGS Business Day when the Debit Cap Status assigned to that Net Position Record is recorded as active; and~~

~~(b) inactive will, on creation of that Net Position Record, be taken to have elected to determine credit decisions, in respect of any Payment Obligations to be recorded against that Net Position Record, on a case by case basis via its AIF interface~~.

Introduced 11/03/04 Origin SCH 7A.5.2, 7A.5.3

11.9.3 Notification by RTGS Payments Providers regarding active Net Position Records [Deleted]

~~An RTGS Payments Provider may Transmit to ASX Settlement a Valid Message notifying that, for a Net Position Record that is active in relation to a Payment Facility maintained by it for a particular RTGS Participant, it requires ASX Settlement to:~~

~~(a) change the Net Position Record Status to inactive;~~

~~(b) determine credit decisions through:~~

~~(i) its AIF interface; or~~

~~(ii) use of an active Debit Cap;~~

~~(c) increase or decrease the Debit Limit;~~

~~(d) in relation to a linked Cash Sub-record, receive, or not receive, RITS Presettlement Advices of RTGS Instructions that specify a particular RTGS Account Identifier;~~

~~(e) in relation to a linked Cash Sub-record, receive, or not receive, RITS Post settlement Advices of RTGS Instructions that specify a particular RTGS Account Identifier; or~~

~~(f) alter or add any other attributes, as permitted by ASX Settlement from time to time,~~

~~and ASX Settlement is entitled to rely on that Valid Message to:~~

~~(g) change any relevant Payments Provider Managed attribute of a Net Position Record; and~~

~~(h) (i) adjust Feeder System records in accordance with the Message; and~~

~~(ii) within the Scheduled Time, advise each of RTGS Payments Provider and the relevant RTGS Participant of the change, and the time it was made.~~

~~*Note: The status of a Net Position Record cannot be changed with intra-day effect, but an RTGS Payments Provider may, in respect of a Net Position Record having an active Debit Cap, effect an intra-day reduction to zero in the Debit Limit, with the effect set out in Rule 11.9.10.*~~

Introduced 11/03/04 Origin SCH 7A.5.4, 7A.5.5

11.9.4 Obligations of RTGS Payments Provider not affected [Deleted]

~~A change made by ASX Settlement to any of the Payments Provider Managed attributes of a Participant's Net Position Record in accordance with this Rule 11.9 does not in any way affect any liability or obligation on the part of the relevant RTGS Payments Provider assumed:~~

~~(a) before the change; and~~

~~(b) in connection with the Real Time Gross Settlement under the Rules of any Payment Obligation of that Participant.~~

Introduced 11/03/04 Origin SCH 7A.5.6

11.9.5 Net Position Record attributes cannot be changed during RTGS Settling Phase [Deleted]

~~For the avoidance of doubt, where:~~

~~(a) an RTGS Payments Provider requests ASX Settlement to make a change to a Payments Provider Managed attribute of a Participant's Net Position Record under Rule 11.9.3;~~

~~(b) before ASX Settlement processes that request, an RTGS Instruction that affects that Net Position Record has entered the RTGS Settling Phase; and~~

~~(c) that RTGS Instruction settles under the Rules,~~

~~the Payments Provider will be taken, in respect of that RTGS Instruction:~~

~~(d) to be bound by the Payments Provider Managed attributes of that Net Position Record in force before it made that request; and~~

~~(e) to have assumed all relevant obligations and liability on that basis.~~

~~*Note: Rule 11.9.5 acknowledges that a Payments Provider cannot change a Net Position Record attribute for an RTGS Instruction in the RTGS Settling Phase, and it recognises ASX Settlement's limited ability to recall funds transfer instructions from RITS/RTGS. However a Payments Provider that determines its credit exposure to that Participant via the AIF will retain discretion to decline funding for that instruction.*~~

Introduced 11/03/04 Origin SCH 7A.5.6A

11.9.6 Net Position Records with an inactive status [Deleted]

~~Where, in accordance with Rule 11.9.3, ASX Settlement records as inactive the status of a Net Position Record, ASX Settlement will:~~

~~(a) reject any RTGS Message received by it after the time of that recording; and~~

~~(b) within the Scheduled Time, remove any RTGS Instruction that has been Recorded,~~

~~that in each case identifies a Cash Sub-record linked to that Net Position Record.~~

~~*Note: The status of a Net Position Record cannot be changed intra-day. The effect of Rule 11.9.3 and this Rule 11.9.6 is to ensure that ASX Settlement will not process any Instruction Recorded for settlement, or Message received, on any day subsequent to receipt of such an instruction from the relevant RTGS Payments Provider.*~~

Introduced 11/03/04 Origin SCH 7A.5.7

11.9.7 Elections of RTGS Payments Providers where Net Position Record is recorded as active [Deleted]

~~During any period in which the Debit Cap Status of a Net Position Record is recorded as active, the RTGS Payment Provider that maintains the Payment Facility to which that Net Position Record is linked is taken, for that period, to have made the election and authorisation set out in Rule 11.9.2(a).~~

Introduced 11/03/04 Origin SCH 7A.5.8

11.9.8 Elections of RTGS Payments Providers where Net Position Record is recorded as inactive [Deleted]

~~During any period in which the Debit Cap Status of a Net Position Record is recorded as inactive, the RTGS Payments Provider that maintains the Payment Facility to which that Net Position Record is linked is taken, for that period, to have made the election set out in Rule 11.9.2(b).~~

Introduced 11/03/04 Origin SCH 7A.5.9

11.9.9 Change in Debit Cap Status [Deleted]

~~If, at any time in respect of a Net Position Record for which the Debit Cap Status has been changed to active, no Debit Limit is recorded in the CHESS Feeder System, the Debit Limit will at that time be taken to be zero.~~

Introduced 11/03/04 Origin SCH 7A.5.10

11.9.10 Circumstances in which ASX Settlement will not permit Real Time Gross Settlement [Deleted]

~~Except in the circumstances contemplated by Rule 11.9.5, where an RTGS Payments Provider has elected to determine its credit exposure to an RTGS Participant by means of an active Debit Cap, ASX Settlement will not permit an RTGS Instruction to which that Participant is a counterparty to settle in Real Time Gross Settlement if:~~

~~(a) the Debit Limit assigned to the Net Position Record against which the relevant Payment Obligation is to be recorded is reduced;~~

~~(b) the debit balance recorded against that Net Position Record at the time of the reduction is equal to or greater than the reduced Debit Limit; and~~

~~(c) if the RTGS Instruction were to be settled under these Rules, the result would be to increase the debit balance of that Net Position Record.~~

~~*Note: Refer to Rule 11.20.3(b) in connection with the determination of a debit balance for a Net Position Record and to Rules 11.9.4 and 11.9.5 in connection with instructions already in the RTGS Settling Phase at the time ASX Settlement receives a request to reduce an operative Debit Limit.*~~

Introduced 11/03/04 Origin SCH 7A.5.11

11.9.11 Notifications by RTGS Participants to ASX Settlement [Deleted]

~~An RTGS Participant may at any time notify ASX Settlement that it requires ASX Settlement to:~~

~~(a) cancel any previously nominated, and substitute a replacement, Standing Buy Account Identifier or Standing Sell Account Identifier;~~

~~(b) cancel any previously nominated, or nominate a new, RTGS Account Identifier;~~

~~(c) nominate, or cancel any nomination of, a Cash Sub-record as an Excluded Cash Sub-record; or~~

~~(d) alter or add to any other attributes, as permitted by ASX Settlement from time to time,~~

~~that relate to a Net Position Record, or associated Cash Sub-record, maintained in its name.~~

~~*Note: The facility to nominate a Cash Sub-record as an Excluded Cash Sub-record is directed to accommodating trust account obligations in connection with the calculation of available funds within any applicable Debit Limit.*~~

Introduced 11/03/04 Origin SCH 7A.5.12

11.9.12 Change of details of Participant Managed attributes [Deleted]

~~On receipt of a Valid Message Transmitted by an RTGS Participant requesting a change to any of the Participant Managed attributes of an active Net Position Record, ASX Settlement must, but if and only if the relevant RTGS Payments Provider has Transmitted a Valid Message acknowledging to ASX Settlement that it has authorised the requested change:~~

~~(a) adjust the Feeder System records; and~~

~~(b) within the Scheduled Time, advise each of the RTGS Participant and RTGS Payments Provider of the change and the time it was made~~.

Introduced 11/03/04 Origin SCH 7A.5.13

11.9.13 Obligations of RTGS Participants not affected [Deleted]

~~A change made by ASX Settlement to any of the Participant Managed attributes of a Participant's Net Position Record in accordance with this Rule 11.9 does not in any way affect any liability or obligation on the part of that Participant, or the relevant RTGS Payments Provider, assumed:~~

~~(a) before the change; and~~

~~(b) in connection with the Real Time Gross Settlement under the Rules of any relevant obligation of that Participant.~~

Introduced 11/03/04 Origin SCH 7A.5.14

11.9.14 Participant and the Payments Provider to be bound by the Participant Managed attributes [Deleted]

~~For the avoidance of doubt, where:~~

~~(a) an RTGS Participant requests ASX Settlement to make a change to a Participant Managed attribute of a Net Position Record of that Participant under Rule 11.9.11;~~

~~(b) before ASX Settlement processes that request, an RTGS Instruction that affects that Net Position Record has entered the RTGS Settling Phase; and~~

~~(c) that RTGS Instruction settles under the Rules,~~

~~the Participant and the Payments Provider will be taken, in respect of that RTGS Instruction:~~

~~(d) to be bound by the Participant Managed attributes of that Net Position Record in force before the Participant made that request; and~~

~~(e) to have assumed their respective obligations and liabilities on that basis~~.

Introduced 11/03/04 Origin SCH 7A.5.14A

11.9.15 Standing RTGS Account Identifiers [Deleted]

~~A Participant may, in connection with any request to ASX Settlement to create a Net Position Record under these Rules, nominate no more than:~~

~~(a) one Standing Buy Account Identifier; and~~

~~(b) one Standing Sell Account Identifier,~~

~~to be linked to that Net Position Record.~~

Introduced 11/03/04 Origin SCH 7A.6.1

11.9.16 Participant election [Deleted]

~~A Participant may elect to specify the same details for the Standing Buy Account Identifier and the Standing Sell Account Identifier.~~

Introduced 11/03/04 Origin SCH 7A.6.2

11.10 RTGS PART SETTLEMENT NOT AVAILABLE

11.10.1 ASX Settlement will not treat an instruction as available for settlement in part

ASX Settlement is not entitled to treat an Instruction processed for Real Time Gross Settlement in CHESS as available for settlement in part.

Introduced 11/03/04 Origin SCH 7A.7.1

11.11 DVP RTGS INSTRUCTIONS TRANSFERRED FROM DVP BATCH SETTLEMENT [DELETED]

11.11.1 Matched Dual Entry Switch to RTGS Messages [Deleted]

~~ASX Settlement will treat Matched Dual Entry Switch to RTGS Messages notified to it in accordance with Rule 10.6.1, 10.6.2, 10.6.3 or 10.11.8(a) and (b) as collectively constituting an RTGS Instruction.~~

Introduced 11/03/04 Origin SCH 7A.8.1

11.11.2 Unspecified Settlement [Deleted]

~~If a deemed RTGS Instruction under Rule 11.11.1 does not specify an RTGS Settlement Date:~~

~~(a) the counterparties will be taken to have instructed ASX Settlement to settle that Instruction in Real Time Gross Settlement on the scheduled Settlement Date, determined in accordance with Section 10; and~~

~~(b) ASX Settlement will Record each such RTGS Instruction for Real Time Gross Settlement and within the Scheduled Time, notify each counterparty and advise the applicable RTGS Settlement Date.~~

Introduced 11/03/04 Origin SCH 7A.8.2, 7A.8.3

11.12 RTGS SWITCH TO BATCH SETTLEMENT [DELETED]

11.12.1 Valid Switch to Batch Settlement Messages [Deleted]

~~Subject to this Rule 11.12, ASX Settlement will:~~

~~(a) treat a Valid Switch to Batch Settlement Message that:~~

~~(i) is Transmitted within the Scheduled Time on any RTGS Business Day to ASX Settlement by an RTGS Participant, in connection with an RTGS Instruction;~~

~~(ii) relates to a DvP Instruction;~~

~~(iii) if the DvP Instruction has been admitted under Rule 10.4.5 identifies it, if applicable, as one to which NGF coverage does not apply; and~~

~~(iv) does not relate to an Instruction that is RTGS Mandatory,~~

~~as constituting a Batch Instruction, and~~

~~(b) remove the RTGS Instruction from Real Time Gross Settlement; and~~

~~(c) within the Scheduled Time, notify each counterparty that the Instruction has been removed from Real Time Gross Settlement and will be settled in Batch Settlement,~~

~~and Section 10 will apply.~~

Introduced 11/03/04 Origin SCH 7A.9.1

11.12.2 Messages relating to a Dual Entry RTGS Instruction must be Matched [Deleted]

~~ASX Settlement has no obligation to act in accordance with a Valid Switch to Batch Settlement Message that relates to a Dual Entry RTGS Instruction, unless it has Matched that Message.~~

Introduced 11/03/04 Origin SCH 7A.9.2

11.12.3 When ASX Settlement will Match Dual Entry Switch to Batch Settlement Messages [Deleted]

~~ASX Settlement will:~~

~~(a) Match a Valid Dual Entry Switch to Batch Settlement Message that:~~

~~(i) is Transmitted by a Participant to ASX Settlement within the Scheduled Time; and~~

~~(ii) specifies or implies the same mandatory details as the Message Transmitted by the counterparty Participant; and~~

~~(b) treat the Matched Dual Entry Switch to Batch Settlement Message as collectively constituting a Batch Instruction.~~

Introduced 11/03/04 Origin SCH 7A.9.3, 7A.9.4, 7A.9.5

11.12.4 Batch Instructions to be settled on the Settlement Date [Deleted]

~~Subject to this Rule 11.12, ASX Settlement will schedule each such Batch Instruction for inclusion in Batch Settlement on the requested Settlement Date.~~

~~*Note: An Instruction transferred to Batch Settlement under Rule 11.12 will not be novated to CCP and will only be netted on an administrative basis.*~~

Introduced 11/03/04 Origin SCH 7A.9.6

11.12.5 No Settlement Date specified [Deleted]

~~If a Batch Instruction constituted in accordance with this Rule 11.12 does not specify a Settlement Date, ASX Settlement will be taken to have been instructed to settle the Instruction in Batch Settlement:~~

~~(a) if the Instruction is constituted within the Scheduled Time, on the Business Day Recorded as the RTGS Settlement Date; or~~

~~(b) if the Instruction is not constituted within the Scheduled Time on the Business Day Recorded as the RTGS Settlement Date, on the next Business Day.~~

Introduced 11/03/04 Origin SCH 7A.9.7

11.12.6 Requests for change in HIN [Deleted]

~~If, within the Scheduled Time, an RTGS Participant Transmits to ASX Settlement a Valid Message that requests a change in the HIN to apply for the Source Holding or the Target Holding, as applicable, in connection with a Batch Instruction constituted under this Rule 11.12 ASX Settlement will:~~

~~(a) record a change to the Instruction in accordance with the Message; and~~

~~(b) within the Scheduled Time, notify the Participant that Transmitted the Message.~~

~~*Note: Changes of the kind specified in this Rule are only notified to the Participant that Transmitted the Message: refer to Rules 16.18 and 16.19.*~~

~~*Rule 11.12.6 provides the mechanism by which a Participant may switch between Payment Facilities (and Payment Providers) when switching between settlement modes.*~~

Introduced 11/03/04 Origin SCH 7A.9.8

11.12.7 Processing of Instructions by ASX Settlement [Deleted]

~~(a) Each RTGS Participant acknowledges that ASX Settlement's ability to process a Switch to Batch Settlement Message that requests settlement of a Instruction (or related HIN change) on the Business Day on which the Message is Transmitted to ASX Settlement will depend on system processing demands in CHESS between Start of Day and Settlement Cut-off on that day.~~

~~(b) Despite any other Rule, while ASX Settlement will use reasonable endeavours to process any Message received in terms of Rule 11.12.7(a), it will have no liability for any failure to process any such Instruction as requested in that day's Settlement Processing Phase.~~

~~*Note: CHESS queuing processes for preparation of the daily net batch settlement under Section 10 will in the ordinary course have priority over Messages requesting switches that are received close to Settlement Cut-off.*~~

Introduced 11/03/04 Origin SCH 7A.9.9

11.13 RTGS INSTRUCTIONS

11.13.1 Requirements of RTGS Instructions

Subject to this Rule 11.13, ASX Settlement will:

(a) treat a Valid RTGS Message Transmitted to it within the Scheduled Time on any RTGS Business Day as constituting an RTGS Instruction;~~.~~ and

(b) Record an RTGS Instruction for Real Time Gross Settlement on that RTGS Business Day.

Introduced 11/03/04 Origin SCH 7A.10.1

11.13.2 ~~Messages relating to~~ Bilateral Demand Settlement~~DvP RTGS Instructions~~ Messages must be Matched

ASX Settlement has no obligation to Record or act in accordance with a Valid Bilateral Demand Settlement Message ~~Valid RTGS Message that relates to a DvP RTGS Instruction~~, unless it has Matched that Message.

Introduced 11/03/04 Origin SCH 7A.10.2

11.13.3 When ASX Settlement will Match ~~Dual Entry~~ Bilateral Demand Settlement Messages ~~RTGS~~

ASX Settlement will Match ~~a Dual Entry~~ Valid Bilateral Demand Settlement~~RTGS~~ Messages received on any RTGS Business Day in accordance with Rule 9.5A.4.

~~that:~~

~~(a) is Transmitted to ASX Settlement by a Participant within the Scheduled Time; and~~

~~(b) (i) specifies or implies the same mandatory details; and~~

~~(ii) specifies or implies the same Settlement Amount or a Settlement Amount that differs by no more than the Settlement Amount Tolerance; and~~

~~treat the Matched Dual Entry RTGS Message as the RTGS Message Transmitted to ASX Settlement by the counterparty Participant.~~

Introduced 11/03/04 Origin SCH 7A.10.3, 7A.10.4

11.13.4 Treatment of Matched Message

~~If, within the Scheduled Time, ASX Settlement Matches Valid Dual Entry RTGS Messages, it will:~~If ASX Settlement Matches Valid Bilateral Demand Settlement Messages on an RTGS Business Day, it will take action, including determining the Settlement Amount for the relevant RTGS Instruction, in accordance with Rule 9.5A.6. For the purposes of Section 11, the Settlement Amount will equal the Payment Obligation in relation to that RTGS Instruction.

~~(a) treat the Matched Messages as constituting an RTGS Instruction; and~~

~~(b) if the amount to be included as the Settlement Amount specified in each such Message differs by no more than the Settlement Amount Tolerance, apply the lower of the two amounts as the Settlement Amount for the relevant RTGS Instruction; and~~

~~(c) for each RTGS Instruction:~~

~~(i) Record it for Real Time Gross Settlement; and~~

~~(ii) within the Scheduled Time, notify each counterparty and advise the applicable RTGS Settlement Date.~~

Introduced 11/03/04 Origin SCH 7A.10.4, 7A.10.5, 7A.10.6

11.13.5 Obligations between counterparties to an RTGS Instruction

As between the RTGS Participants that are the counterparties to a particular RTGS Instruction, the obligations of each of them:

(a) to pay or receive an amount; and~~or~~

(b) in the case of a Bilateral Demand Settlement~~DvP RTGS~~ Instruction, to deliver or receive Financial Products,

are taken to be owed to the other as principal, even if a Participant has a settlement obligation to another person in relation to the underlying RTGS Instruction.

Introduced 11/03/04 Origin SCH 7A.10.7

11.14 RTGS STANDING INSTRUCTIONS [DELETED]

11.14.1 Standing Buy Accounts [Deleted]

~~If a Valid RTGS Message Transmitted to ASX Settlement by the RTGS Participant that is the payer on settlement of the relevant Payment Obligation:~~

~~(a) does not specify an RTGS Account Identifier for the purpose of making the payment required to discharge that Payment Obligation on settlement; and~~

~~(b) the Participant has notified ASX Settlement of its Standing Buy Account Identifier,~~

~~the Message will be taken to specify that Participant's Standing Buy Account Identifier as the RTGS Account Identifier.~~

Introduced 11/03/04 Origin SCH 7A.11.1

11.14.2 Standing Sell Accounts [Deleted]

~~If a Valid RTGS Message Transmitted to ASX Settlement:~~

~~(a) does not specify an RTGS Account Identifier for the purpose of the RTGS Participant that is the payee on settlement of the relevant Payment Obligation receiving payment of that Payment Obligation; and~~

~~(b) the Participant has notified ASX Settlement of its Standing Sell Account Identifier,~~

~~the Message will be taken to specify that Participant's Standing Sell Account Identifier as the RTGS Account Identifier.~~

~~*Note: ASX Settlement will reject a Message that does not specify, or cannot be taken to specify, an RTGS Account Identifier.*~~

Introduced 11/03/04 Origin SCH 7A.11.2

11.14.3 Standing Settlement HIN for Source Holding [Deleted]

~~If a Valid Dual Entry RTGS Message Transmitted to ASX Settlement by the Participant that is the delivering Participant on settlement:~~

~~(a) does not specify a HIN for the Source Holding from which the Financial Products are required to be delivered; and~~

~~(b) the Participant has notified ASX Settlement of a Standing Settlement HIN pursuant to Section 10 of the Rules,~~

~~the Message will be taken to specify that Standing Settlement HIN as the HIN for the Source Holding.~~

Introduced 11/03/04 Origin SCH 7A.11.3

11.14.4 Standing Settlement HIN for Target Holding [Deleted]

~~If a Valid Dual Entry RTGS Message Transmitted to ASX Settlement by the Participant that is the receiving Participant on settlement:~~

~~(a) does not specify a HIN for the Target Holding to which the Financial Products are required to be delivered; and~~

~~(b) the Participant has notified ASX Settlement of a Standing Settlement HIN pursuant to Section 10 of the Rules,~~

~~the Message will be taken to specify that Standing Settlement HIN as the HIN for the Target Holding.~~

~~*Note: ASX Settlement will reject a Message that does not specify, or cannot be taken to specify, a HIN.*~~

Introduced 11/03/04 Origin SCH 7A.11.4

11.15 RECORDING RTGS INSTRUCTIONS

11.15.1 ASX Settlement to store details of each RTGS Instruction

ASX Settlement will store electronically in CHESS details of each RTGS Instruction ~~, or change to an RTGS Instruction,~~ notified to it in accordance with the Rules, for RTGS processing through the Feeder System ~~on the RTGS Settlement Date specified, or taken to be specified, in that RTGS Instruction~~.

For the avoidance of doubt, Feeder System records constitute confirmation, as between relevant Participants, of the settlement details for an RTGS Instruction, but its formation is determined in accordance with the applicable law.

Introduced 11/03/04 Origin SCH 7A.12

11.16 CHANGE TO RTGS INSTRUCTIONS

11.16.1 ~~Complying with a Valid Message~~Change to RTGS Instructions

An RTGS Participant cannot request ASX Settlement to change any of the details Recorded for an RTGS Instruction to which that Participant is counterparty.

~~Subject to this Rule 11.16, ASX Settlement will:~~

~~(a) comply with a Valid Message:~~

~~(i) Transmitted to it by an RTGS Participant within the Scheduled Time on any RTGS Business Day; and~~

~~(ii) requesting ASX Settlement to change any of the details Recorded for an RTGS Instruction to which that Participant is counterparty;~~

~~(b) within the Scheduled Time, notify the sender that the change has been made; and~~

~~(c) if both counterparties are Settlement Participants that are Clearing Participants and the RTGS Instruction relates to an On-Market Transaction, include details of the change in a Surveillance Report of changed On-Market Transactions.~~

Introduced 11/03/04 Origin SCH 7A.13.1

11.16.2 No obligation to act unless Message Matched [Deleted]

~~ASX Settlement has no obligation to act in accordance with a Valid Message requesting ASX Settlement to change any of the details of a Dual Entry RTGS Instruction, unless it has Matched the Message.~~

Introduced 11/03/04 Origin SCH 7A.13.2

11.16.3 Message to change the details of a Dual Entry RTGS Instruction [Deleted]

~~A Message to change the details of a Dual Entry RTGS Instruction must:~~

~~(a) be Transmitted to ASX Settlement by a Participant within the Scheduled Time; and~~

~~(b) specify or imply the same mandatory details as the Message Transmitted by the counterparty Participant, and~~

~~ASX Settlement will match such Messages.~~

Introduced 11/03/04 Origin SCH 7A.13.3, 7A.13.4

11.16.4 Changing an RTGS instruction [Deleted]

~~If within the Scheduled Time, a counterparty to a Dual Entry RTGS Instruction Transmits a Valid Message that requests a change to:~~

~~(a) if the Participant is the delivering Participant, the Source Holding; and~~

~~(b) if the Participant is the receiving Participant:~~

~~(i) the Target Holding; or~~

~~(ii) in the case of an RTGS Instruction designated as Off-Market, any stamp duty details required under the Rules,~~

~~ASX Settlement will:~~

~~(c) change the RTGS Instruction in accordance with the Message; and~~

~~(d) notify the Participant that Transmitted the Message within the Scheduled Time.~~

~~*Note: Changes of the kind specified in this Rule are only notified to the Participant that Transmitted the Message. Refer to Rule 16.18 and 16.19 for general rules regarding notifications by ASX Settlement.*~~

Introduced 11/03/04 Origin SCH 7A.13.5

11.17 RTGS SUSPENSION AND CANCELLATION OF RTGS INSTRUCTIONS

11.17.1 Suspension or termination of RTGS Payments Provider

If ASX Settlement suspends or terminates the participation of an RTGS Payments Provider in Real Time Gross Settlement in CHESS, ASX Settlement may:

(a) suspend any RTGS Instruction which at that time is:

(i) Recorded for Real Time Gross Settlement; or

(ii) under processing in the Feeder System Queue;

(b) cancel any RTGS Message that at that time has not been Matched; or

(c) reject any RTGS Message subsequently received from a Participant,

if that RTGS Instruction or RTGS Message would affect a Payment Facility maintained by that Payments Provider for the benefit of any RTGS Participant.

Introduced 11/03/04 Origin SCH 7A.14.1

11.17.2 Suspension of RTGS Participant

If, under Rule 12.19.1, ASX Settlement suspends the participation of any RTGS Participant, ASX Settlement will, subject to Rule~~s~~ 11.17.7~~ and Rule 12.14.9~~:

(a) suspend any RTGS Instruction to which that Participant is a counterparty and which at that time is:

(i) Recorded for Real Time Gross Settlement; or

(ii) under processing in the Feeder System Queue; and

(b) cancel any ~~Dual Entry~~Bilateral Demand Settlement~~ RTGS~~ Message Transmitted by the Participant that has not at that time been Matched and reject any RTGS Message subsequently received from that Participant.

Note: Refer to Rule 12.20.1 in relation to the consequences of termination of a Participant.

Introduced 11/03/04 Origin SCH 7A.14.2

11.17.3 Suspended RTGS Instructions

ASX Settlement will may cancel any RTGS Instruction that remains suspended, for whatever reason, at RTGS End of Day.:

(a) on each RTGS Business Day on which any RTGS Instruction remains suspended, Record the RTGS Instruction for Real Time Gross Settlement on the next RTGS Business Day; and

(b) cancel any RTGS Instruction that remains suspended at RTGS End of Day on the 10th consecutive RTGS Business Day after the commencement of suspension.

Introduced 11/03/04 Origin SCH 7A.14.3

11.17.4 Cancellation of RTGS Instructions by Participants [Deleted]

Subject to this Rule 11.17.4, if within the Scheduled Time a Participant Transmits to ASX Settlement a Valid Message requesting cancellation of an RTGS Instruction to which that Participant is a counterparty and in respect of which it has a Payment Obligation, ASX Settlement will:

(a) cancel its Recording of the RTGS Instruction and, if applicable, remove it from the Feeder System Queue; and

(b) within the Scheduled Time, notify the sender that the RTGS Instruction has been removed from Real Time Gross Settlement in CHESS.; and

(c) if both counterparties are Settlement Participants that are Clearing Participants and the RTGS Instruction relates to an On-Market Transaction, include details of the change in a Surveillance Report.

Introduced 11/03/04 Origin SCH 7A.14.4

11.17.5 NoMessages to cancellation of Dual Entry RTGS Instructions

A Participant to an RTGS Instruction may not Transmit a Message to ASX Settlement requesting cancellation of that Instruction.

If a Message to cancel a Dual Entry RTGS Instruction:

(a) is Transmitted to ASX Settlement by a Participant within the Scheduled Time; and

(b) specifies or implies the same mandatory details as the Message Transmitted by the counterparty Participant,

ASX Settlement will Match the Messages.

Introduced 11/03/04 Origin SCH 7A.14.6, 7A.14.7

11.17.6 Cancellation of Dual Entry RTGS Instructions [Deleted]

~~ASX Settlement has no obligation to act in accordance with a Valid Message requesting cancellation of a Dual Entry RTGS Instruction, unless it has Matched the Message.~~

Introduced 11/03/04 Origin SCH 7A.14.5

11.17.7 Suspension ~~or cancellation~~ of an RTGS Instruction during RTGS Settling Phase

Despite any other Rule, ASX Settlement has no obligation to suspend settlement processing of~~, or cancel,~~ an RTGS Instruction that has entered the RTGS Settling Phase except to the extent that the Reserve Bank of Australia, as operator of RITS/RTGS, permits ASX Settlement to recall from, or otherwise inactivate in, RITS/RTGS funds transfer details relating to that RTGS Instruction.

Introduced 11/03/04 Origin SCH 7A.14.8

11.17A RTGS FINANCIAL PRODUCTS SUBJECT TO DEMAND LOCK

11.17A.1 Application of Demand Lock to Financial Products the subject of a Bilateral Demand Settlement Transfer

ASX Settlement will apply a Demand Lock to Financial Products that are the subject of a Bilateral Demand Settlement Transfer in accordance with Rule 9.5A.2.

11.17A.2 Cancellation of Demand Lock applied to Financial Products

ASX Settlement will cancel any Demand Lock applied to Financial Products that are the subject of a Bilateral Demand Settlement Instruction if:

(a) the Bilateral Demand Settlement Instruction to which the Demand Lock relates is Failed or suspended in accordance with the Rules;

(b) the Financial Products subject to the Demand Lock are no longer Available Financial Products; or

(c) the Financial Products subject to the Demand Lock are subject to a Reconstruction and ASX Settlement has received a Valid Message from an Issuer under Rule 8.15.19,

however ASX Settlement has no obligation to cancel a Demand Lock applied to Financial Products in connection with a Bilateral Demand Settlement Instruction, the funds transfer details of which have been sent across the Feeder System interface to RITS, unless the Reserve Bank of Australia, as operator of RITS, permits ASX Settlement to recall the RTGS Instruction from, or otherwise inactivate it in, RITS.

Note: Rule 11.17A.2(b) acknowledges that ASX Settlement may be compelled by order of a court of competent jurisdiction to apply a Holding Lock to the Holding from which the relevant Financial Products are to be delivered in Real Time Gross Settlement.

11.17A.3 Cancellation of Bilateral Demand Settlement Instruction if Financial Products unavailable

Where ASX Settlement has cancelled a Demand Lock applied to Financial Products that are the subject of a Bilateral Demand Settlement Instruction pursuant to Rule 11.17A.2(b), that Bilateral Demand Settlement Instruction will be cancelled.

11.18 RTGS SETTLEMENT PROCESSING

11.18.1 ASX Settlement to process for Real Time Gross Settlement

On each RTGS Business Day, ASX Settlement must process for Real Time Gross Settlement in accordance with the Rules, RTGS Instructions that have been Recorded for Real Time Gross Settlement on that day. ASX Settlement will send an RTGS Instruction Recorded for Real Time Gross Settlement to the Feeder System Queue.

Introduced 11/03/04 Origin SCH 7A.15.1

11.18.2 Real Time Gross Settlement of RTGS Instructions

For any RTGS Instruction that identifies a Payment Obligation, the details of which are required to be sent across the Feeder System interface with RITS/RTGS for any purpose whatsoever in the course of the RTGS Settling Phase, ASX Settlement assumes obligations under Rule 11.18.1 subject to and conditional on:

(a) the availability of RITS/RTGS, its feeder interface process with CHESS and any supporting communications infrastructure;

(b) the availability of the AIF; and

(c) without limiting the foregoing, the Reserve Bank of Australia not exercising any discretion, right or duty in accordance with the RITS Regulations to suspend, or vary the operational timetable for, RITS/RTGS operations.

Introduced 11/03/04 Origin SCH 7A.15.2

11.18.3 ASX Settlement entitled to rely on messages and reports

ASX Settlement is entitled:

(a) to assume (without independently verifying) the authenticity and correctness of:

(i) any electronic message received across the Feeder System interface with RITS/RTGS that meets required specifications; or

(ii) any RTGS Contingency Report,

in either case that is sent or purports to be sent to it by the Reserve Bank of Australia as operator of RITS/RTGS; and

(b) to act under the Rules (which may include, but is not limited to, settling any RTGS Instruction) in reliance, in good faith, on any such message or report.

Introduced 11/03/04 Origin SCH 7A.15.3

11.18.4 RTGS Instructions must be 'ready to settle' [Deleted]

~~ASX Settlement has no authority to process an RTGS Instruction Recorded for settlement on a particular RTGS Settlement Date until each of:~~

~~(a) the RTGS Participant that is required to perform the relevant Payment Obligation; and~~

~~(b) in relation to a DvP RTGS Instruction, the RTGS Participant that is required to perform the relevant Delivery Obligation,~~

~~Has, by the Scheduled Time on that day, separately Transmitted a Valid Message to ASX Settlement to confirm that the RTGS Instruction is 'ready to settle'.~~

Introduced 11/03/04 Origin SCH 7A.15.4

11.18.5 RTGS Instructions to be sent to Feeder System Queue [Deleted]

~~An RTGS Instruction that, in accordance with Rule 11.18.4, has been confirmed as 'ready to settle' on the applicable RTGS Settlement Date, will be sent to the Feeder System Queue for testing in CHESS.~~

Introduced 11/03/04 Origin SCH 7A.15.5

11.18.6 Processing by ASX Settlement of RTGS Instructions

ASX Settlement is entitled to ~~:~~

~~(a) determine the operation of the testing procedures in the Feeder System Queue from time to time at its discretion; and~~

~~(b)~~ progress the RTGS Settling Phase for RTGS Instructions held in the Feeder System Queue from time to time, in the order determined by it and notified to Participants from time to time, ~~in each case~~ having regard to the efficiency and integrity of the Feeder System, and CHESS generally.

Introduced 11/03/04 Origin SCH 7A.15.6

11.18.7 Correction by ASX Settlement of Net Position Record [Deleted]

~~ASX Settlement may at any time correct any error or omission in a Net Position Record or any Cash Sub-record linked to it, with effect from the time at which the correct, or nil, entry ought to have been made, and in respect of such action:~~

~~(a) ASX Settlement may when practicable consult with the affected RTGS Participant and its RTGS Payments Provider before making such corrections;~~

~~(b) ASX Settlement must notify each of them before reversing or correcting any such entry;~~

~~(c) ASX Settlement will provide to the relevant Payments Provider, details of the adjustment (if any) that that Payment Provider must make to its records for any corresponding account; and~~

~~(d) any failure by ASX Settlement to give such notification will not invalidate the relevant correction.~~

Introduced 11/03/04 Origin SCH 7A.15.7, 7A.15.8

11.18.8 Authorisation of RTGS Instruction by RTGS Payments Provider

(a) ASX Settlement will send a message to the RTGS Payments Provider that is required to perform a Payment Obligation in relation to an RTGS Instruction for authorisation by that RTGS Payments Provider by the Scheduled Time.

(b) ASX Settlement will not progress an RTGS Instruction to the RTGS Settling Phase until the RTGS Payments Provider that is required to perform the relevant Payment Obligation has separately Transmitted a Valid Message to ASX Settlement to authorise that Payment Obligation.

(c) If the RTGS Payments Provider Transmits a Valid Message to ASX Settlement rejecting that Payment Obligation then that RTGS Instruction will be Failed and ASX Settlement will cancel its Record of the RTGS Instruction (and notify the counterparty or counterparties (as applicable) within the Scheduled Time).

11.19 RTGS FINANCIAL PRODUCTS TESTING [DELETED]

11.19.1 Reservation of Financial Products for settlement of Delivery Obligations [Deleted]

~~If within the Scheduled Time, ASX Settlement determines, in relation to a Delivery Obligation identified in a particular RTGS Instruction held in the Feeder System Queue, that:~~

~~(a) the Financial Products specified are Available Financial Products;~~

~~(b) (i) the Source Holding; or~~

~~(ii) during an Ex Period, a Cum Entitlement Balance for the Source Holding,~~

~~specified in the RTGS Instruction will not give rise to an RTGS Delivery Shortfall; and~~

~~(c) if Rule 11.20.1 applies to the related Payment Obligation, the payment is Debit Cap Compliant,~~

~~then in respect of that RTGS Instruction:~~

~~(d) ASX Settlement will generate an electronic communication to reserve the number of Financial Products required to be delivered from that Holding in~~

~~Real Time Gross Settlement on that day in order to settle the relevant Delivery Obligation;~~

~~(e) ASX Settlement will within the Scheduled Time, notify each counterparty to the RTGS Instruction; and~~

~~(f) any Reservation of Financial Products made by ASX Settlement under Rule 11.19.1 may only be cancelled by ASX Settlement in accordance with the Rules.~~

Introduced 11/03/04 Origin SCH 7A.16.1, 7A.16.2

11.19.2 Cancellation of Reservation of Financial Products [Deleted]

~~ASX Settlement will cancel any Reservation of Financial Products if:~~

~~(a) the RTGS Instruction to which the Reservation relates is Failed, cancelled or suspended in accordance with the Rules; or~~

~~(b) the Financial Products so Reserved are no longer Available Financial Products,~~

~~however ASX Settlement has no obligation to cancel a Reservation of Financial Products in connection with an RTGS Instruction, the funds transfer details of which have been sent across the Feeder System interface to RITS/RTGS, unless the Reserve Bank of Australia, as operator of RITS/RTGS, permits ASX Settlement to recall the Instruction from, or otherwise inactivate it in, RITS/RTGS.~~

~~*Note: Rule 11.19.2(b) acknowledges that ASX Settlement may be compelled by order of a court of competent jurisdiction to apply a Holding Lock to the Holding from which the Reserved Financial Products are to be delivered in Real Time Gross Settlement*.~~

Introduced 11/03/04 Origin SCH 7A.16.3, 7A.16.4

11.19.3 Cancellation of Reserved Financial Products which are no longer Available Financial Products [Deleted]

~~Where ASX Settlement has cancelled a Reservation of Financial Products in relation to an RTGS Instruction pursuant to Rule 11.19.2(b), that RTGS Instruction will, to the extent legally permissible, remain in the Feeder System Queue and be recycled for testing under this Rule 11.19.~~

Introduced 11/03/04 Origin SCH 7A.16.5

11.20 RTGS DEBIT CAP TESTING [DELETED]

11.20.1 Net Position Records with an active Debit Cap [Deleted]

~~This Rule 11.20.1 applies at any time when a Participant's Net Position Record records an active Debit Cap.~~

Introduced 11/03/04 Origin SCH 7A.17.1

11.20.2 Debit Cap Compliant payments [Deleted]

~~Payment of the amount of a Payment Obligation identified in an RTGS Instruction will be Debit Cap Compliant only if the Available Credit at that time recorded against the applicable Net Position Record exceeds the amount of the Payment Obligation.~~

Introduced 11/03/04 Origin SCH 7A.17.2

11.20.3 Available Credit and debit balances in relation to a Net Position Record [Deleted]

~~For the purposes of this Section 11:~~

~~(a) Available Credit in relation to a Net Position Record will:~~

~~(i) be determined by deducting from the Debit Limit at the relevant time, the sum of:~~

~~A. the amount of the balance recorded as a debit against the Net Position Record at that time; and~~

~~B. the amount of the balance recorded as a credit against any linked Cash Sub-record that at that time is designated as an Excluded Cash Sub-record; and~~

~~(ii) not take account of any Payment Obligation identified in an RTGS Instruction that is in the RTGS Settling Phase at that time, where the relevant Participant is the payee on settlement; and~~

~~(b) the debit balance recorded against a Net Position Record at any time will be taken to include the amount of any Payment Obligation:~~

~~(i) at that time in the RTGS Settling Phase;~~

~~(ii) where the relevant Participant is the payer on settlement; and~~

~~(iii) that is indicatively recorded as an unsettled debit against that Net Position Record.~~

Introduced 11/03/04 Origin SCH 7A.17.3

11.20.4 Generation of an electronic communication [Deleted]

~~If Rule 11.20.1 applies and, within the Scheduled Time, ASX Settlement determines that:~~

~~(a) payment of the amount of any Payment Obligation identified in an RTGS Instruction is Debit Cap Compliant; and~~

~~(b) if that RTGS Instruction is a DvP RTGS Instruction, Rules 11.19.1(a) and (b) are satisfied,~~

~~ASX Settlement will cause an electronic communication to be generated to record indicatively as an unsettled debit against the Net Position Record of the Participant that is the payer on settlement, an amount of funds equal to the amount of that Payment Obligation.~~

Introduced 11/03/04 Origin SCH 7A.17.4

11.21 RTGS RETESTING IN FEEDER SYSTEM QUEUE [DELETED]

11.21.1 RTGS Instruction to remain in Feeder System Queue [Deleted]

~~An RTGS Instruction that:~~

~~(a) is held in the Feeder System Queue; and~~

~~(b) fails to meet any applicable testing criteria within CHESS, including but not limited to those set out in Rules 11.19 and 11.20,~~

~~will:~~

~~(c) not progress to the RTGS Settling Phase as contemplated by Rule 11.22; and~~

~~(d) remain in the Feeder System Queue, awaiting retesting in CHESS.~~

Introduced 11/03/04 Origin SCH 7A.18

11.22 RTGS SETTLING PHASE

11.22.1 Commencement of RTGS Settling Phase

The RTGS Settling Phase, in relation to an RTGS Instruction held in the Feeder System Queue, ~~follows the satisfactory completion of testing in CHESS and~~ will be taken to have commenced immediately ASX Settlement has:

(a) received a Valid Message from the RTGS Payments Provider that is required to perform the Payment Obligation identified in that RTGS Instruction, authorising that Payment Obligation; and

(b) in the case of a Bilateral Demand Settlement ~~DvP RTGS~~ Instruction, applied a Demand Lock over~~Reserved~~ the number of Financial Products identified in that RTGS Instruction.~~; or~~

~~(b) in any other case, recorded as an unsettled debit against the affected Net Position Record of the RTGS Participant that is the payer, an amount equal to the amount of the Payment Obligation,~~

~~identified in that RTGS Instruction.~~

~~*Note: A Net Position Record cannot be marked as contemplated by Rule 11.22.1(b), when Rule 11.20 applies, unless ASX Settlement has determined the payment to be Debit Cap Compliant: see Rules 11.20.2 and 11.20.4. ASX Settlement will, in the ordinary course, indicatively mark the payment against the payer's Net Position Record*~~

~~*after completing all relevant aspects of intra-CHESS testing for any RTGS Instruction.*~~

Introduced 11/03/04 Origin SCH 7A.19.1

11.22.2 Completion of RTGS Settling Phase

Completion of the RTGS Settling Phase for an RTGS Instruction is conditional on the performance, by the RTGS Payments Provider for the RTGS Participant that is the payer on settlement, of the Payment Obligation owed by that Participant.

Introduced 11/03/04 Origin SCH 7A.19.2

11.22.3 Undertakings by RTGS Payments Providers

Each RTGS Payments Provider irrevocably and severally undertakes, where:

(a) it maintains the affected Payment Facility for each of the payer and payee RTGS Participants in relation to a Payment Obligation identified in an RTGS Instruction; and

(b) the RTGS Instruction settles in accordance with the Rules under Rule 11.25.

to give effect to the irrevocable settlement between the Participants of that Payment Obligation:

(c) for the benefit of each of them; and

(d) as contemplated in the Rules, including without limitation Rule 11.27.

Introduced 11/03/04 Origin SCH 7A.19.3

11.23 RTGS PAYMENT WITHOUT AIF ~~CHESS~~ CONTROLLED AUTHORISATION ~~OF PAYMENT~~

11.23.1 Application of Rule

~~The procedures in~~ T~~t~~his Rule 11.23 ~~apply~~ applies to any RTGS Instruction that has entered the RTGS Settling Phase where the relevant RTGS Payments Provider does not determine credit decisions for the RTGS Participant that is identified as the payer of the Payment Obligation through the AIF.~~:~~

~~(a) a Debit Cap has been, and remains, activated for the Net Position Record of the RTGS Participant that is identified as the payer of the Payment Obligation; and~~

~~(b) ASX Settlement has determined, within the Scheduled Time, that the payment is Debit Cap Compliant.~~

Introduced 11/03/04 Origin SCH 7A.20.1

11.23.2 RTGS Payments Providers of RTGS Participants

Where an RTGS Instruction has entered the RTGS Settling Phase, ASX Settlement will send a message across the Feeder System interface to RITS that:

(a) reports to RITS on behalf of the relevant RTGS Payments Provider, a request to settle a funds transfer, in an amount equal to the amount of the Payment Obligation identified in that RTGS Instruction, from the RTGS Payments Provider for the payer Participant to the RTGS Payments Provider for the payee Participant; and

(b) requests RITS to generate a settlement message to the Feeder System if that is done; and

if ASX Settlement receives, within the Scheduled Time, a message in terms of Rule 11.23.2(b), the condition in Rule 11.22.2 is satisfied.

~~When the RTGS Participant that is the payer, and the RTGS Participant that is the payee, of a Payment Obligation identified in an RTGS Instruction have, in relation to their respective affected Payments Facilities:~~

~~(a) the same Payments Provider and Rule 11.23.1 applies, then the condition in Rule 11.22.2 is, without more, taken to be satisfied; or~~

~~(b) different Payment Providers; then~~

~~(i) ASX Settlement will send a message across the Feeder System interface to RITS/RTGS that:~~

~~A. reports to RITS/RTGS on behalf of the relevant RTGS Payments Providers, a request to settle a funds transfer, in an amount equal to the amount of the Payment Obligation identified in that RTGS Instruction, from the RTGS Payments Provider for the payer Participant to the RTGS Payments Provider for the payee Participant; and~~

~~B. requests RITS/RTGS to generate a settlement message to the Feeder System if that is done; and~~

~~(ii) if ASX Settlement receives, within the Scheduled Time, a message in terms of Rule 11.23.2(b)(i)(B), the condition in Rule 11.22.2 is satisfied.~~

Introduced 11/03/04 Origin SCH 7A.20.2, 7A.20.3

11.23.3 RTGS Contingency Reports

If, on any RTGS Business Day:

(a) RITS/RTGS, or its interface with the Feeder System, fails; or

(b) the RITS/RTGS database is corrupted,

the Reserve Bank of Australia has advised that it will provide an RTGS Contingency Report to ASX Settlement before RTGS End of Day on that day; and

(c) if an RTGS Contingency Report advises ASX Settlement that a request for a funds transfer requested under Rule 11.23.2(a~~b~~)~~(i)(A)~~ is accepted, that advice is taken to:

(i) be final; and

(ii) satisfy the condition in Rule 11.22.2 in relation to the relevant RTGS Instruction.

Introduced 11/03/04 Origin SCH 7A.20.4

11.24 RTGS PAYMENT WITH AIF CONTROLLED AUTHORISATION ~~OF PAYMENT~~

11.24.1 Application of Rule

~~The procedures in this~~ This Rule 11.24 ~~apply~~ applies to any RTGS Instruction that, within the Scheduled Time, has entered the RTGS Settling Phase, where the relevant RTGS Payments Provider determines credit decisions for the RTGS Participant that is identified as the payer of the Payment Obligation through the AIF.

Introduced 11/03/04 Origin SCH 7A.21.1

11.24.2 RTGS Payments Providers of RTGS Participants

Where the RTGS Participant that is the payer, and the RTGS Participant that is the payee, of a Payment Obligation identified in an RTGS Instruction have, in relation to their respective affected Payment Facilities:

(a) the same RTGS Payments Provider:

(i) ASX Settlement will send a message across the Feeder System interface with RITS/RTGS to reach the RTGS Payments Provider through the AIF that:

A. notifies the funds transfer details of the Payment Obligation identified in the RTGS Instruction;

B. requests the RTGS Payments Provider to perform the Payment Obligation; and

C. requests RITS/RTGS, if so instructed by that RTGS Payments Provider, to generate a settlement message to the Feeder System; and

(ii) if ASX Settlement receives, within the Scheduled Time, a message in terms of Rule 11.24.2(a)(i)(C), the condition in Rule 11.22.2 is taken to be satisfied; or

(b) different RTGS Payments Providers:

(i) ASX Settlement must send a message across the Feeder System interface with RITS/RTGS that:

A. requests, if applicable, a RITS Presettlement Advice to be generated in respect of the Payment Obligation identified in that RTGS Instruction and sent through the AIF to the RTGS Payments Provider for the payer Participant;

B. reports to RITS/RTGS on behalf of the relevant RTGS Payments Providers, a request to settle a funds transfer in an amount equal to the amount of the Payment Obligation, from the RTGS Payments Provider for the payer Participant to the RTGS Payments Provider for the payee Participant; ~~and~~

C. requests RITS/RTGS to generate a settlement message to the Feeder System if that is done; and

D. requests, if applicable, a RITS Postsettlement Advice to be generated in respect of the Payment Obligation settled in respect of that RTGS Instruction and sent through the AIF to the RTGS Payments Provider for the payer Participant; and

(ii) if ASX Settlement receives, within the Scheduled Time, a message in terms of Rule 11.24.2(b)(i)(C), the condition in Rule 11.22.2 is satisfied.

Introduced 11/03/04 Origin SCH 7A.21.2, 7A.21.3

11.24.3 RTGS Contingency Reports

(a) If, on any RTGS Business Day:

(i) RITS/RTGS, or its interface with the Feeder System, fails; or

(ii) the RITS/RTGS database is corrupted,

the Reserve Bank of Australia has advised that it will provide an RTGS Contingency Report to ASX Settlement before RTGS End of Day on that day; and

(b) If an RTGS Contingency Report advises ASX Settlement that a request for a funds transfer requested under Rule 11.24.2(a)(i)(B) or Rule 11.24.2(b)(i)(B) is accepted, that advice is taken to:

(i) be final; and

(ii) satisfy the condition in Rule 11.22.2 in relation to the relevant RTGS Instruction.

Introduced 11/03/04 Origin SCH 7A.21.4

11.25 REAL TIME GROSS SETTLEMENT

11.25.1 Settlement of Payment and Delivery Obligations

If and only if ASX Settlement has, in relation to an RTGS Instruction, satisfied itself within the Scheduled Time:

(a) in terms of Rule 11.22.2; and

(b) if that RTGS Instruction is a Bilateral Demand Settlement Instruction~~DvP RTGS Instruction~~, that Financial Products will be delivered in performance of the relevant Delivery Obligation,

ASX Settlement will cause to be generated:

(c) an electronic communication~~s~~ within CHESS that records that~~simultaneously:~~

~~(i) adjust the Net Position Record for the RTGS Participant that is the payer by debiting an amount equal to the amount of that Payment Obligation; and~~

~~(ii) adjust the Net Position Record for the RTGS Participant that is the payee by crediting an amount equal to the amount of that Payment Obligation,~~

~~and~~ the Payment Obligation under that RTGS Instruction is settled; and

(d) at the same time as (c), in the case of a Bilateral Demand Settlement~~DvP RTGS~~ Instruction, Communications that simultaneously:

(i) deduct the number of Financial Products specified in the relevant RTGS Instruction from the Source Holding specified in that RTGS Instruction; and

(ii) enter the number of Financial Products specified in the relevant RTGS Instruction into the Target Holding specified in that RTGS Instruction,

and record that the Delivery Obligation under that RTGS Instruction is settled,

with the result that, as between the counterparties, the RTGS Settling Phase for the RTGS Instruction is completed:

(e) in CHESS at the time of generating ~~those~~ the record in paragraph (c) or in the case of a Bilateral Demand Settlement Instruction, the record in paragraph (d)~~adjustments~~; and

(f) with the effect set out in Rule 11.26.

Introduced 11/03/04 Origin SCH 7A.22.1

11.25.2 Partly effecting Settlement Transfers

A Settlement Transfer in accordance with Rule 11.25.4 is taken to be effected:

(a) in the case of an RTGS Instruction designated as On-Market where only one Participant is a Clearing Participant, by the Clearing Participant; and

(b) in any other case, by the delivering Participant.

Introduced 11/03/04 Origin SCH 7A.22.3

11.25.3 Confirmed FOR Financial Products

If ASX Settlement, in accordance with an Instruction which initiates a Foreign to Foreign Allocation, Transfers Financial Products to a Target Holding pursuant to Rule 11.25 and the Target Holding has a Residency Indicator of foreign (as identified in the User Technical Documentation)~~"F"~~, those Financial Products have the status of Confirmed FOR Financial Products.

Introduced 11/03/04 Origin SCH 7A.22.4

11.25.4 Proper ASTC transfers under the Corporations Act

A Communication generated under Rule 11.25.1(d) in relation to an RTGS Instruction effects a Settlement Transfer by ASX Settlement in accordance with that RTGS Instruction that is taken to be a proper ASTC transfer for the purposes of the Corporations Act.

Introduced 11/03/04 Origin SCH 7A.22.2

11.26 RTGS FINAL DISCHARGE OF OBLIGATIONS

11.26.1 Settlement of Payment Obligations

On settlement under Rule 11.25 of the Payment Obligation identified in an RTGS Instruction:

(a) each obligation of a Participant to make payment under that RTGS Instruction is discharged irrevocably in full; and

(b) each entitlement of a Participant to receive payment under that RTGS Instruction is satisfied irrevocably in full.

Introduced 11/03/04 Origin SCH 7A.23.1

11.26.2 Settlement of Delivery Obligations

On settlement under Rule 11.25 of the Delivery Obligation identified in an RTGS Instruction:

(a) each obligation of a Participant to deliver Financial Products or Entitlements under that RTGS Instruction is discharged irrevocably in full; and

(b) each entitlement of a Participant to receive Financial Products or Entitlements under that RTGS Instruction is satisfied irrevocably in full.

Introduced 11/03/04 Origin SCH 7A.23.2

11.27 OBLIGATIONS OF RTGS PAYMENTS PROVIDERS

11.27.1 RTGS Payments Provider to make available the gross amount of a Payment obligation

An RTGS Payments Provider must make available to each RTGS Participant that:

(a) is the payee of a Payment Obligation that has settled in accordance with the Rules on a particular RTGS Business Day; and

(b) operates a Payment Facility with the RTGS Payments Provider, ~~that is linked to the Net Position Record against which that Payment Obligation has been recorded as a credit on settlement,~~

~~for value~~ on that RTGS Business Day (at times agreed between them), the gross amount of that Payment Obligation:

(c) in clear funds; and

(d) in the RTGS Bank ~~a~~Account ~~designated by the RTGS Account Identifier~~ specified, or taken to be specified, for that Participant in that RTGS Instruction,

but nothing in this Rule 11.27 will be construed to negate or exclude any right of set-off or other right that may arise, other than under the Rules, as between a Participant and its RTGS Payments Provider.

Introduced 11/03/04 Origin SCH 7A.24

11.28 FAILED RTGS INSTRUCTIONS

11.28.1 RTGS Instructions which are Failed ~~or rescheduled~~

All RTGS Instructions that are Recorded for Real Time Gross Settlement on an ~~particular~~ RTGS Business Day and that:

(a) are held unsettled, for whatever reason, in the Feeder System Queue at RTGS End of Day on that day; or

(b) have not been sent to the Feeder System Queue by RTGS End of Day,

will be ~~:~~

~~(c)~~ Failed on ~~in respect of~~ that RTGS Business Day and ASX Settlement will cancel its Record of the RTGS Instructions (and notify the counterparty or counterparties (as applicable) ~~notified~~ within the Scheduled Time). ~~; and~~

~~(d) unless Rule 11.28.2 applies, rescheduled for Real Time Gross Settlement on the next RTGS Business Day, recorded as 'ready to settle'.~~

Introduced 11/03/04 Origin SCH 7A.25.1

11.28.2 Switching RTGS Instruction to Batch Settlement [Deleted]

~~If:~~

~~(a) within the Scheduled Time, ASX Settlement receives from a Participant a Valid Switch to Batch Settlement Message that relates to a Failed RTGS Instruction; and~~

~~(b) the requirements of Rule 11.12 are otherwise satisfied,~~

~~ASX Settlement will, subject to and in accordance with Rule 11.12, switch that RTGS Instruction to Batch Settlement.~~

~~*Note: Refer to Rule 11.12.7 in relation to processing constraints applicable to switches.*~~

Introduced 11/03/04 Origin SCH 7A.25.2

11.29 CONSEQUENCES OF FAILED RTGS INSTRUCTIONS

11.29.1 Fees payable to ASX Settlement

If an Instruction relating to an On-Market Transaction is Failed under rule 11.28.1, the Participant that is:

(a) in the case of a failed RTGS Instruction that results from insufficient Financial Products, the delivering Participant; or

(b) in the case of a Failed RTGS Instruction that results from insufficient funds, the Participant that is on settlement the payer of that Payment Obligation.~~; or~~

~~(c) in the case of a Failed RTGS Instruction that results from a failure to authorise settlement processing in terms of Rule 11.18.4, a Participant that has failed to supply authorisation,~~

is liable to pay a fee to ASX Settlement, calculated in accordance with the Fees and Charges Schedule.

Introduced 11/03/04 Origin SCH 7A.26.1

11.29.2 No fail administration fees in certain cases

Despite Rule 11.29.1, Fail administration fees will not be levied where the Failed RTGS Instruction is due solely to the operation of the CHESS Feeder System, including partial or total failure, malfunction, overload or the unavailability at any relevant time of RITS/RTGS, the AIF or communications with the relevant RTGS Payments Provider.

Introduced 11/03/04 Origin SCH 7A.26.2

11.30 RTGS SETTLEMENT REPORTING BY ASX SETTLEMENT

11.30.1 RTGS Settlement Reporting to RTGS Payments Providers

Within the Scheduled Time on each RTGS Business Day, ASX Settlement must:

(a) Notify each RTGS Payments Provider of each RTGS Instruction that has been settled in respect of which the RTGS Payments Provider made or received payment; and

~~(a)~~(b) make available to each RTGS Payments Provider an RTGS Settlement Report for that day in respect of each RTGS Participant for which it maintains a Payment Facility ~~linked to an active Net Position Record~~.

Introduced 11/03/04 Origin SCH 7A.27.1

11.30.2 RTGS Settlement Reporting to Participants

Within the Scheduled Time, ASX Settlement must Notify a Participant of:

(a) each RTGS Instruction that has been settled to which the Participant is a counterparty;

(b) on each RTGS Business Day, the net movement of funds paid or credited with respect to ~~for~~ each RTGS Bank Account ~~Net Position Record and linked Cash Sub-record that is active in~~ referable ~~relation~~ to that Participant's settled RTGS Instructions; and

(c) on each RTGS Business Day, the net movement of Financial Products for each Holding controlled by the Participant, from or to which Financial Products have been delivered in Real Time Gross Settlement.

Introduced 11/03/04 Origin SCH 7A.28.1

11.31 RTGS SETTLEMENT REPORTING BY ASX SETTLEMENT [DELETED]

11.31.1 RTGS Financial Products Distributions [Deleted]

~~If a Parent RTGS Instruction Recorded in the CHESS Feeder System:~~

~~(a) is to settle in Real Time Gross Settlement on a Cum Entitlement basis;~~

~~(b) has an Entitlement to:~~

~~(i) a bonus issue;~~

~~(ii) a non-renounceable entitlement;~~

~~(iii) a renounceable rights issue; or~~

~~(iv) a distribution in specie, and~~

~~(c) has not settled under this Section 11 by End of Day on the Record Date for the Corporate Action,~~

~~ASX Settlement will, within the Scheduled Time:~~

~~(d) generate an Accrued RTGS Instruction to initiate a Settlement Transfer under section 10; and,~~

~~(e) notify the Instruction to each counterparty Participant.~~

Introduced 11/03/04 Origin SCH 7A.29.1, 7A.29.2

11.31.2 Instructions processed in Batch Settlement [Deleted]

~~An Instruction generated under Rule 11.31.1 will be processed for settlement in Batch Settlement utilising the Payment Facility referred to in Rule 11.5.3(c) and otherwise in accordance with Rule 10.17 and Section 10 generally.~~

~~*Note: Refer to Rule 11.5.3 in relation to use of the same Payment Facility maintained for the Participant by the RTGS Payments Provider for settlement of both the Parent RTGS Instruction and the Accrued RTGS Instruction.*~~

Introduced 11/03/04 Origin SCH 7A.29.2

11.31.3 RTGS Cash Distributions [Deleted]

~~Rule 10.17 applies, as if incorporated in full in this Section 11, to a Parent RTGS Instruction that:~~

~~(a) is Recorded to settle in Real Time Gross Settlement on a Cum Entitlement basis;~~

~~(b) has an Entitlement to:~~

~~(i) a dividend;~~

~~(ii) interest; or~~

~~(iii) a capital return; and~~

~~(c) has not settled in full by End of Day on the Record Date for the Corporate Action,~~

~~except that references in Rule 10.17 to Batch Settlement are to be construed as if they were references to Real Time Gross Settlement.~~

Introduced 11/03/04 Origin SCH 7A.30.1

11.31.4 RTGS Cash Adjustments for limited liability calls and renounceable rights [Deleted]

~~Rules 10.19 and 10.20 apply, as if incorporated in full in this Section 11, to a Parent RTGS Instruction that:~~

~~(a) is Recorded to settle in Real Time Gross Settlement on or before End of Day on the last Business Day on which ASX Settlement will process Transfers before:~~

~~(i) a call for a limited liability company falls due; or~~

~~(ii) application money for a renounceable rights issue falls due; and~~

~~(b) does not settle in full by End of Day on that Business Day,~~

~~except that references in Rule 10.20 to Batch Settlement are to be construed as if they were references to Real Time Gross Settlement.~~

Introduced 11/03/04 Origin SCH 7A.31.1

11.31.5 RTGS cash adjustments for no liability calls, options and convertible notes [Deleted]

~~Rule 10.21 applies, as if incorporated in full in this Section 11, to a Parent RTGS Instruction that:~~

~~(a) is Recorded to settle in Real Time Gross Settlement before End of Day on the last Business Day that ASX Settlement will process Transfers before:~~

~~(i) a call for no liability company falls due;~~

~~(ii) the final date for the exercise of company issued options; or~~

~~(iii) the final date for the conversion of convertible Financial Products;~~

~~(b) does not settle in full by End of Day on that Business Day; and~~

~~(c) both Participants have agreed that settlement will be effected by a Transfer of the Financial Products that result from the:~~

~~(i) call;~~

~~(ii) exercise; or~~

~~(iii) conversion,~~

~~except that references in Rule 10.21 to Batch Settlement are to be construed as if they were references to Real Time Gross Settlement.~~

Introduced 11/03/04 Origin SCH 7A.32.1

11.31.6 RTGS Reconstructions [Deleted]

~~Rule 10.22 applies, as if incorporated in full in this Section 11, to a Parent RTGS Instruction Recorded for Real Time Gross Settlement where:~~

~~(a) ASX Settlement receives notification from an Approved Listing Market Operator of:~~

~~(i) a Reconstruction that affects a class of Approved Financial Products; and~~

~~(ii) the effective date and the Issue Date for that Reconstruction;~~

~~(b) the Financial Products Code for that class will continue following the Reconstruction; and~~

~~(c) the Parent RTGS Instruction does not settle in Real Time Gross Settlement by End of Day on the second Business Day after the effective date,~~

~~except that references in Rule 10.22 to Batch Settlement are to be construed as if they were references to Real Time Gross Settlement.~~

Introduced 11/03/04 Origin SCH 7A.33.1 Amended 27/06/11, 04/03/13, 14/04/14, 07/03/16

11.31.7 RTGS buyer's right to entitlement [Deleted]

~~Rule 10.23 applies, as if incorporated in full in this Section 11, to a Parent RTGS Instruction Recorded in the CHESS Feeder System that:~~

~~(a) is Recorded to settle in Real Time Gross Settlement on a Cum Entitlement basis;~~

~~(b) has an Entitlement in respect of which no adjustment is prescribed by the Rules in the event of failure to settle in full; and~~

~~(c) does not settle in full by End of Day on the Record Date for the Corporate Action,~~

~~except that references in Rule 10.23 to Batch Settlement are to be construed as if they were references to Real Time Gross Settlement.~~

Introduced 11/03/04 Origin SCH 7A.34.1

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SECTION 12 COMPLIANCE, ENFORCEMENT ACTIONS AND APPEALS

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12.18 NOTICE OF NON COMPLIANCE

12.18.1 Notice by Participant

A Participant must give Notice of non-Compliance to ASX Settlement immediately upon the happening of any of the following Events of Non-Compliance:

(a) the Participant ceases to comply with any Participation Requirement that applies to the Participant and has not been waived under Rule 4.2.3;

(b) the Participant reasonably suspects that the Payments Provider that provides a Payment Facility for the participant will or may not authorise a net payment obligation under Section 10 of these Rules;

(c) the Participant or any of its Employees is the subject of any regulatory, disciplinary or enforcement action by any market licensee, another clearing and settlement facility, the Commission or any other regulatory authority that relates in any way to its activities as a Participant;

(d) the Participant:

(i) takes a step; or

(ii) becomes aware that another person has taken a step,

that may in any way affect the ability or entitlement of ASX Settlement to obtain payment of the relevant amount under the Performance Bond lodged by the Participant;

(e) if the Participant is a body:

(i) that body becomes a Chapter 5 body corporate as defined in section 9 of the Corporations Act;

(ii) that body reasonably suspects that it may become a Chapter 5 body corporate as defined in section 9 of the Corporations Act;

(iii) that body takes a step or becomes aware that another person has taken a step that is intended to lead to the body becoming externally administered;

(iv) someone takes control of the body's property for the benefit of the body's creditors because the body is, or is likely to become, insolvent;

Note: this sub-Rule 12.18.1(e) is intended to cover the definition of external administration in the Payment Systems and Netting Act.

(f) if the Participant is an individual or consists of two or more partners or trustees:

(i) the individual or partner or a trustee becomes an insolvent under administration;

(ii) the individual or partner or a trustee reasonably suspects that it may become an insolvent under administration;

(iii) the individual or a partner or a trustee takes a step or becomes aware that another person has taken a step that is intended to lead to the individual or the partner or trustee, as the case requires, becoming an insolvent under administration; or

(iv) someone takes control of the property of that individual, partner or trustee for the benefit of creditors because the individual, partner or trustee is, or is likely to become, insolvent;

Note: this sub-Rule 12.18.1(f) is intended to cover the definition of external administration in the Payment Systems and Netting Act.

(g) if the Payments Provider that provides a Payment Facility for the Participant becomes a Chapter 5 body corporate as defined in section 9 of the Corporations Act~~an externally administered body corporate~~ or an insolvent under administration;

(h) if the Participant reasonably suspects that the Payments Provider that provides a Payment Facility for the Participant may become a Chapter 5 body corporate as defined in section 9 of the Corporations Act~~an externally administered body corporate~~ or an insolvent under administration;

(i) in the case of a Participant who is a participant of an Approved Market Operator or Approved Clearing Facility, in addition to the Events of Non-Compliance in Rule 12.18.1(a),(b),(c),(d),(e),(f), (g) and (h):

(i) that Participant ceases to be a participant of the relevant Approved Market Operator or Approved Clearing Facility;

(ii) that Participant ceases to be entitled to carry on business as a participant of the relevant Approved Market Operator or Approved Clearing Facility;

(iii) that Participant is suspended from all or any of the privileges in relation to being a participant of the relevant Approved Market Operator or Approved Clearing Facility;

(iv) that Participant is prohibited from transacting any business with or through any participant of the relevant Approved Market Operator or Approved Clearing Facility on such terms and conditions as that Approved Market Operator or Approved Clearing Facility imposes;

(j) if the Participant becomes aware that it has breached any of the Rules or the Procedures and that breach is significant;

(k) the Participant suspects or becomes aware of any Employee has engaged in fraudulent conduct; or

(l) the Participant becomes aware of any other event or circumstance which adversely affects or may adversely affect its financial position or solvency or its ability to comply with the Rules or the Procedures.

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12.19 RESTRICTION OR SUSPENSION OF PARTICIPATION

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12.19.8 Effects of Suspension on Participation

If ASX Settlement suspends the participation of a non-compliant Participant, subject to Rules 12.19.9 and 12.19.10 and, in the case of suspension of an Instruction from Real Time Gross Settlement pursuant to Rule 12.19.8(c), subject to Section 11, ASX Settlement must:

(a) reject any Message initiated by the non-compliant Participant or another Participant that refers to a CHESS Holding under the control of the non-compliant Participant;

(b) reject any Message initiated by the non-compliant Participant to establish a new Participant Sponsored Holding;

(c) suspend from Batch Settlement or Real Time Gross Settlement, as the case may be, any Instruction that is outstanding at the time of the suspension; and

(d) cancel any bilateral~~Dual Entry~~ Message Transmitted by the Participant that has not been Matched at the time of the suspension.

Note: Refer to Rule 11.17.7 in relation to RTGS Instructions the funds transfer details of which are held in the RTGS system queue, which ASX Settlement may not be able to recall or inactivate.

Introduced 11/03/04 Origin SCH 19.5.1

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SECTION 14 SUBPOSITIONS

This Section deals with the reserving of Financial Products in and the releasing of Financial Products from a subposition including:

(a) the legal effect of subpositions;

(b) the legal relationship between ASX Settlement, Issuers, Participants and Holders;

(c) the reporting on subpositions to Participants and Participant Sponsored Holders;

(d) the reservation of Financial Products as Cover, the giving of warranties and indemnities in respect of such cover by Participants and Approved Clearing Facilities and the release and transfer of such Financial Products; ~~and~~

(e) the creation of takeover Offer Accepted subpositions including the provision of information by bidders and Target Issuers, the giving of warranties and indemnities by Participants in respect of such subpositions and the release and transfer of Financial Products from an Offer Accepted subposition; and

(f) the creation of Non-Takeover Offer Event related subpositions including the provision of information by offerors and Issuers, the giving of warranties and indemnities by Participants in respect of such subpositions and the release and transfer of Financial Products from a Non-Takeover Offer Accepted subposition.

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14.1 LEGAL RELATIONSHIPS & LEGAL EFFECT OF SUBPOSITIONS

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14.1.7 Holding Adjustments and Financial Products Transformations

(a) If ASX Settlement receives a Valid Message from an Issuer that initiates a Holding Adjustment or a Financial Products Transformation in relation to Financial Products reserved in a Subposition, ASX Settlement must give effect to that Message where:

(i) the Holding Adjustment or Financial Products Transformation is a Reconstruction; or

(ii) the Holding Adjustment or Financial Products Transformation results in an increase to the number of Financial Products in the Holding.

(b) ASX Settlement will not give effect to a Message from an Issuer that initiates a Holding Adjustment or Financial Products Transformation in relation to Financial Products reserved in a Subposition that is not of a type identified in Rule 14.1.7(a).

14.2 EFFECT OF ISSUER INITIATED ACTIONS ON SUB-POSITIONS

14.2.1 Ratio between Financial Products after Reconstruction where Financial Product Code continues

If:

(a) a Reconstruction occurs in relation to a class of Approved Financial Products which is given effect to through a Valid Message in accordance with Rule 5.26;

(b) the Financial Product Code for that class will continue following the Reconstruction; and

(c) the Reconstruction affects Financial Products in a CHESS Holding that are reserved in a Subposition,

at the time ASX Settlement enters Financial Products into, or deducts Financial Products from, that Holding, ASX Settlement must also reserve Financial Products in, or release Financial Products from, the Subposition so that the ratio between:

(d) the number of Financial Products in that Holding reserved in the Subposition; and

(e) the total number of Financial Products in that Holding,

is, as far as possible having regard to fractional entitlements, the same before and after the Reconstruction.

Introduced 11/03/04 Origin SCH 14.2.1

14.2.2 Ratio between Financial Products after Reconstruction where Financial Product Code is replaced

If:

(a) a Reconstruction occurs in relation to a class of Approved Financial Products which is given effect to through a Valid Message in accordance with Rule 5.26;

(b) a replacement Financial Product Code is to be used for that class following the Reconstruction; and

(c) the Reconstruction affects Financial Products held in a CHESS Holding that are reserved in a Subposition in favour of a particular person,

at the time ASX Settlement processes a Message in relation to the Reconstruction in accordance with Rule 8.29, ASX Settlement must release the Financial Products reserved in the Subposition and reserve the Financial Products arising from the Reconstruction in a Subposition in favour of the same person so that the ratio between:

(d) the number of Financial Products in that Holding reserved in the Subposition; and

(e) the total number of Financial Products in that Holding,

is, as far as possible having regard to fractional entitlements, the same before and after the Reconstruction.

Introduced 11/03/04 Origin SCH 14.2.2

14.2.3 Release of Financial Products from Subposition [Deleted]

~~If:~~

~~(a) an Issuer initiates a Holding Adjustment or a Financial Products Transformation that will reduce the Holding Balance of a CHESS Holding;~~

~~(b) Financial Products in that CHESS Holding are reserved in a Subposition; and~~

~~(c) Rules 14.2.1 and 14.2.2 do not apply,~~

~~immediately after ASX Settlement gives effect to that Holding Adjustment or Financial Products Transformation in accordance with these Rules, ASX Settlement may, if necessary, release Financial Products from the Subposition so that the number of Financial Products in that Holding reserved in that Subposition does not exceed the Holding Balance of the Holding.~~

Introduced 11/03/04 Origin SCH 14.2.3

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14.3 CLOSURE OF A CHESS SUBREGISTER

14.3.1 Notice given by ASX Settlement when Financial Products cease to be quoted by Approved Listing Market Operator

If:

(a) Rules 14.2.1 and 14.2.2 do not apply;

(b) ASX Settlement revokes approval of a class of an Issuer's Financial Products under Rule 8.4.1 or 8.5.4; and

(c) Financial Products in that class in a CHESS Holding are reserved in a Subposition,

ASX Settlement will give notice~~Notice~~ of the date that the Financial Products will cease to be quoted by the Approved Listing Market Operator to:

(d) the Participant in whose favour the Financial Products are reserved in that Subposition; and

(e) the Controlling Participant for that Holding.

Introduced 11/03/04 Origin SCH 14.3.1 Amended 10/06/04, 19/08/09, 27/06/11

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14.8 RELEASE OF FINANCIAL PRODUCTS FROM A SUBPOSITION

14.8.1 Initiating a release

If Financial Products in a CHESS Holding have been reserved by ASX Settlement in a Subposition under Rule 14.6.2, a release of the Financial Products from that Subposition may be initiated by a Valid Originating Message that is Transmitted to ASX Settlement by the Controlling Participating for the Holding in accordance with the Procedures.~~:~~

~~(a) is Transmitted to ASX Settlement by the Controlling Participant for the Holding; and~~

~~(b) specifies the number of Financial Products to be released from the Subposition.~~

Introduced 11/03/04 Origin SCH 15.3.1

14.8.2 ASX Settlement to Transmit Message to an Approved Clearing Facility

If a Message Transmitted to ASX Settlement complies with Rule 14.8.1, ASX Settlement will, subject to Rule 14.8.5, Transmit a Message to an Approved Clearing Facility seeking authorisation for the release from the Subposition of the Financial Products specified in the Originating Message Transmitted to ASX Settlement.

Introduced 11/03/04 Origin SCH 15.3.2

14.8.3 Action by the Approved Clearing Facility

If an Approved Clearing Facility receives a Valid Message from ASX Settlement under Rule 14.8.2, the Approved Clearing Facility will, within the Scheduled Time, Transmit to ASX Settlement a Message authorising or rejecting the release of the Financial Products from the Subposition, as the case requires.

Introduced 11/03/04 Origin SCH 15.3.3

14.8.4 Action by ASX Settlement

Subject to Rule 14.8.5, i~~I~~f ASX Settlement receives a Valid Message from an Approved Clearing Facility under Rule 14.8.3 authorising the release of Financial Products from a Subposition, ASX Settlement will, release Financial Products from the Subposition in accordance with the Originating Message.

Introduced 11/03/04 Origin SCH 15.3.4

14.8.5 Where Controlling Participant is not the Clearing Participant

This Rule 14.8.5 only applies to Cover in relation to Derivatives transactions.

Where the Controlling Participant is not the Clearing Participant in respect of whose margin obligations the Financial Products were reserved in a Subposition as Cover, ASX Settlement will Transmit a Message to the Clearing Participant seeking authorisation for the release from the Subposition of the Financial Products. If the Clearing Participant

rejects the request to release, ASX Settlement will not release the Financial Products from the Subposition.

14.9 COVER RELEASE AND TRANSFER

14.9.1 Transfers of Financial Products reserved in Subposition in favour of an Approved Clearing Facility

A Transfer of Financial Products reserved in a Subposition in favour of an Approved Clearing Facility may be initiated by a Valid Message that is transmitted by the Approved Clearing Facility to ASX Settlement in accordance with the Procedures.

Introduced 11/03/04 Origin SCH 15.4.1

14.9.2 Actions by ASX Settlement

If a Message Transmitted to ASX Settlement complies with Rule 14.9.1 and:

(a) there are sufficient Financial Products in the Source Holding reserved in a Subposition in favour of the Approved Clearing Facility; and

(b) there is no Holding Lock or Holder Record Lock on the Source Holding,

ASX Settlement will:

(c) release the number of Financial Products specified in the Message from the Subposition;

(d) deduct that number of Financial Products from the Source Holding; and

(e) enter that number of Financial Products into the Target Holding.

Introduced 11/03/04 Origin SCH 15.4.2

14.9.3 Time at which Transfer takes effect

A Transfer of Financial Products under Rule 14.9.1:

(a) takes effect when, under Rule 14.9.2, ASX Settlement deducts the Financial Products from the Source Holding; and

(b) is taken to be effected by the Approved Clearing Facility.

Introduced 11/03/04 Origin SCH 15.4.3

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14.12.4 Participant to act as Participant ~~b~~Bidder

Throughout the bid period and for such subsequent period as ASX Settlement may specify, the bidder must ensure that a Participant acts as Participant Bidder in relation to the takeover bid.

Introduced 11/03/04 Origin SCH 16.2.2

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14.13.4 Disclosure of HIN or SRN to agent under Rule 14.13.3(d)

A person must not, under Rule 14.13.3(d), disclose a HIN or SRN to an agent that is not otherwise bound by these Rules unless that person has:

(a) obtained from the agent a written undertaking to the Issuer that, if a HIN or SRN is disclosed to the agent in its capacity as agent of the person, the agent will not disclose that HIN or SRN other than to:

(i) the Holder of the Holding;

(ii) the Controlling Participant for the Holding;

(iii) ASX Settlement; or

(iv) the bidder or the Participant Bidder in relation to the takeover bid, as the case requires; and

(b) provided the agent's written undertaking to the Issuer prior to disclosing any HIN or SRN to the agent under Rule 14.13.3.

Introduced 11/03/04 Origin SCH 16.2A.4

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14.14.7 Participant Bidder may submit takeover acceptance

If:

(a) a bid is made under a takeover bid in relation to Financial Products in a class of Approved Financial Products;

(b) at any time during the period of the bid, the Financial Products are in a Participant Sponsored Holding; and

(c) before the end of the period of the bid, the Participant Sponsored Holder of those Financial Products instructs the Participant Bidder that they accept the bid,

the Participant Bidder may effect the acceptance by Transmitting a Valid Message to ASX Settlement that:

(d~~a~~) is sent during the offer period for takeover bid;

(e~~b~~) specifies a Takeover Consideration Code for that takeover bid;

(f~~e~~) specifies the HIN for the Participant Sponsored Holding of Financial Products to which the acceptance relates; and

(g~~d~~) specifies the number of Financial Products in the Holding to which the acceptance relates.

Introduced 09/05/05

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14.15.5 Application of Rules

Rules 14.15.6 and 14.15.7 apply if Financial Products in a CHESS Holding are reserved in an Offer Accepted Subposition in accordance with a Message Transmitted by the Participant Bidder under Rule~~s~~ 14.14.7.

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14.17.2 Actions by ASX Settlement

If a Message Transmitted to ASX Settlement complies with Rule 14.17.1 and:

(a) there are sufficient Financial Products in the Source Holding reserved in an Offer Accepted Subposition in favour of the Participant Bidder; and

(b) there is no Holding Lock or Holder Record Lock on the Source Holding,

ASX Settlement must:

(c) release the number of Financial Products specified in the Message from the Subposition;

(d) deduct that number of Financial Products from the Source Holding; and

(e) enter that number of Financial Products into the Takeover Transferee Holding.

Introduced 11/03/04 Origin SCH 16.6.2

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14.22 NOTIFICATION OF A NON-TAKEOVER OFFER EVENT IN RESPECT OF A CLASS OF APPROVED FINANCIAL PRODUCTS AND PROVISION OF INFORMATION

14.22.1 Rules 14.22 to 14.30 only apply if offeror uses facility for Non-Takeover Offer Event

These Rules 14.22 to 14.30 only apply to a Non-Takeover Offer Event for which the offeror has supplied a notice to ASX Settlement under Rule 14.22.2 in connection with the offeror seeking to use the facility made available by ASX Settlement under those Rules for the processing of acceptances under that offer.

14.22.2 Offeror to supply copy of notice of Non-Takeover Offer Event

If an offeror gives any notice of the making of, or of the intention to make, an offer under a Non-Takeover Offer Event in relation to Approved Financial Products and that offeror

seeks to use the facility made available by ASX Settlement under these Rules 14.22 to 14.30 for the processing of acceptances under that offer, the offeror must supply a copy of that notice to ASX Settlement immediately after a market announcement of the offer is publicly released through the public announcement platform of the Approved Market Listing Operator.

14.23 NON-TAKEOVER OFFER EVENTS – OFFER ACCEPTED SUBPOSITIONS

14.23.1 ASX Settlement to act as agent of the offeror

Throughout the offer period and for such subsequent period as ASX Settlement may specify, ASX Settlement will act as the agent of the offeror in relation to acceptances by Holders on the CHESS Subregister.

14.23.2 Participant to act as Participant Offeror

Throughout the offer period and for such subsequent period as ASX Settlement may specify, the offeror must ensure that a Participant acts as Participant Offeror in relation to the Non-Takeover Offer Event.

14.23.3 Obligations of offeror

Not less than 5 Business Days before the start of the offer period for a Non-Takeover Offer Event in relation to a class of Approved Financial Products, the offeror must:

(a) (i) if the offeror is a Participant, give Notice to ASX Settlement that the offeror will be the Participant Offeror;

(ii) apply to become a Participant for the limited purpose of acting as Participant Offeror; or

(iii) appoint a Participant to act as Participant Offeror (whether that Participant's status is limited to acting as the Participant Offeror or otherwise) and give Notice to ASX Settlement that the appointed Participant will be the Participant Offeror.

(b) Any Notice provided by the offeror to ASX Settlement pursuant to this Rule 14.23.3 shall be in the form and include the information prescribed in the Procedures.

14.23.4 Participant Offeror to be Controlling Participant

The Participant Offeror will be the Controlling Participant for the Non-Takeover Offer Event Transferee Holding.

14.23.5 Acceptances must be in accordance with the Rules

The offeror must ensure that each offer under a Non-Takeover Offer Event in relation to a class of Approved Financial Products specifies that an acceptance of that offer in respect of Financial Products that are, at the time of acceptance, in a CHESS Holding, must be made in accordance with these Rules.

14.23.6 Financial Products as consideration

If:

(a) an offer under a Non-Takeover Offer Event is accepted for Financial Products in a CHESS Holding; and

(b) the consideration to be provided under the acceptance of the offer includes Financial Products in a class of Approved Financial Products,

the offeror must ensure that any Financial Products provided as consideration for the acceptance are issued to a CHESS Holding in accordance with these Rules.

14.24 NON-TAKEOVER OFFER EVENT ACCEPTANCES

14.24.1 Controlling Participant to initiate acceptances

If:

(a) an offer is made under a Non-Takeover Offer Event in relation to Financial Products in a class of Approved Financial Products;

(b) at any time during the offer period of the Non-Takeover Offer Event, the Financial Products are in a Participant Sponsored Holding;

(c) on or before the close date of the Non-Takeover Offer Event, the Participant Sponsored Holder instructs the Controlling Participant to accept the offer,

the Controlling Participant must initiate the acceptance under this Rule 14.24:

(d) if the Participant Sponsored Holder specifies the time when or by which the offer must be accepted, in accordance with those instructions; or

(e) otherwise, within the Scheduled Time.

Note: For the purposes of Rules 14.24, 14.25, 14.26 and 14.29, it is noted that the term "acceptance" refers to the choice of the relevant Holder in response to the options available to that Holder under the terms of the relevant Non-Takeover Offer Event, and could include an application, election, instruction, acceptance, or any other means of communicating the choice of the relevant Holder, howsoever described in the terms of the relevant Non-Takeover Offer Event.

14.24.2 Acceptances of offers under Non-Takeover Offer Event to be initiated by Valid Originating Message

Acceptance of an offer under a Non-Takeover Offer Event for Financial Products that, at the time of acceptance, are held in a CHESS Holding, must be initiated by a Valid Originating Message that:

(a) is Transmitted to ASX Settlement by the Controlling Participant for the Holding;

(b) is sent during the offer period for the relevant offer;

(c) specifies a Non-Takeover Offer Event Consideration Code for that offer; and

(d) specifies the number of Financial Products in the Holding to which the acceptance relates.

14.24.3 Non-Takeover Offer Event Transfers

A Message that complies with Rule 14.24.2 also initiates a Non-Takeover Offer Event Transfer of the Financial Products specified in the Message.

14.24.4 Reservation of Financial Products in an Offer Accepted Subposition

If a Message complies with Rule 14.24.2 and there are sufficient Available Financial Products in the Holding specified in the Message, ASX Settlement will reserve the number of Financial Products specified in the Message in an Offer Accepted Subposition in favour of the Participant Offeror for the Non-Takeover Offer Event.

14.24.5 Rejection of reservation of Financial Products in Offer Accepted Subposition

If, on receipt of notification from ASX Settlement under Rule 14.5.1, the Participant Offeror rejects the reservation of Financial Products in an Offer Accepted Subposition, the Participant Offeror must, within the Scheduled Time, Transmit a Message to ASX Settlement rejecting the reservation.

14.24.6 Release of Financial Products from Offer Accepted Position

If ASX Settlement receives a Valid Message under Rule 14.24.5, ASX Settlement will release the number of Financial Products from the Offer Accepted Subposition in accordance with the Originating Message.

14.24.7 Participant Offeror may submit acceptance

If:

(a) an offer is made under a Non-Takeover Offer Event in relation to Financial Products in a class of Approved Financial Products;

(b) at any time during the period of the relevant offer, the Financial Products are in a Participant Sponsored Holding;

(c) on or before the close date of the Non-Takeover Offer Event, the Participant Sponsored Holder of those Financial Products instructs the Participant Offeror that they accept the offer,

the Participant Offeror may effect the acceptance by Transmitting a Valid Message to ASX Settlement that:

(d) is sent either:

(i) during the offer period for the relevant Non-Takeover Offer Event; or

(ii) within one Business Day of the close of the offer period for the relevant Non-Takeover Offer Event, if either:

(A) the Participant Sponsored Holder of those Financial Products has instructed the Participant Offeror that they accept the offer on or before the close date of the Non-Takeover Offer Event in accordance with Rule 14.24.7, but a Message to effect the acceptance is unable to be Transmitted to ASX Settlement before the end of the relevant offer period for genuine operational or administrative reasons; or

(B) the Participant Sponsored Holder of the relevant Financial Products has instructed the Participant Offeror that they accept the offer on or before the close date of the Non-Takeover Offer Event in accordance with Rule 14.24.7, but for the purposes of correctly finalising the Non-Takeover Offer Event, re-balancing or administrative corrections are required to be performed;

(e) specifies a Non-Takeover Offer Event Consideration Code for that Non-Takeover Offer Event;

(f) specifies the HIN for the Participant Sponsored Holding of Financial Products to which the acceptance relates; and

(g) specifies the number of Financial Products in the Holding to which the acceptance relates.

14.24.8 Action by ASX Settlement

If a Message complies with Rule 14.24.7 and there are sufficient Available Financial Products in the Holding specified in that Message, ASX Settlement will send a Message to the Controlling Participant for that Holding providing the details relating to the relevant offer acceptance included in the Message under Rule 14.24.7.

14.24.9 Controlling Participant to respond to Message

If a Controlling Participant receives a Message under Rule 14.24.8 it must Transmit a Message to ASX Settlement within the Scheduled Time and include a Target Transaction Identifier that matches the Transaction Identifier of the Message under Rule 14.24.7 and either:

(a) accepts the offer acceptance, or

(b) rejects the offer acceptance.

14.24.10 Controlling Participant to notify Holder of Rejection

If a Controlling Participant rejects an offer acceptance under Rule 14.24.9(b) the Controlling Participant must, within the Scheduled Time, notify the Holder that the relevant offer acceptance has been rejected.

14.24.11 Non-Takeover Offer Event Transfers

A Valid Message that complies with Rule 14.24.9(a) initiates a Non-Takeover Offer Event Transfer of the Financial Products.

14.24.12 Reservation of Financial Products in an Offer Accepted Subposition

If a Message complies with Rule 14.24.9(a), ASX Settlement will reserve the number of Financial Products specified in the relevant offer acceptance in an Offer Accepted Subposition in favour of the Participant Offeror for the Non-Takeover Offer Event.

14.25 WARRANTIES AND INDEMNITIES

14.25.1 Application of Rules

Rules 14.25.2 to 14.25.4 apply if Financial Products in a CHESS Holding are reserved in an Offer Accepted Subposition in accordance with an Originating Message Transmitted by the Controlling Participant for that Holding under Rule 14.24.2.

14.25.2 Participants as Holder of Financial Products

If the Participant is the Holder of the Financial Products, the Participant is taken to have warranted that the Holder was legally entitled or authorised to accept the offer to which the acceptance relates, and to effect a Transfer of the Financial Products.

14.25.3 If Participant is not Holder of Financial Products

If the Participant is not the Holder of the Financial Products, the Participant is taken to have warranted that:

(a) the Holder was legally entitled or authorised; and

(b) the Participant was authorised by the Holder,

to accept the offer to which the acceptance relates and to effect a Transfer of the Financial Products.

14.25.4 Participant to indemnify

If a Participant is taken under Rule 14.25.2 or 14.25.3 to have warranted that:

(a) the Holder was legally entitled or authorised to accept the offer to which the acceptance relates and to effect a Transfer of the Financial Products; or

(b) the Participant was authorised by the Holder to accept the offer to which the acceptance relates and to effect a Transfer of the Financial Products,

and the Holder was not so legally entitled or authorised, or the Participant was not so authorised by the Holder, the Participant indemnifies:

(c) the offeror;

(d) the Participant Offeror;

(e) the Issuer;

(f) ASX Settlement; and

(g) the Holder (in the case of paragraph (b)),

against all losses, damages, costs and expenses arising from that Holder or the Participant not having been so legally entitled or authorised.

14.25.5 Application of Rules

Rules 14.25.6 and 14.25.7 apply if Financial Products in a CHESS Holding are reserved in an Offer Accepted Subposition in accordance with a Message Transmitted by the Participant Offeror under Rule 14.24.7.

14.25.6 Warranty by Participant Offeror

The Participant Offeror is taken to have warranted that:

(a) the Holder was legally entitled or authorised; and

(b) the Participant Offeror was authorised by the Holder,

to accept the offer to which the acceptance relates and to effect a Transfer of the Financial Products.

If a Message is transmitted after the end of the offer period the Participant Offeror is also taken to have warranted under Rule 14.24.7(d)(ii), that one or more of the circumstances in that Rule apply in relation to the Message.

14.25.7 Participant Offeror to Indemnify

If a Participant Offeror is taken under Rule 14.25.6 to have warranted that:

(a) the Holder was legally entitled or authorised to accept the offer to which the acceptance relates and to effect a Transfer of the Financial Products; or

(b) the Participant Offeror was authorised by the Holder to accept the offer to which the acceptance relates and to effect a Transfer of the Financial Products,

and the Holder was not legally entitled or authorised, or the Participant Offeror was not so authorised by the Holder; or

(c) one or more of the circumstances in Rule 14.24.7(d)(ii) apply in relation to the Message transmitted after the end of the offer period under that Rule, and those circumstances did not apply;

the Participant Offeror indemnifies:

(d) the offeror;

(e) the Issuer;

(f) the Controlling Participant;

(g) ASX Settlement; and

(h) the Holder (in the case of paragraph (b) or (c)),

against all losses, damages, costs and expenses arising from the Holder or the Participant Offeror not having been so legally entitled or authorised or the circumstances in Rule 14.24.7(d)(ii) not applying.

14.25.8 Controlling Participant to Indemnify

If a Controlling Participant:

(a) rejects an offer acceptance under Rule 14.24.9(b) without adequate justification; or

(b) receives a Valid Message under Rule 14.24.8 and does not Transmit a Message to ASX Settlement that complies with Rule 14.24.9 within the Scheduled Time under Rule 14.24.9;

the Controlling Participant indemnifies:

(c) the offeror;

(d) the Issuer;

(e) the Participant Offeror;

(f) ASX Settlement; and

(g) the Holder,

against all losses, damages, costs and expenses arising from that rejection or failure to Transmit a Message.

14.26 CANCELLATION OF NON-TAKEOVER OFFER EVENT ACCEPTANCES

14.26.1 Release of Financial Products from an Offer Accepted Subposition

If Financial Products in a CHESS Holding have been reserved by ASX Settlement in an Offer Accepted Subposition in connection with a Non-Takeover Offer Event, a release of the Financial Products from that Subposition may be initiated by a Valid Originating Message that:

(a) is Transmitted to ASX Settlement by the Controlling Participant for that Holding; and

(b) specifies the number of Financial Products to be released from the Subposition.

14.26.2 Authorisation for release of Financial Products from an Offer Accepted Subposition

If an Originating Message Transmitted to ASX Settlement complies with Rule 14.26.1, ASX Settlement must Transmit a Message to the Participant Offeror seeking authorisation for the release from the Offer Accepted Subposition of the Financial Products specified in the Originating Message.

14.26.3 Participant Offeror to authorise or reject the release of Financial Products

If a Participant Offeror receives a Valid Message from ASX Settlement under Rule 14.26.2:

(a) the Participant Offeror must, subject to paragraph (b), Transmit a Message to ASX Settlement, within the Scheduled Time, authorising or rejecting the release of Financial Products from the Offer Accepted Subposition; and

(b) if the Holder of the Financial Products to which the acceptance relates is legally entitled to withdraw the acceptance, the Participant Offeror must Transmit, and the offeror must ensure that the Participant Offeror Transmits, to ASX Settlement a Valid Message under Rule 14.26.2 that authorises the release of those Financial Products.

14.26.4 ASX Settlement to release Financial Products

If ASX Settlement receives a Valid Message from a Participant Offeror under Rule 14.26.3 authorising the release of Financial Products from an Offer Accepted Subposition, ASX Settlement must release Financial Products from the Offer Accepted Subposition in accordance with the Originating Message.

14.26.5 Release of Financial Products from an Offeror Accepted Subposition initiated by Participant Offeror on behalf of a Holder

If Financial Products in a CHESS Holding have been reserved by ASX Settlement in an Offer Accepted Subposition, a release of the Financial Products from that Subposition by a Participant Offeror on behalf of a Participant Sponsored Holder may be initiated by a Valid Message that:

(a) is Transmitted to ASX Settlement by the Participant Offeror;

(b) specifies a Non-Takeover Offer Event Consideration Code for the Non-Takeover Offer Event;

(c) specifies the HIN for the Participant Sponsored Holding to be released from the Subposition; and

(d) specifies the number of Financial Products to be released from the Subposition.

14.26.6 ASX Settlement to release Financial Products

If ASX Settlement receives a Valid Message from a Participant Offeror under Rule 14.26.5 requesting the release of Financial Products from an Offer Accepted Subposition, ASX Settlement must release Financial Products from the Offer Accepted Subposition in accordance with the Originating Message.

14.26.7 Application of Rules

Rules 14.26.8 to 14.26.9 apply if Financial Products in a CHESS Holding are released from an Offer Accepted Subposition in accordance with a Message Transmitted by the Participant Offeror under Rule 14.26.5

14.26.8 Warranty by Participant Offeror

The Participant Offeror is taken to have warranted that:

(a) the Holder was legally entitled or authorised; and

(b) the Participant Offeror was authorised by the Holder,

to initiate the release of Financial Products from the Subposition.

14.26.9 Participant Offeror to Indemnify

If a Participant Offeror is taken under Rule 14.26.8 to have warranted that:

(a) the Holder was legally entitled or authorised to initiate the release of Financial Products from the Subposition; or

(b) the Participant Offeror was authorised by the Holder to initiate the release of Financial Products from the Subposition,

and the Holder was not legally entitled or authorised, or the Participant Offeror was not so authorised by the Holder, the Participant Offeror indemnifies:

(c) the offeror;

(d) the Issuer;

(e) the Controlling Participant;

(f) ASX Settlement; and

(g) the Holder (in the case of paragraph (b)),

against all losses, damages, costs and expenses arising from that Holder or the Participant Offeror not having been so legally entitled or authorised.

14.27 TRANSFERS PURSUANT TO NON-TAKEOVER OFFER EVENT ACCEPTANCES

14.27.1 Non-Takeover Offer Event Transfers of Financial Products completed by Valid Message

A Non-Takeover Offer Event Transfer of Financial Products in relation to a Non-Takeover Offer Event may be completed by a Valid Message that:

(a) is Transmitted to ASX Settlement by the Participant Offeror for the Non-Takeover Offer Event;

(b) specifies a Source Holding that contains Financial Products reserved in a Subposition in favour of the Participant Offeror;

(c) specifies the Non-Takeover Offer Event Transferee Holding as the Target Holding; and

(d) specifies the number of Financial Products in the Source Holding to be Transferred.

14.27.2 Actions by ASX Settlement

If a Message Transmitted to ASX Settlement complies with Rule 14.27.1 and:

(a) there are sufficient Financial Products in the Source Holding reserved in an Offer Accepted Subposition in favour of the Participant Offeror; and

(b) there is no Holding Lock or Holder Record Lock on the Source Holding,

ASX Settlement must:

(c) release the number of Financial Products specified in the Message from the Subposition;

(d) deduct that number of Financial Products from the Source Holding; and

(e) enter that number of Financial Products into the Non-Takeover Offer Event Transferee Holding.

14.27.3 Time at which Non-Takeover Offer Event Transfer takes effect

If a Non-Takeover Offer Event Transfer is:

(a) initiated by a Message under Rule 14.24.2; and

(b) completed by a Message under Rule 14.27.1,

the Non-Takeover Offer Event Transfer:

(c) takes effect when, under Rule 14.27.2, ASX Settlement deducts the Financial Products from the Source Holding; and

(d) is taken to be effected by:

(i) the Message under Rule 14.24.2; and

(ii) the Participant that Transmits the Message.

14.28 WARRANTIES AND INDEMNITIES BY A PARTICIPANT OFFEROR

14.28.1 Application of Rules

Rules 14.28.2 to 14.28.4 apply to the completion of a Non-Takeover Offer Event Transfer by the Participant Offeror under Rule 14.27.1.

14.28.2 Participant Offeror as offeror

If the Participant Offeror is the offeror under the Non-Takeover Offer Event, the Participant Offeror is taken to have warranted that the offeror was legally entitled or authorised to complete the Non-Takeover Offer Event Transfer.

14.28.3 If Participant Offeror is not the offeror

If the Participant Offeror is not the offeror under the Non-Takeover Offer Event, the Participant Offeror is taken to have warranted that:

(a) the offeror was legally entitled and authorised; and

(b) the Participant Offeror was authorised by the offeror,

to complete the Non-Takeover Offer Event Transfer.

14.28.4 Participant Offeror to indemnify

If the Participant Offeror is taken, under Rule 14.28.2 or 14.28.3, to have warranted that:

(a) the offeror was legally entitled or authorised to complete the Non-Takeover Offer Event Transfer; or

(b) the Participant Offeror was authorised by the offeror to complete the Non-Takeover Offer Event Transfer, and

the offeror was not so legally entitled or authorised, or the Participant Offeror was not so authorised, the Participant Offeror indemnifies:

(c) the Holder;

(d) the Controlling Participant for the Source Holding;

(e) the Issuer;

(f) ASX Settlement; and

(g) the offeror (in the case of paragraph (b)),

against all losses, damages, costs and expenses arising from that offeror or Participant Offeror not having been so legally entitled or authorised.

14.29 LAPSE OF OFFERS UNDER A NON-TAKEOVER OFFER EVENT

14.29.1 Participant Offeror to notify ASX Settlement of effect of defeating conditions

After the end of the offer period for a Non-Takeover Offer Event in relation to a class of Approved Financial Products, the Participant Offeror must, within the Scheduled Time, notify ASX Settlement of:

(a) any acceptances of offers under the offer; and

(b) any binding contracts that have resulted from such acceptances,

that are avoided including because of the existence of a defeating condition, and, in respect of any such acceptances and contracts, ASX Settlement must release Financial Products in that class from Offer Accepted Subpositions in relation to that Non-Takeover Offer Event.

Note: The reference to the "end of the offer period" in this Rule is taken to include any date prior to the end date of the original offer period on which the relevant offer ends, including if the Non-Takeover Offer Event is abandoned, withdrawn or otherwise fails to proceed, including due to the existence of a defeating condition or being overbid.

14.29.2 Participant Offeror to indemnify ASX Settlement

The Participant Offeror indemnifies ASX Settlement in respect of all losses, damages, costs and expenses that ASX Settlement may suffer or incur as a result of ASX Settlement acting in accordance with the instructions of the Participant Offeror.

14.30 FINALISATION OF OFFERS UNDER A NON-TAKEOVER OFFER EVENT

14.30.1 ASX Settlement to release Financial Products

After the end of the offer period for a Non-Takeover Offer Event in relation to a class of Approved Financial Products, ASX Settlement must, if Rule 14.29.1 does not apply, release Financial Products from any remaining Offer Accepted Subpositions in relation to that Non-Takeover Offer Event at the request of the Participant Offeror, subject to agreement by ASX Settlement.

SECTION 15 DVP BATCH SETTLEMENT OF ALLOCATIONS IN RESPECT OF INITIAL PUBLIC OFFERINGS

This Section is concerned with the processing of Allocation Components for an Offer of Approved Financial Products and the processing of Allocation Interests in DvP Batch Settlement including:

(a) the pre-requisites that must be met by an Issuer before an Allocation Component may be processed in DvP Batch Settlement;

(b) the establishment of Records and Holdings of Allocation Interests and access to these Holdings by Participants and Issuers;

(c) the legal relationship between Issuers, Participants and applicants and the responsibilities of Participants and Issuers in relation to the transfer of Allocation Interests including the giving of warranties and indemnities;

(d) the requirements that must be met by Participants and Issuers in respect of the processing of Allocation Interests in DvP Batch Settlement and the Issue of Financial Products; and

(e) the limitation of ASX Settlement's liability with respect to the processing of applications and application monies, the Transfer of Allocation Interests to applicants and the Issue of Financial Products.

15.1 APPLICATION OF SECTION 15

15.1.1 Effect of Section 15

This Section 15 regulates:

(a) the processing of an Allocation Component as a class of transactions in DvP Batch Settlement;

(b) the Transfer of Allocation Interests by Participants to applicants; and

(c) the Issue of Approved Financial Products in respect of those Allocation Interests,

and the Rules apply to an Issuer and Participants who process an Allocation Component in DvP Batch Settlement other than as specifically modified by this Section.

Introduced 11/03/04 Origin SCH 5A.1 Amended 04/03/13

15.2 ISSUER REQUEST TO PROCESS ALLOCATION COMPONENT IN DVP BATCH SETTLEMENT

15.2.1 Issuer to give Notice

If:

(a) an Issuer makes available forms of application for an Offer of Approved Financial Products; and

(b) the Approved Listing Market Operator gives that Issuer approval for quotation of those Financial Products,

the Issuer may give Notice to ASX Settlement that it wishes to process an Allocation Component of that Offer as a class of transactions in DvP Batch Settlement.

Introduced 11/03/04 Origin SCH 5A.2.1 Amended 27/06/11

15.3 PREREQUISITES FOR PROCESSING ALLOCATION COMPONENT IN DVP BATCH SETTLEMENT

15.3.1 Issuer's conditions for processing Allocation Component

For an Allocation Component to be processed in DvP Batch Settlement, the Issuer must meet the following conditions:

(a) the Allocation Component must be admitted to DvP Batch Settlement as a class of transactions under Rule 10.4.1;

(b) the Issuer must be admitted as a Participant or appoint a Participant as an agent to act on its behalf;

(c) the Issuer must establish a Payment Facility for the purpose of receiving application monies in DvP Batch Settlement and give Notice to ASX Settlement in respect of that Payment Facility; and

(d) the Issuer must establish a Settlement Account and enter into it the number of Allocation Interests that represent the Allocation Component.~~; and~~

~~(e) if the Issuer intends to process the Allocation Component in DvP Real Time Gross Settlement, the additional requirements for Real Time Gross Settlement of a transaction that are set out in Section 11 must be complied with.~~

Note: An Issuer may appoint an agent to operate a Payment Facility on its behalf, in the name of the Issuer. The Payment Facility may only be used for the receipt of application monies.

Introduced 11/03/04 Amended 05/12/19 Origin SCH 5A.3.1

15.4 ADMISSION OF ALLOCATION COMPONENT AS BATCH INSTRUCTION

15.4.1 Allocation Component processed in DvP Batch Settlement

If ASX Settlement is satisfied that the conditions in Rule 15.3 have been met, the Allocation Component may be processed in DvP Batch Settlement, and transactions in the Allocation Interests are Batch Instructions under Rule 10.4.1(c), subject to the provisions of this Section 15.

Introduced 11/03/04 Origin SCH 5A.4.1

15.5 RECORD OF ALLOCATION INTERESTS

15.5.1 Establishment of records of Allocation Interests

When ASX Settlement admits an Allocation Component as a class of transactions to DvP Batch Settlement under this Section 15, the Issuer:

(a) irrevocably authorises ASX Settlement to establish and administer a CHESS record of Allocation Interests;

(b) acknowledges that ASX Settlement acts as its agent in administering that CHESS record in accordance with this Section 15; and

(c) must establish an Issuer operated record of Allocation Interests.

Notwithstanding anything else in the Rules or the Corporations Act, a record of Allocation Interests established under this Rule 15.5 does not form part of an Issuer's principal register of Financial Products.

Introduced 11/03/04 Origin SCH 5A.5.1, 5A.5.2

15.6 RECORD OF APPLICATIONS

15.6.1 ASX Settlement entitled to assume adequate records kept

ASX Settlement is entitled to assume that an Issuer that processes an Allocation Component as a class of transactions in DvP Batch Settlement has made arrangements with each relevant Participant to keep adequate records in respect of:

(a) applications;

(b) application monies; and

(c) Holdings of Allocation Interests established under this Section.

Introduced 11/03/04 Origin SCH 5A.6.1

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15.9 TRANSFERS OF ALLOCATION INTERESTS BOUND BY THE RULES

15.9.1 Transfer of Allocation Interests not a proper ASTC Transfer

Notwithstanding that a Transfer of Allocation Interests does not constitute a proper ASTC Transfer, an Issuer and Participants that process an Allocation Component in DvP Batch Settlement agree to be bound by these Rules as if Allocation Interests were "financial products" under the Corporations Act.

Introduced 11/03/04 Origin SCH 5A.7.1 Amended 18/12/06

15.10 HOLDINGS OF ALLOCATION INTERESTS

15.10.1 Participants bound by the Rules

Notwithstanding that a record of Allocation Interests does not form part of an Issuer's principal register of Financial Products, an Issuer and Participants that process an Allocation Component in DvP Batch Settlement agree to be bound by these Rules as if a record of Allocation Interests were a CHESS Subregister or an Issuer Operated Subregister, as the case requires.

Introduced 11/03/04 Origin SCH 5A.7.2

15.11 PROCESSING OF ALLOCATION COMPONENT IN DVP BATCH SETTLEMENT

15.11.1 Section~~s~~ 10 ~~and 11~~ applies~~y~~ to an Allocation Component

The provisions of Section 10 ~~and, if applicable, Section 11~~ apply to the processing of an Allocation Component in Batch Settlement ~~or Real Time Gross Settlement, as the case requires,~~ as if a reference to "Financial Products" were a reference to "Allocation Interests", other than as specifically modified by this Section.

Introduced 11/03/04 Origin SCH 5A.8.1

15.12 PROCESSING OF ALLOCATION INTERESTS IN DVP BATCH SETTLEMENT

15.12.1 Participant's agreement with Issuer

A Participant that processes Allocation Interests in DvP Batch Settlement is taken to have agreed with the Issuer that in consideration of receiving an Allocation Component it will:

(a) process applications and enter applicant registration details in respect of that Offer on the Issuer's behalf; and

(b) submit application monies to the Issuer in DvP Batch Settlement for relevant applicants.

Introduced 11/03/04 Origin SCH 5A.9.1

15.13 REQUIREMENT TO SPECIFY SOURCE HOLDING

15.13.1 Issuer to specify Source Holding

An Issuer that processes Allocation Interests in DvP Batch Settlement may only enter ~~:~~

~~(a)~~ a Bilateral~~Dual Entry~~ Batch Message under Rule 10.9.2 which specifies a Source Holding controlled by the delivering Settlement Participant, or a Target Holding controlled by the receiving Settlement Participant, as the case requires. ~~; or~~

~~(b) a Dual Entry RTGS Message under Rule 11.13.3,~~

~~that specifies a Source Holding~~.

Introduced 11/03/04 Origin SCH 5A.9.2

15.14 AUTHORITY TO ASX SETTLEMENT TO EFFECT MOVEMENTS AND PAYMENT OF ALLOCATION INTERESTS

15.14.1 Issuer and each Participant to authorise ASX Settlement

An Issuer and each Participant that processes Allocation Interests in DvP Batch Settlement irrevocably authorises ASX Settlement to:

(a) effect a movement of Allocation Interests in respect of each Bilateral~~Dual Entry~~ Batch Instruction ~~or Dual Entry RTGS Instruction, as applicable,~~ entered by the Participant; and

(b) effect payment in respect of that Instruction.

Introduced 11/03/04 Origin SCH 5A.9.3

15.15 TRANSFER OF ALLOCATION INTERESTS AND ISSUE OF FINANCIAL PRODUCTS

15.15.1 Participants to transfer Allocation Interests in sufficient time

A Participant that processes Allocation Interests in DvP Batch Settlement must Transfer Allocation Interests to applicants in sufficient time to enable the Issuer to Issue Financial Products to the relevant applicants in accordance with Rules 15.27 and 15.28.

Introduced 11/03/04 Origin SCH 5A.9.4 Amended 04/03/13

...

15.17 ESTABLISHING A HOLDING OF ALLOCATION INTERESTS

15.17.1 Holding not to be held jointly by more than three persons

Unless permitted under an Issuer's constitution, ~~A~~a Participant must not establish a Holding of Allocation Interests that would be held jointly by more than 3 persons.

15.18 IDENTIFICATION OF BILATERAL~~DUAL ENTRY~~ BATCH MESSAGES AND TRANSFERS OF ALLOCATION INTERESTS

15.18.1 Issuer or Participant to specify the transaction

In every:

(a) Bilateral ~~Dual Entry~~ Batch Message ~~or, if applicable, Dual Entry RTGS Message~~ entered by an Issuer or Participant; and

(b) Message to Transfer Allocation Interests Transmitted by a Participant,

the Issuer or Participant, as the case requires, must specify the transaction in accordance with the Procedures as advised by ASX Settlement from time to time.

Introduced 11/03/04 Origin SCH 5A.10.1, 5A.10.2

...

15.21 PARTICIPANT AS PRINCIPAL OR AS AGENT OF APPLICANT

15.21.1 Where a Participant pays an amount to an Issuer

A Participant who pays an amount to an Issuer and receives Allocation Interests in DvP Batch Settlement makes that payment and receives those Allocation Interests:

(a) as principal; or

(b) where the Participant is in receipt of application monies, as agent for the relevant applicant.

Introduced 11/03/04 Origin SCH 5A.12.1

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15.28 ACTIONS BY ASX SETTLEMENT TO EFFECT A FINANCIAL PRODUCTS TRANSFORMATION

15.28.1 ASX Settlement to establish CHESS Holdings

If ASX Settlement receives a Valid Message from an Issuer to effect a Financial Products Transformation in relation to Allocation Interests in a CHESS Holding and there are sufficient Allocation Interests in the Source Holding specified in the Message, ASX Settlement must:

(a) deduct the number of Allocation Interests specified in the Message from that Source Holding;

(b) enter the number of Financial Products specified in the Message into the Target Holding specified in that Message;

(c) notify the Issuer:

(i) that the CHESS Holding has been established;

(ii) of the relevant Holder Record Details for the CHESS Holding; and

(d) notify the Controlling Participant that the CHESS Holding has been established.

Introduced 11/03/04 Origin SCH 5A.17.2

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15.30 INABILITY TO PROCESS ALLOCATION COMPONENT IN DVP SETTLEMENT

15.30.1 Participant to forward application and application monies

If:

(a) ASX Settlement removes an Allocation Component from DvP Batch Settlement under Rule 10.4.7 ~~or 11.1.2~~; or

(b) ASX Settlement imposes Restrictions on the participation of a non-compliant Participant under Rule 12.19.1(a),

and as a result a Participant is unable to process an Allocation Component in DvP Batch Settlement, the Participant must immediately forward any applications and application monies to the relevant Issuer in order that the Issuer may process those applications prior to the Issue Date for the relevant Approved Financial Products.

Introduced 11/03/04 Origin SCH 5A.19.1 Amended 04/03/13

...

SECTION 16 COMMUNICATIONS WITH ASX SETTLEMENT

...

16.1.1 Obligations in relation to CHESS interface

Each Facility User must:

(a) establish and maintain an interface with CHESS in accordance with the ~~EIS~~ User Technical Documentation;

(b) ensure that no person other than an Authorised Person has access to that interface with CHESS;

(c) provide Notice to ASX Settlement as soon as practicable if it is aware of any fact or matter or intends to take any action that will or may affect its capacity to communicate reliably with CHESS in accordance with the ~~EIS~~ User Technical Documentation, including (without limitation):

(i) any change to its interface with CHESS;

(ii) a change in any Third Party Provider; or

(iii) any changes to that Facility User's interface with CHESS or computing environment, including any change that may be made by a Third Party Provider that alters or may alter its capacity, or the Third Party Provider's capacity, to communicate with CHESS; and

(d) observe and give effect to any advice or directions given by ASX Settlement under Rule 16.3.

Introduced 11/03/04 Origin SCH 4.1.1, 4.1.2, 4.1.5 Amended 15/06/15

16.2.1 ASX Settlement to give Notice

ASX Settlement must promptly give Notice to a Facility User if ASX Settlement's ability to communicate with that Facility User in accordance with the ~~EIS~~ User Technical Documentation is or may be impaired, except when the impairment will or may result from action taken under Rule 16.21.

Introduced 11/03/04 Origin SCH 4.1.3

...

16.3.1 Facility User's capacity to communicate with CHESS impaired

If:

(a) a Facility User gives Notice to ASX Settlement under Rule 16.1(c);

(b) ASX Settlement gives Notice to a Facility User under Rule 16.2; or

(c) ASX Settlement has required a Facility User to undertake additional testing by providing Notice under Rule 16.9 and:

(i) the Facility User has undertaken the testing as required by ASX Settlement; or

(ii) the Facility User has not complied with the Notice from ASX Settlement requiring it to undertake further testing within the time specified by ASX Settlement,

and ASX Settlement reasonably believes that the Facility User's capacity to communicate reliably with CHESS in accordance with the ~~EIS~~ User Technical Documentation is or will be impaired, then ASX Settlement may take such steps as it considers necessary or desirable for the integrity or orderly operation of CHESS, including:

(d) giving advice or directions to the Facility User to:

(i) restore communications; or

(ii) prevent or minimise impairment to communications,

between ASX Settlement and that Facility User, as the case requires; and

(e) suspending processing of Messages or classes of Messages between ASX Settlement and the Facility User.

Introduced 11/03/04 Origin SCH 4.1.4 Amended 18/12/06

...

16.4 NOTICE TO BE GIVEN OF THE SUSPENSION OF PROCESSING OF MESSAGES

16.4.1 Effect of suspension

Where ASX Settlement has suspended processing of Messages or classes of Messages under Rule 16.3.1(e):

(a) the suspension takes effect immediately;

(b) ASX Settlement must promptly give Notice of the suspension, including reasons, to:

(i) the Facility User; and

(ii) where the Facility User is:

A. a Clearing Participant, to the Approved Clearing Facility;

B. a participant of an Approved Market Operator, to the relevant Approved Market Operator; or

C. an Issuer, to the Approved Listing Market Operator; and

(c) ASX Settlement may, to the extent that it considers reasonably necessary, give Notice of the suspension to other Facility Users; and

(d) subject to Rule 16.5~~7~~, the suspension will continue until ASX Settlement is satisfied that the circumstances that gave rise to the suspension no longer exist.

Introduced 11/03/04 Origin SCH 4.1.6, 4.1.7 Amended 27/06/11

…

16.9.2 ASX Settlement may require Facility User to undertake additional testing

Without in any way limiting the advice or directions that may be given by ASX Settlement to a Facility User, ASX Settlement may on reasonable Notice require a Facility User to undertake additional testing of the Facility User's ability to meet the Technical and Performance Requirements if:

(a) ASX Settlement reasonably believes that the number of erroneous Messages Transmitted by, or electronic communications problems with, that Facility User warrants such action; or

(b) ASX Settlement introduces significant new CHESS Software changes that will or may affect that Facility User's ability to meet those Technical and Performance Requirements;

(c) the Facility User gives Notice to ASX Settlement under Rule 16.1(c);

(d) the Facility User fails to give Notice to ASX Settlement under Rule 16.1(c) but ASX Settlement becomes aware that the Facility User has effected or proposes to effect:

(i) any change to its interface with CHESS;

(ii) any change of Third Party Provider; or

(iii) any changes to its interface with CHESS or computing environment, including any change that may be made by a Third Party Provider that alters or may alter its capacity, or the Third Party Provider's capacity, to communicate with CHESS; or

(e) ASX Settlement reasonably believes that there is some fact or matter that may impair the Facility User's capacity to communicate reliably with CHESS in accordance with the ~~EIS~~ User Technical Documentation and the Facility User has failed to give notice to ASX Settlement under Rule 16.1(c).

Introduced 11/03/04 Origin SCH 4.2.4, 4.2.5 Amended 04/04/05

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16.11 SECURITY KEYS

16.11.1 ASX Settlement to distribute Security Keys

To enable a Facility User to:

(a) encrypt and decrypt Messages; and

(b) authenticate ~~generate MACs to append to~~ outgoing Messages and incoming Messages~~; and~~,

~~(c) authenticate MACs specified in incoming Messages,~~

~~ASX Settlement will distribute two different sets of~~ a Facility User will be allocated the Security Keys specified in the User Technical Documentation~~in respect of each AIC allocated to that Facility User by ASX Settlement~~.

Each Facility User must ensure that the person who holds Security Keys on behalf of that Facility User has procedures in place to:

(c~~d~~) store those Security Keys in a secure location; and

(d~~e~~) restrict access to those Security Keys.

Introduced 11/03/04 Origin SCH 4.3.1, 4.3.3

16.12 ENCRYPTION OF MESSAGES

16.12.1 Faculty User to encrypt Message

Each Facility User must, prior to Transmitting a Message to ASX Settlement:

(a) encrypt; and

(b) ~~append a MAC to~~add a digital signature (where applicable) to,

the Message in the manner specified in the ~~EIS~~User Technical Documentation.

Introduced 11/03/04 Origin SCH 4.3.2

16.13 ALLOCATION OR ATTRIBUTION OF UIC

16.13.1 ASX Settlement to allocate or attribute UIC's to Participants and Issuers

ASX Settlement will allocate or attribute at least one UIC to:

(a) a Participant, on admission to participate in CHESS; and

(b) an Issuer, on the first occasion that any class of Financial Products of that Issuer becomes Approved under Rule 8.1.

Introduced 11/03/04 Origin SCH 4.4.1

16.14 AGGREGATION OF MULTIPLE UICS UNDER A UNIQUE SET OF AUTHENTICATION CREDENTIALS ~~ALLOCATION OF AIC~~

16.14.1 ~~ASX Settlement to allocate an AIC for each Recognised Physical Access Point~~Facility User may request aggregation of multiple UICs

In accordance with the User Technical Documentation, ASX Settlement will allocate on request from a Facility User, a unique set of authentication credentials in relation to two

or more UICs allocated or attributed to a Facility User. ~~an AIC for each Recognised Physical Access Point of a Facility User's interface with CHESS.~~

Introduced 11/03/04 Origin SCH 4.4.2 Amended 23/10/09

16.15 TRANSMISSION OF VALID MESSAGES

16.15.1 Messages must comply with ~~EIS~~User Technical Documentation

A Facility User must only Transmit Messages that comply with the Message requirements specified in the ~~EIS~~User Technical Documentation.

ASX Settlement must accept for processing any Valid Message Transmitted to ASX Settlement by a Facility User.

An Issuer must accept for processing any Valid Message Transmitted to the Issuer by ASX Settlement.

Introduced 11/03/04 Origin SCH 4.4.3, 4.4.4, 4.4.5

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16.18 ASX SETTLEMENT-INITIATED REPORTING IN RELATION TO MATCHING

16.18.1 ASX Settlement to notify Participants of Messages

If ASX Settlement:

(a) receives either:

(i) a Valid ~~Dual Entry~~Bilateral Demand Message;

(ii) a Valid ~~Dual Entry~~Bilateral Batch Message; or

~~(iii) a Valid Dual Entry RTGS Message;~~

~~(iv) a Valid Dual Entry Switch to RTGS Message; or~~

~~(v) a Valid Dual Entry Switch to Batch Settlement Message; or~~

(iii) a Valid Bilateral Demand Settlement Message; or

~~(vi) a Valid Dual Entry Payment Batch Message; or~~

(b) Matches a V~~v~~alid ~~Dual Entry~~Bilateral Batch Message~~,~~ or Valid Bilateral Demand Settlement Message ~~or a Valid Dual Entry RTGS Message or a Valid Dual Entry Payment Batch Message~~ with another Transmitted by the counterparty Participant,

ASX Settlement must notify:

(c) the Participant that Transmitted the Message; and

(d) the counterparty Participant.

of the fact.

Introduced 11/03/04 Origin SCH 4.6.1, 4.6.2

16.19 CANCELLATION OR CHANGE OF A VALID MESSAGE OR INSTRUCTION

16.19.1 ASX Settlement to notify of changed or cancelled Messages and Instructions

Except as provided by Rule~~s~~ 10.9.5~~, 11.12.6 and 11.16.4~~, if in accordance with these Rules:

(a) a Participant; or

(b) ASX Settlement,

cancels or changes either:

(c) a Valid Message; or

(d) an Instruction,

ASX Settlement must notify:

(e) the delivering Participant; and

(f) the receiving Participant

of that fact.

Introduced 11/03/04 Origin SCH 4.22.19, 4.6.3

16.20 REPORTING UNDER CHESS

16.20.1 ASX Settlement to provide Demand Report

If:

(a) a Facility User requests a Demand Report in accordance with the ~~EIS~~ User Technical Documentation and the Procedures; or

(b) an Issuer requests a Holding Net Movement Report ~~or a Total Security Balance Report~~ in accordance with the ~~EIS~~ User Technical Documentation and the Procedures,

ASX Settlement must promptly provide the Demand Report to the Facility User or the Holding Net Movement Report ~~or Total Security Balance Report~~ to the Issuer as the case may be in accordance with the ~~EIS~~ User Technical Documentation and the Procedures.

Introduced 11/03/04 Origin SCH 4.8.1., 4.8.2

16.20.2 ASX Settlement to provide Standing Report

Within the Scheduled Time, ASX Settlement will make a:

(a) Standing Report available to a Facility User in accordance with the User Technical Documentation and the Procedures; and

(b) Holding Net Movement Report and Total Security Balance Report to an Issuer in accordance with the User Technical Documentation and the Procedures.

16.21 PROCESSING MESSAGES WITHIN SCHEDULED TIME

16.21.1 ASX Settlement may vary times or suspend processing of Messages

ASX Settlement will process within the Scheduled Time, a Valid Message that is not a Message requesting a ~~Standing Report or a~~ Demand Report but may without Notice:

(a) vary the times specified in these Rules for Start of Day or End of Day, as the case requires; and

(b) suspend processing of Messages under this Rule 16.21,

if ASX Settlement reasonably believes that it is necessary to do so in order to protect the integrity or orderly operation of CHESS.

Introduced 11/03/04 Origin SCH 4.9.1, 4.9.2, 4.9.7

16.22 PROCESSING MESSAGES DURING THE SETTLEMENT PROCESSING PHASE

16.22.1 ASX Settlement will not process Messages

ASX Settlement will not process during the Settlement Processing Phase:

(a) a Message requesting a Demand Report ~~or a Standing Report~~; or

(b) a Message that will effect a change to the Holding Balance of any CHESS Holding other than a Message that initiates a Settlement Transfer;

(c) a Message requesting a change to the status of a Participant;

(d) a Message requesting a change to a Holder Record; or

(e) a Message or a Notice requesting ASX Settlement to apply or remove a Holder Record Lock, Holding Lock, Settlement Lock or Demand Lock.~~,~~

Messages that initiate Settlement Transfers in connection with:

(f) Batch Settlement will only be processed by ASX Settlement during the Settlement Processing Phase; or

(g) Real Time Gross Settlement will not be processed during the Settlement Processing Phase.

If, on any Business Day, ASX Settlement receives between Start of Day and Settlement Cut-off:

~~(c) a Valid Message Transmitted by an Issuer to effect a Financial Products Transformation or a Holding Adjustment; or~~

(h~~d~~) a Valid Message Transmitted by ASX Clear or a CHESS Offeror to effect a Transfer of Financial Products reserved in a Subposition from a CHESS Holding,

ASX Settlement will not process the Message until after that day's Settlement Processing Phase has been completed.

If ASX Settlement receives a Valid Message Transmitted by a Facility User after End of Day on a Trading Day, ASX Settlement will not process that Message until after Start of Day on the following Trading Day.

Introduced 11/03/04 Origin SCH 4.9.3, 4.9.4, 4.9.5, 4.9.6 Amended 19/08/09

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16.24 NOTIFICATION OBLIGATIONS OF ASX SETTLEMENT IN RESPECT OF MESSAGES THAT MAY EFFECT A CHANGE TO A HOLDING BALANCE

Note: Notifications will take place within the time specified for Rule 16.21

16.24.1 ASX Settlement to notify that Demand Transfer or Conversion has been effected

If ASX Settlement processes a Valid Originating Message that complies with Rule 9.4.1 or 9.7.1 from a Participant, ASX Settlement must notify:

(a) the Participant that Transmitted the Originating Message; and

(b) if the Originating Message complies with Rule 9.4.1 and the Participant that Transmitted that Message is not the Controlling Participant for the Target Holding specified in that Message, the Controlling Participant for that Target Holding,

that the Demand Transfer or Conversion has been effected.

Introduced 11/03/04 Origin SCH 4.7.2

16.24.2 ASX Settlement to notify that Demand Transfer or Conversion details Transmitted to the Issuer

If ASX Settlement Transmits a Valid Message to an Issuer under Rule 9.8.2, ASX Settlement must notify the Participant that Transmitted the Originating Message that the Demand Transfer or Conversion details have been Transmitted to the Issuer for authorisation.

Introduced 11/03/04 Origin SCH 4.7.3

16.24.3 Processing Valid Message Transmitted to ASX Settlement

If ASX Settlement processes a Valid Message Transmitted to ASX Settlement by an Issuer in accordance with Rule 9.8.6(b), ASX Settlement must notify:

(a) the Participant that Transmitted the Originating Message that the Demand Transfer or Conversion has been effected; and

(b) the Issuer to confirm that ASX Settlement has completed processing of the Demand Transfer or Conversion against the Target Holding on the CHESS Subregister.

Introduced 11/03/04 Origin SCH 4.7.4

16.24.4 Rejection of Valid Originating Message

If ASX Settlement rejects a Valid Originating Message that complies with Rule 9.4.1 or 9.7.1 from a Participant because there are insufficient Available Financial Products in the Source Holding ASX Settlement must notify the Participant that Transmitted the Originating Message of the rejection and the reason for the rejection.

Introduced 11/03/04 Origin SCH 4.7.5

16.24.5 ASX Settlement to notify delivering Participant and receiving Participant

If:

(a) a ~~Dual Entry~~Bilateral Demand Transfer is effected;~~.~~

(aa) a Bilateral Demand Settlement Transfer is effected;

(b) a Settlement Transfer is effected in respect of all the Financial Products specified in the Instruction; or

(c) a Settlement Transfer is effected in respect of only some of the Financial Products specified in the Instruction,

ASX Settlement must notify the delivering Participant and the receiving Participant and, in the case of paragraph (c) must notify them of:

(d) the number of Financial Products that have been Transferred; and

(e) the number of Financial Products that were unable to be Transferred because there were insufficient Available Financial Products in the Source Holding.

Introduced 11/03/04 Origin SCH 4.7.6, 4.7.7, 4.7.8

16.24.6 Rejection of Settlement Transfer

If a Settlement Transfer is rejected, ASX Settlement must notify the delivering Participant and the receiving Participant of the rejection.

Introduced 11/03/04 Origin SCH 4.7.9

16.24.7 Processing of Messages to effect a Holding Adjustment or Financial Products Transformation

If ASX Settlement processes a Valid Message from an Issuer to effect a Holding Adjustment or Financial Products Transformation, ASX Settlement must notify:

(a) the Issuer that the Holding Adjustment or the Financial Products Transformation has been effected; and

(b) the Controlling Participant for the affected CHESS Holding of the change to the Holding Balance of that Holding and the reason for the change.

Introduced 11/03/04 Origin SCH 4.7.10

16.24.8 DvP Instructions and Payment Batch Instructions

If a Settlement Transfer is effected in respect of a DvP Instruction, or a payment is effected in respect of a Payment Batch Instruction, ASX Settlement must within the Scheduled Time notify the paying and receiving Participants that a net funds movement has occurred in relation to each active Payment Facility.

Introduced 11/03/04 Origin SCH 4.7.11

16.25 ASX SETTLEMENT EMERGENCY ASSISTANCE

16.25.1 Participant may request ASX Settlement for assistance

If a Participant advises ASX Settlement that it is no longer able to Transmit Messages, the Participant may request ASX Settlement on a reasonable endeavours basis to:

(a) act as the Participant's agent to send and receive Messages on the Participant's behalf in communicating with ASX Settlement; or

(b) make available other emergency facilities,

in accordance with the Procedures.

16.26 EMERGENCY ASSISTANCE NOT PROVIDED BY ASX SETTLEMENT

16.26.1 Where ASX Settlement does not provide assistance

A Participant cannot claim that because ASX Settlement does not assist a Participant under Rule 16.25.1, the Participant is unable to comply with the Rules and Procedures.

16.27 EXCLUSION OF LIABILITY

16.27.1 ASX Settlement not liable for emergency assistance

ASX Settlement accepts no liability for activities it undertakes on behalf of a Participant or the use of its other emergency facilities under Rule 16.25.1.

16.28 INDEMNITY FOR EMERGENCY ASSISTANCE

16.28.1 Participant to indemnify ASX Settlement where ASX Settlement provides emergency assistance

The Participant indemnifies and will keep indemnified ASX Settlement against all actions, proceedings, claims, demands, damages, costs, expenses and any other amounts

against or incurred by ASX Settlement arising out of or in connection with any action taken or any inaction by any of ASX Settlement, or its officers, agents, persons acting for or on behalf of ASX Settlement or contractors under Rule 16.25.1.

SECTION 17 TRANSITIONAL ARRANGEMENTS [DELETED]

~~The purpose of this Section is to set out transitional arrangements governing the transition from the SCH Business Rules to these Rules including:~~

~~(a) the grandfathering of Participants, Issuers and Payments Providers under the former Rules to these Rules;~~

~~(b) specifying how the new rules in relation to Sponsorship Agreements are to be applied; and~~

~~permitting disciplinary proceedings to be taken for a breach of the former Rules even though the breach may only have been discovered after these Rules come into effect.~~

~~17.1 INTERPRETATION~~

~~17.1.1 Definitions~~

~~In this Rule 17:~~

~~"**Effective Date**" means the date which ASX Settlement notifies Facility Users as being the date on which these Rules become effective;~~

~~"**Existing Broker**" means a person who immediately before the Effective Date was admitted to participate in CHESS as a Broker under Old Rule 2.1.1;~~

~~"**Existing CDIs**" means those CDIs that immediately before the Effective Date were issued over a class of Principal Financial Products that were CHESS Approved Financial Products under the Old Rules;~~

~~"**Existing CHESS Approved Financial Products**" means those CHESS Approved Financial Products that immediately before the Effective Date were CHESS Approved Financial Products under the Old Rules;~~

~~"**Existing Department and Subsidiary of ASX**" means a person who immediately before the Effective Date was admitted to participate in CHESS as a Broker or NBP under Old Rule 2.5.1;~~

~~"**Existing Exchange other than ASX**" means a person who immediately before the Effective Date was admitted to participate in CHESS as an NBP under Rule 2.5A.1;~~

~~"**Existing FDIs**" means those FDIs that immediately before the Effective Date corresponded to a class of Participating International Financial Products that were CHESS Approved Financial Products under the Old Rules;~~

~~"**Existing Foreign Clearing House**" means a person who immediately before the Effective Date was admitted to participate in CHESS as an NBP under Old Rule 2.5B.1;~~

~~"**Existing Issuer**" means a person who immediately before the Effective Date was recognised as an Issuer under the Old Rules;~~

~~"**Existing NBP**" means a person who immediately before the Effective Date was admitted to participate in CHESS as a NBP under Old Rule 2.3.1 or 2.3.2;~~

~~"**Existing NBP Subject to Restrictions**" means a person who immediately before the Effective Date was admitted to participate in CHESS as an NBP under Old Rule 2.4.1, 2.4.2 or 2.5A;~~

~~"**Existing NSSP**" means a person who immediately before the Effective Date was admitted to participate in CHESS as a NSSP under Old Rule 2.1A.1;~~

~~"**Existing Participant**" means a Participant within the meaning of the Old Rules;~~

~~"**Existing Participant Sponsored Holder**" means a Participant Sponsored Holder within the meaning of the Old Rules;~~

~~"**Existing Payments Provider**" means a person who immediately before the Effective Date was recognised as a Payments Provider under the Old Rules;~~

~~"**Existing RTGS Payments Provider**" means a person who immediately before the Effective Date was recognised as an RTGS Payments Provider under the Old Rules;~~

~~"**Existing Settlement Agent**" means a person who immediately before the Effective Date was appointed as a settlement agent under ASX Business Rule 4.51;~~

~~"**Existing Sponsorship Agreement**" means a Sponsorship Agreement within the meaning of the Old Rules;~~

~~"**Old Rules**" means the SCH Business Rules in force immediately before the Effective Date;~~

~~"**Performance Bond Lodged Under the Old Rules**" has the same meaning as the definition of Performance Bond in the Old Rules;~~

~~"**Scheduled Settlement**" has the same meaning as in the Old Rules.~~

~~From the Effective Date until 10 March 2004 the definition of "**Market Operator**" is modified to include:~~

~~(a) a securities exchange under the Old Corporations Act;~~

~~(b) an exempt stock market under section 771 of the Old Corporations Act; or~~

~~(c) a special stock market under section 770A of the Old Corporations Act,~~

~~and that definition is to be construed accordingly.~~

~~Introduced 11/03/04~~

~~17.2 TRANSITION OF PARTICIPANTS~~

~~17.2.1 Participants taken to be admitted under the Rules~~

~~From the Effective Date:~~

~~(a) each Existing Broker is taken to be admitted as a General Settlement Participant under these Rules;~~

~~(b) each Existing NBP admitted under Old Rule 2.3.1, Old Rule 2.3.2 or Old Rule 2.5A is taken to be admitted as a General Settlement Participant under these Rules;~~

~~(c) each Existing NBP Subject to Restrictions is taken to be admitted as a Specialist Settlement Participant under these Rules;~~

~~(d) each Existing Department and Subsidiary of ASX is taken to be admitted as a General Settlement Participant under these Rules;~~

~~(e) each Existing Exchange Other than ASX is taken to be admitted as a General Settlement Participant under these Rules;~~

~~(f) each Existing Foreign Clearing House is taken to be admitted as a General Settlement Participant under these Rules;~~

~~(g) each Existing NSSP is taken to be admitted as an Account Participant under these Rules; and~~

~~(h) each Existing Settlement Agent is taken to be admitted as a Settlement Agent under these Rules.~~

~~From the Effective Date until 10 March 2004 the requirement in Rule 4.3.1(b)(i) that an applicant for admission as a General Settlement Participant and the requirement in Rule 4.5.1(a) that an applicant for admission as an Account Participant be the holder of an Australian financial services licence under the Corporations Act is satisfied if the applicant for admission is the holder of a dealers licence under the Old Corporations Act, the terms of which do not prevent the applicant from carrying on a securities business in relation to any securities (as defined in section 92(1) of the Old Corporations Act), or the holder of a futures brokers licence under the Old Corporations Act.~~

~~Introduced 11/03/04~~

~~17.3 TRANSITION OF ISSUERS~~

~~17.3.1 Issuers taken to be Issuers under the Rules~~

~~From the Effective Date each Existing Issuer is taken to be an Issuer under these Rules.~~

~~Introduced 11/03/04~~

~~17.4 TRANSITION OF PAYMENTS PROVIDERS~~

~~17.4.1 Payments Providers taken to be Payments Providers under the Rule~~

~~From the Effective Date each Existing Payments Provider is taken to be a Payments Provider under these Rules. From the Effective Date each Existing RTGS Payments Provider is taken to be an RTGS Payments Provider under these Rules.~~

~~Introduced 11/03/04~~

~~17.5 TRANSITION OF APPROVED FINANCIAL PRODUCTS~~

~~17.5.1 CHESS Approved Financial Products taken to be Approved Financial Products~~

~~From the Effective Date:~~

~~(a) all Existing CHESS Approved Financial Products;~~

~~(b) all Existing CDIs; and~~

~~(c) all Existing FDIs,~~

~~are taken to be Approved Financial Products under these Rules.~~

~~Introduced 11/03/04 Amended 06/06/05~~

~~17.6 SPONSORSHIP AGREEMENTS~~

~~17.6.1 Sponsorship Agreements continue to operate~~

~~Where an Existing Participant has entered into a Existing Sponsorship Agreement with an Existing Participant Sponsored Holder in accordance with the Old Rules, the terms of that Sponsorship Agreement continue to operate under these Rules on and from the Effective Date subject to the following:~~

~~(a) Rules 7.2.2(b), 7.2.2(i) and 7.2.4 do not apply until the terms of the Existing Sponsorship Agreement are varied or amended; and~~

~~(b) Existing Participants must, on the next occasion after the Effective Date that they send a written communication to an Existing Participating Sponsored Holder, inform the Holder in writing at that time of the effect of Rules 7.2.2(b), 7.2.2(i) and 7.2.4.~~

~~For the avoidance of doubt, Section 7 of the Rules applies to all Sponsorship Agreements entered into on or after the Effective Date.~~

~~*Note: The effect of Rule 17.6 is that Rules 7.2.2(b, 7.2.2(i)) and 7.2.4 only apply to new Sponsorship Agreements entered into on or after the Effective Date and to former Sponsorship Agreements that are varied on or after the Effective Date but that Existing Participant Sponsored Holders must be informed in writing by their Sponsoring Participant of the effect of the new rules.*~~

~~Introduced 11/03/04 Amended 10/06/04~~

~~17.7 WAIVERS~~

~~17.8.1 Transactions schedule for Scheduled Settlement taken to be Scheduled for Batch Settlement~~

~~Any waivers granted under the Old Rules continue to be effective and operate in accordance with their terms and conditions as if they were made under these Rules.~~

~~Introduced 11/03/04~~

~~17.8 BATCH SETTLEMENT~~

~~Any transaction scheduled for Scheduled Settlement under the Old Rules is taken to be an Instruction scheduled for Batch Settlement under these Rules.~~

~~Introduced 11/03/04~~

~~17.9 EFFECT OF TRANSITION ON EXISTING RIGHTS AND OBLIGATIONS~~

~~17.9.1 Rights and obligations not affected~~

~~This Rule 17 does not affect any accrued rights which ASX Settlement, ASX, ASX Clear or any other person has against an Existing Participant, Existing Issuer or any other person under the Old Rules or any accrued obligations which the Existing Participant, Existing Issuer or any other person has under the Old Rules to ASX Settlement, ASX, ASX Clear or to any other person. Without limiting this Rule 17.9, following the Effective Date:~~

~~(a) ASX Settlement will continue to have jurisdiction in respect of an Existing Participant and Existing Issuer concerning any conduct or any failure to comply with the Old Rules which occurred before the Effective Date whether or not ASX Settlement was or should have been aware of that conduct or failure prior to the Effective Date. ASX Settlement will be permitted to take action against an Existing Participant or an Existing Issuer under the Old Rules for a breach of the Old Rules even if ASX Settlement only became aware of the breach on or after the Effective Date; and~~

~~(b) each Existing Participant, Existing Issuer and any other person continues to be bound by any indemnity given by the Existing Participant, Existing Issuer or person under the Old Rules to ASX Settlement, ASX, ASX Clear or any other person.~~

~~Introduced 11/03/04~~

~~17.10 PERFORMANCE BONDS~~

~~17.10.1 Valid Performance Bond to be a valid Settlement Bond or Sponsorship Bond~~

~~A valid Performance Bond Lodged Under the Old Rules by an Existing NBP is taken to be a valid Settlement Bond or Sponsorship Bond, as the case may be, lodged with ASX Settlement under these Rules subject to the following:~~

~~(a) any reference in the Performance Bond Lodged Under the Old Rules to:~~

~~(i) the SCH Business Rules is taken to be a reference to these Rules; and~~

~~(ii) the NBP requesting the issue of the bond is taken to be a reference to a Sponsorship Participant or Settlement Participant as the case may be; and~~

~~(b) the obligation under these Rules requiring a Participant to lodge a Sponsorship Bond of $500,000 or a Settlement Bond of $500,000 or both can be met by a Participant lodging and maintaining with ASX Settlement one or more bonds, including the Performance Bond Lodged Under the Old Rules, which, in combination, satisfy the required amount.~~

~~*Note: The effect of Rule 17.10 is that a valid Performance Bond Lodged Under the Old Rules in an amount of $500,000 can be used by a Participant as a Sponsorship Bond or a Settlement Bond.*~~

~~*If the Performance Bond Lodged Under the Old Rules is only for an amount of $250,000, or if it is for an amount of $500,000 and the Participant is required to lodge a Sponsorship Bond and a Settlement Bond totalling $1 million, then the Participant will have to lodge an additional bond or bonds for the shortfall so that the total of all bonds lodged with ASX Settlement satisfies the required amount.*~~

~~Introduced 11/03/04~~

~~17.11 NOTICES, CIRCULARS AND BULLETINS~~

~~17.11.1 Notices and other communications taken to be made under the Rules~~

~~Any circulars, notices, bulletins, explanatory memoranda or other communications issued or made by ASX Settlement under the Old Rules are taken to be issued or made under these Rules with such modifications to rule references and terminology as are necessary to give effect to the circular, notice, bulletin, explanatory memorandum or communication.~~

~~Introduced 11/03/04~~

~~17.12 ALLOCATION OF AICS, UICS AND PIDS~~

~~17.12.1 AIC's, UIC's and PID's taken to be allocated under the Rules~~

~~The allocation of any AIC, UIC or PID under the Old Rules is taken to be an allocation under these Rules.~~

~~Introduced 11/03/04~~

~~End of Document~~

SECTION 18 SETTLEMENT OF AQUA PRODUCTS

This Section contains rules relating specifically to the settlement of AQUA Products including:

(a) processing of requests for issue and redemption of AQUA Products ~~and requests to Switch between AQUA Products~~;

(b) cancellation of requests for issue or redemption of AQUA Products~~or Switch~~;

(c) notification of changes to details for requests for issue or redemption ~~or Switch~~ of AQUA Products; and

(d) actions that ASX Settlement may take in the event of failure by a Product Issuer Settlement Participant to settle issues and redemptions of AQUA Products; ~~and~~

~~(e) the provision of distribution and re-investment advices to Holders of AQUA Products.~~

18.1 APPLICATION OF RULES TO AQUA PRODUCTS

18.1.1 Application of Section 18

This Section 18 applies to the processing of requests for issue and redemption of AQUA Products as a class of transaction in Batch Settlement. AQUA Products must be settled in accordance with this Section 18. This Section 18 does not apply in relation to Financial Products which are not AQUA Products.

18.1.2 Compliance with Rules other than Section 18

Subject to the modifications specified in Rule 18.13, a Facility User must, in respect of AQUA Products, comply with all Rules to the extent those Rules apply to AQUA Products.

18.1.3 Conflict between Rules

If there is a conflict between a provision of this Section 18 and any other provision of these Rules, the provision of this Section 18 will prevail to the extent of the conflict.

18.2 SETTLEMENT PROCESS

18.2.1 Transactions

Transactions in relation to AQUA Products which may be settled through the Settlement Facility in Batch Settlement are payments in respect of the issue or redemption of AQUA Products.

18.2.2 Process

Payments in respect of the issue or redemption of AQUA Products are to be settled in Batch Settlement as follows:

(a) for issue of AQUA Products, on a 'payment then delivery' basis; and

(b) for redemption of AQUA Products, on a 'delivery then payment' basis,

in accordance with the provisions of this Section 18 and all other applicable provisions of these Rules.

18.3 REQUESTS FOR ISSUE OR REDEMPTION OF AQUA PRODUCTS

18.3.1 Initiation of request

A Settlement Participant may initiate a request for issue or redemption of AQUA Products by Transmitting to ASX Settlement a Valid Originating Message before Fund Request Cut-Off in accordance with the Procedures. In addition to the matters specified in the Procedures the Valid Originating Message in respect of an application for issue of AQUA Products must include:

(a) confirmation that the requirements of the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth) have been satisfied; and

(b) confirmation that the Holder has received a copy of the Product Disclosure Statement or Combined Product Disclosure Statement (as applicable) for the AQUA Products referred to in Rule [4652] of the ASX Operating Rules and the date of that Product Disclosure Statement or Combined Product Disclosure Statement (as applicable).

Amended 06/02/17

18.3.2 Initiating Settlement Participant to be Controlling Participant

A Settlement Participant may only initiate a request for issue or redemption of AQUA Products ~~in~~ for a CHESS Holding in respect of which it is the Controlling Participant.

18.3.3 Product Issuer Settlement Participant to accept or reject request

If a Valid Originating Message Transmitted to ASX Settlement complies with Rule 18.3.1:

(a) ASX Settlement must, within the Scheduled Time, Transmit a Message to the relevant Product Issuer Settlement Participant to notify it of the details of the request specified in the Valid Originating Message;

(b) the Product Issuer Settlement Participant must, subject to Rule 18.3.3(c) and within the Scheduled Time, Transmit a Valid Message to ASX Settlement accepting or rejecting ~~(or, in the case of requests for redemption only, deferring)~~ the request and specifying the information required by the Procedures; and

(c) the Product Issuer Settlement Participant must reject a request for issue of AQUA Products pursuant to Rule 18.3.3(b) where the AQUA Product Issuer must not issue the AQUA Products pursuant to Rule 10A.4.5(e) of the ASX Operating Rules.

Amended 15/08/16, 06/02/17

18.3.4 ASX Settlement to notify Settlement Participant

If ASX Settlement receives a Valid Message from a Product Issuer Settlement Participant in accordance with Rule 18.3.3(b), ASX Settlement must Transmit a Message to the Settlement Participant that initiated the request notifying it that the request has been accepted or rejected ~~(or, in the case of requests for redemption only, deferred)~~, as the case requires.

Amended 15/08/16

18.3.5 ~~Deemed rejection~~ Removal of requests ~~– [Deleted]~~

Without limiting Rule 18.3.3.(b), if the Product Issuer Settlement Participant has not Transmitted a Valid Message to ASX Settlement pursuant to Rule 18.3.3(b) by the Scheduled Time, ASX Settlement may:

(a) cancel and remove any requests for the issue or redemption for AQUA Products that have not been accepted or rejected in accordance with Rule 18.3.3(b); and

(b) notify the Settlement Participant that initiated the request for issue or redemption of AQUA Products that the request has been cancelled.

~~Deleted 15/08/16~~

18.3.6 Accepted request to result in AQUA Payment Batch Instruction and Holding Adjustment

If ASX Settlement receives a Valid Message from a Product Issuer Settlement Participant in accordance with Rule 18.3.3(b) accepting a request for issue or redemption of AQUA Products:

(a) ASX Settlement must:

(i) schedule an AQUA Application Payment Batch Instruction or AQUA Redemption Payment Batch Instruction, as the case requires, for settlement in Batch Settlement on the Settlement Date as determined by ASX Settlement (in the case of an AQUA Application Payment Batch Instruction) or as specified in the Valid Message Transmitted by the Product Issuer Settlement Participant in accordance with Rule 18.3.3(b) (in the case of an AQUA Redemption Payment Batch Instruction); and

(ii) Transmit a Message to the Settlement Participant that initiated the request and the Product Issuer Settlement Participant notifying them that an AQUA Application Payment Batch Instruction or AQUA Redemption Payment Batch Instruction, as the case requires, has been scheduled for settlement; and

(b) the Product Issuer Settlement Participant must, within the Scheduled Time (or, in the case of a request for issue only, by the rescheduled date (if any) notified in accordance with Rule 18.7), Transmit to ASX Settlement a Valid Message in accordance with the Procedures that initiates a Holding Adjustment to increase or decrease, by the number of AQUA Products determined by the Product Issuer Settlement Participant in respect of the request for issue or redemption, as the case requires, the Holding Balance of the CHESS Holding specified in the Originating Message.

Amended 15/08/16

18.3.6A Product Issuer Settlement Participant to provide certain information prior to issue or redemption of AQUA Products

If the Product Issuer Settlement Participant accepts a request for issue or redemption of AQUA Products in accordance with Rule 18.3.3(b):

(a) the Product Issuer Settlement Participant must, within the Scheduled Time, Transmit a Valid Message to ASX Settlement notifying it of the information specified in the Procedures; and

(b) ASX Settlement must, within the Scheduled Time, Transmit a Message to the Settlement Participant that initiated the request for issue or redemption of AQUA Products notifying it of the information received from the Product Issuer Settlement Participant in accordance with Rule 18.3.6A(a).

Introduced 15/08/16

18.3.7 Notifications to prospective investor clients

If a Settlement Participant receives a Message under Rules 18.3.6(a)(ii), 18.3.6A(b), 18.4.4(a), 18.5.1, or 18.7.2(a), it must:

(a) where the Settlement Participant is also the Trading Participant through which the request for issue or redemption of AQUA Products was initiated on behalf of the client investor, promptly communicate the relevant information to the client; or

(b) where the Settlement Participant is acting as Settlement Agent for the Trading Participant through which the request for issue or redemption of AQUA Products was initiated on behalf of the client investor, promptly communicate the relevant information to that Trading Participant.

Amended 15/08/16

18.3.8 Obligations of Participants in relation to AQUA Payment Batch Instructions

The obligation or entitlement, as the case requires, of a Settlement Participant that initiates a request for issue or redemption of AQUA Products and the Product Issuer Settlement Participant that accepts the request for issue or redemption, to pay or receive an amount in accordance with the AQUA Application Payment Batch Instruction or AQUA Redemption Payment Batch Instruction scheduled in accordance with Rule 18.3.6(a)(i), are owed to each other as principals, even if one or both of the Participants is acting on behalf of another person in relation to the instruction.

Note: A Settlement Participant that initiates a request for issue or redemption of AQUA Products will be liable for any failure or inability by a Third Party Provider to comply with the Rules. Refer also to Rule 2.4 and Rule 16.17.

18.3.9 Representation by Settlement Participants

Where a Settlement Participant Transmits a Valid Originating Message to ASX Settlement under Rule 18.3.1, the Settlement Participant is taken to represent for the benefit of the relevant AQUA Product Issuer that:

(a) where the Settlement Participant is also the Trading Participant through which the request for issue of AQUA Products was initiated on behalf of the client investor:

i. the Settlement Participant gave the Product Disclosure Statement or Combined Product Disclosure Statement (as applicable) referred to in Rule 18.3.1(b) to the client;

ii. the requirements of Part 2 of the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth) in relation to the client investor have been satisfied; and

iii. the Settlement Participant has complied with any other matters as set out in the Procedures,

prior to accepting the client's instruction to initiate the request; or

(b) where the Settlement Participant is acting as Settlement Agent for the Trading Participant through which the request for issue of AQUA Products was initiated on behalf of the client investor, the Settlement Participant has received confirmation from the Trading Participant that:

i. the Trading Participant gave the Product Disclosure Statement or Combined Product Disclosure Statement (as applicable) referred to in Rule 18.3.1(b) to the client;

ii. the requirements of Part 2 of the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth) in relation to the client investor have been satisfied; and

iii. the Trading Participant has complied with any other matters as set out in the Procedures,

prior to accepting the client's instruction to initiate the request.

Amended 06/02/17

18.4 REQUESTS TO SWITCH BETWEEN AQUA PRODUCTS – [DELETED]

18.4.1 Initiation of request – [Deleted]

~~A Settlement Participant may initiate a request to Switch between AQUA Products by Transmitting to ASX Settlement a Valid Originating Message before Fund Request Cut-Off in accordance with the Procedures. In addition to the matters specified in the Procedures the Valid Originating Message must include confirmation that the Holder has received a copy of the Product Disclosure Statement or Combined Product Disclosure Statement (as applicable) for the AQUA Products referred to in Rule [4652] of the ASX Operating Rules and the date of that Product Disclosure Statement or Combined Product Disclosure Statement (as applicable).~~

~~Amended 06/02/17~~

18.4.2 Initiating Settlement Participant to be Controlling Participant – [Deleted]

~~A Settlement Participant may only initiate a request to Switch between AQUA Products in CHESS Holdings which are referable to the same Holder and in respect of which it is the Controlling Participant.~~

18.4.3 Product Issuer Settlement Participant to accept or reject request – [Deleted]

~~If a Valid Originating Message Transmitted to ASX Settlement complies with Rule 18.4.1:~~

~~(a) ASX Settlement must, within the Scheduled Time, Transmit a Message to the relevant Product Issuer Settlement Participant to notify it of the details of the request specified in the Valid Originating Message;~~

~~(b) the Product Issuer Settlement Participant must, subject to Rule 18.4.3(c) and within the Scheduled Time, Transmit a Valid Message to ASX Settlement accepting, rejecting or deferring the request and specifying the information required by the Procedures; and~~

~~(c) the Product Issuer Settlement Participant must reject a request for Switch between AQUA Products pursuant to Rule 18.4.3(b) where the AQUA Product Issuer must not issue the AQUA Products pursuant to Rule 10A.4.5(e) of the ASX Operating Rules.~~

~~Amended 15/08/16, 06/02/17~~

18.4.4 ASX Settlement to notify Settlement Participant – [Deleted]

~~If ASX Settlement receives a Valid Message from a Product Issuer Settlement Participant in accordance with Rule 18.4.3(b):~~

~~(a) ASX Settlement must Transmit a Message to the Settlement Participant that initiated the request notifying it that the request has been accepted, rejected or deferred, as the case requires; and~~

~~(b) if the request has been accepted, the Product Issuer Settlement Participant must, within the Scheduled Time, Transmit to ASX Settlement Valid Messages in accordance with the Procedures that initiate Holding Adjustments to increase and decrease, by the number of AQUA Products determined by the~~

~~Product Issuer Settlement Participant in respect of the request to Switch between AQUA Products, as the case requires, the Holding Balance of each CHESS Holding specified in the Valid Originating Message.~~

~~Amended 15/08/16~~

18.4.5 Deemed rejection of request – [Deleted]

Deleted 15/08/16

18.4.6 Representation by Settlement Participants– [Deleted]

~~Where a Settlement Participant Transmits a Valid Originating Message to ASX Settlement under Rule 18.4.1, the Settlement Participant is taken to represent for the benefit of the relevant AQUA Product Issuer that:~~

~~(a) where the Settlement Participant is also the Trading Participant through which the request to switch between AQUA Products was initiated on behalf of the client investor:~~

~~i. the Settlement Participant gave the Product Disclosure Statement or Combined Product Disclosure Statement (as applicable) referred to in Rule 18.4.1 to the client; and~~

~~ii. the Settlement Participant has complied with any other matters as set out in the Procedures,~~

~~prior to accepting the client's instruction to initiate the request; or~~

~~(b) where the Settlement Participant is acting as Settlement Agent for the Trading Participant through which the request to switch between AQUA Products was initiated on behalf of the client investor, the Settlement Participant has received confirmation from the Trading Participant that:~~

~~i. the Trading Participant gave the Product Disclosure Statement or Combined Product Disclosure Statement (as applicable) referred to in Rule 18.4.1 to the client; and~~

~~ii. the Trading Participant has complied with any other matters as set out in the Procedures,~~

~~prior to accepting the client's instruction to initiate the request.~~

~~Amended 06/02/17~~

18.5 CANCELLATION OF REQUESTS BY PRODUCT ISSUER SETTLEMENT PARTICIPANT

18.5.1 Cancellation of accepted issue or redemption requests

If, within the Scheduled Time, a Product Issuer Settlement Participant Transmits to ASX Settlement a Valid Message in accordance with the Procedures that requests cancellation of a request for issue or redemption of AQUA Products that the Product Issuer Settlement Participant accepted ~~(or, in the case of requests for redemption only, deferred)~~ in accordance with Rule 18.3.3(b), ASX Settlement will:

(a) cancel and remove from Batch Settlement any unsettled AQUA Application Payment Batch Instruction or AQUA Redemption Payment Batch Instruction scheduled in accordance with Rule 18.3.6(a)(i) or rescheduled in accordance with Rule 18.7.2(b)(i) that relates to the request; and

(b) notify the Settlement Participant that initiated the request for issue or redemption of AQUA Products that the request has been cancelled and that any unsettled AQUA Application Payment Batch Instruction or AQUA Redemption Payment Batch Instruction that relates to the request has been removed from Batch Settlement.

Amended 15/08/16

18.5.2 Cancellation of accepted request to Switch – [Deleted]

~~If, within the Scheduled Time, a Product Issuer Settlement Participant Transmits to ASX Settlement a Valid Message in accordance with the Procedures that requests cancellation of a request to Switch between AQUA Products that the Product Issuer Settlement Participant accepted or deferred in accordance with Rule 18.4.3(b), ASX Settlement will~~

~~notify the Settlement Participant that initiated the request to Switch between AQUA Products that the request has been cancelled.~~

~~Amended 15/08/16~~

18.6 CANCELLATION OF REQUEST BY APPLICANT

18.6.1 Cancellation request to be accepted or rejected by Product Issuer Settlement Participant

If, within the Scheduled Time, a Settlement Participant Transmits to ASX Settlement a Valid Message in accordance with the Procedures that requests cancellation of~~:~~

~~(a)~~ a request for redemption of AQUA Products. ~~; or~~

~~(b) a request to Switch between AQUA Products,~~

then:~~at the Settlement Participant initiated and the Product Issuer Settlement Participant deferred in accordance with Rule 18.3.3(b) or Rule 18.4.3(b):~~

(~~c~~a) ASX Settlement must, within the Scheduled Time, Transmit a Message to the Product Issuer Settlement Participant to notify it of the cancellation request; and

(b~~d~~) the Product Issuer Settlement Participant must, within the Scheduled Time, Transmit a Valid Message in accordance with the Procedures to ASX Settlement accepting or rejecting the cancellation request and specifying the information required by the Procedures.

Amended 15/08/16

18.6.1A Cancellation of request for issue

If, within the Scheduled Time, a Settlement Participant Transmits to ASX Settlement a Valid Message in accordance with the Procedures that requests cancellation of a request for the issue of AQUA Products, ASX Settlement must:

(a) within the Scheduled Time, Transmit a Message to the Product Issuer Settlement Participant to notify it of the cancellation of the request; and

(b) Transmit a Message to the Settlement Participant notifying it of the cancellation of the request for issue.

18.6.2 ASX Settlement to notify Settlement Participant

If ASX Settlement receives a Valid Message from a Product Issuer Settlement Participant in accordance with Rule 18.6.1(d), ASX Settlement must Transmit a Message to the Settlement Participant that initiated the cancellation request notifying it that the request has been accepted or rejected.

18.6.3 Deemed rejection of request – [Deleted]

Deleted 15/08/16

18.7 NOTIFICATION OF CHANGE OF ISSUE OR REDEMPTION DETAILS BY PRODUCT ISSUER SETTLEMENT PARTICIPANT

18.7.1 Product Issuer Settlement Participant to notify change of details

A Product Issuer Settlement Participant that has accepted~~:~~

~~(a)~~ a request for issue or redemption of AQUA Products in accordance with Rule 18.3.3(b)~~; or~~

~~(b) a request to Switch between AQUA Products in accordance with Rule 18.4.3(b),~~

may notify the Settlement Participant that initiated the request of changes to details of matters relating to the request, as specified in the Procedures, by Transmitting to ASX Settlement, within the Scheduled Time, a Valid Message in accordance with the Procedures.

If ASX Settlement receives a Valid Message in accordance with this Rule 18.7.1, it will notify the Settlement Participant that initiated the request for issue or redemption of AQUA Products of the changes to those details.

Amended 15/08/16

18.7.2 ASX Settlement to notify applicant and reschedule payment instructions

If ASX Settlement receives a Valid Message from a Product Issuer Settlement Participant in accordance with Rule 18.7.1, ASX Settlement must:

(a) Transmit a Message to the Settlement Participant that initiated the request notifying it of the changed details advised by the Product Issuer Settlement Participant; and

(b) if the Product Issuer Settlement Participant has notified a change to the Settlement Date for payment in respect of a request for issue or redemption of AQUA Products:

(i) reschedule the AQUA Application Payment Batch Instruction or AQUA Redemption Payment Batch Instruction, as the case requires, for settlement in Batch Settlement on the Settlement Date specified in the Message Transmitted by the Product Issuer Settlement Participant in accordance with Rule 18.7.1; and

(ii) Transmit a Message to the Settlement Participant that initiated the request and the Product Issuer Settlement Participant notifying them that the AQUA Application Payment Batch Instruction or AQUA Redemption Payment Batch Instruction, as the case requires, has been rescheduled.

18.8 FAILURE TO SETTLE

18.8.1 Reminder notices – Holding Adjustment in respect of request for issue

If a Product Issuer Settlement Participant fails to initiate a Holding Adjustment in respect of a request for issue of AQUA Products in accordance with Rule 18.3.6(b) ~~or a request for to Switch under Rule 18.4.4(b)~~, ASX will, on each Business Day until the Product Issuer Settlement Participant initiates a Holding Adjustment in respect of the request in accordance with Rule 18.3.6(b) or Rule 18.4.4(b), Transmit a Message to the Product Issuer Settlement Participant reminding it of its obligation to initiate a Holding Adjustment.

18.8.2 Fee payable for reminder notice

A Product Issuer Settlement Participant is liable to pay a fee, as specified in the Fees and Charges Schedule, in respect of each Message Transmitted to it by ASX Settlement in accordance with Rule 18.8.1.

18.8.3 Failure to settle – action by ASX Settlement

If a Product Issuer Settlement Participant:

(a) reschedules in accordance with Rule 18.7:

(i) the date for delivery of AQUA Products to an applicant for issue of AQUA Products; or

(ii) the Settlement Date for payment in respect of a request for redemption of AQUA Products,

on three or more occasions; or

(b) fails to:

(i) initiate a Holding Adjustment in respect of a request for issue of AQUA Products in accordance with Rule 18.3.6(b); or

(ii) settle an AQUA Redemption Payment Batch Instruction in Batch Settlement when scheduled for settlement in accordance with Rule 18.3.6(a)(i) or Rule 18.7.2(b)(i),

ASX Settlement may:

(c) impose Restrictions on;

(d) suspend for a period; or

(e) terminate,

the participation of the Product Issuer Settlement Participant in accordance with Rule 10.15 and Section 12 of these Rules (as applicable). ASX Settlement may, in its absolute

discretion, impose Restrictions on or suspend the participation of a Product Issuer Settlement Participant generally (that is, in respect of all classes of AQUA Products in relation to which it is authorised) or in respect of one or more classes of AQUA Products in relation to which it is authorised (as specified by ASX Settlement in a Notice to the Product Issuer Settlement Participant).

18.8.4 Inability to process AQUA Products in Batch Settlement

If:

(a) ASX Settlement removes one or more AQUA Products, or AQUA Payment Batch Instructions in relation to one or more AQUA Products, from Batch Settlement under Rule 10.4.7; or

(b) ASX Settlement imposes Restrictions on the participation of a Settlement Participant under Section 12,

and as a result a Settlement Participant is unable to process requests for issue of AQUA Products in Batch Settlement, the Settlement Participant must, subject to applicable law and the instructions of the person entitled to any moneys held or payable by the Settlement Participant in connection with the request for issue, immediately forward any requests and moneys to the relevant Product Issuer Settlement Participant in order that the Product Issuer Settlement Participant may process those requests.

18.8.5 No interference with Transfer of AQUA Products

Issuers of AQUA Products and Product Issuer Settlement Participants must not prevent, delay or in any way interfere with the Transfer of AQUA Products.

18.9 REQUEST FOR INCOME ADVICE – [DELETED]

18.9.1 Initiation of request – [Deleted]

~~A Settlement Participant may initiate a request for income advice for AQUA Products in a CHESS Holding for which it is the Controlling Participant by Transmitting to ASX Settlement a Valid Originating Message in accordance with the Procedures.~~

~~Introduced 15/08/16~~

18.9.2 Product Issuer Settlement Participant to accept or reject request – [Deleted]

~~If a Valid Originating Message Transmitted to ASX Settlement complies with Rule 18.9.1:~~

~~(a) ASX Settlement must, within the Scheduled Time, Transmit a Message to the relevant Product Issuer Settlement Participant to notify it of the details of the request specified in the Valid Originating Message; and~~

~~(b) the Product Issuer Settlement Participant must, within the Scheduled Time, Transmit a Valid Message to ASX Settlement accepting or rejecting the request and specifying the information required by the Procedures.~~

~~Introduced 15/08/16~~

18.9.3 ASX Settlement to notify Settlement Participant – [Deleted]

~~If ASX Settlement receives a Valid Message from a Product Issuer Settlement Participant in accordance with Rule 18.9.2(b), ASX Settlement must Transmit a Message to the Settlement Participant that initiated the request notifying it that the request has been accepted or rejected, as the case requires.~~

~~Introduced 15/08/16~~

18.9.4 Accepted request to result in Product Issuer Settlement Participant providing income advice for each Holding – [Deleted]

~~A Product Issuer Settlement Participant that has accepted a request for income advice in accordance with Rule 18.9.2(b) must advise, for each class of AQUA Products in relation to which it is authorised, details of:~~

~~(a) income distribution entitlements in respect of each CHESS Holding of the AQUA Products where applicable; and~~

~~(b) reinvestment of income distribution entitlements in respect of each CHESS Holding of the AQUA Products where applicable,~~

~~by Transmitting to ASX Settlement, within the Scheduled Time after each date for determining distribution entitlements in respect of the AQUA Products, a Valid Message that contains the details specified in the Procedures.~~

~~Amended 15/08/16~~

18.9.5 ASX Settlement to notify Controlling Participant – [Deleted]

~~If ASX Settlement receives a Valid Message from a Product Issuer Settlement Participant in accordance with Rule 18.9.4, ASX Settlement must Transmit a Message to the Controlling Participant for each CHESS Holding of the AQUA Products notifying it of the distribution entitlement and reinvestment details advised by the Product Issuer Settlement Participant in accordance with Rule 18.9.4.~~

~~Amended 15/08/16~~

18.9.6 Cancellation of accepted request – [Deleted]

~~If a Settlement Participant Transmits to ASX Settlement a Valid Message in accordance with the Procedures that requests cancellation of a request for income advice that the Settlement Participant initiated and the Product Issuer Settlement Participant accepted in accordance with Rule 18.9.2(b):~~

~~(a) ASX Settlement must, within the Scheduled Time, Transmit a Message to the Product Issuer Settlement Participant to notify it of the cancellation request; and~~

~~(b) the Product Issuer Settlement Participant must, within the Scheduled Time, implement the cancellation request.~~

~~Introduced 15/08/16~~

.....

18.12 GENERAL

18.12.1 Participant warrants that it holds properly documented instructions

A Settlement Participant that:

(a) initiates a request for issue or redemption ~~or Switch~~ of AQUA Products;

(b) requests cancellation of a request for redemption ~~or Switch~~ of AQUA Products;

(c) initiates a request for income advice for AQUA Products or requests cancellation of a request for income advice for AQUA Products; or

(d) initiates a request for a change to details of a Holder's standing instructions for the issue or redemption of AQUA Products,

on behalf of another person:

(e) warrants to the Issuer that the Settlement Participant holds a properly documented instruction from that other person; and

(f) must retain and produce on request by ASX Settlement copies of such instructions.

Amended 15/08/16

18.12.2 Processing of AQUA Products in Batch Settlement

A Settlement Participant that initiates on behalf of another person a request for issue or redemption ~~or Switch~~ of AQUA Products is taken to have agreed with the Product Issuer Settlement Participant that it will pay application moneys to the Product Issuer Settlement Participant and receive redemption moneys from the Product Issuer Settlement Participant in Batch Settlement on behalf of that other person.

18.12.3 Failure to respond to request

(a) If a Product Issuer Settlement Participant fails to Transmit a Valid Message to ASX Settlement within the Scheduled Time in accordance with Rules 18.3.3(b), 18.4.3(b), 18.6.1(d), 18.9.2(b) or 18.9A.2(b), ASX Settlement may direct the Product Issuer Settlement Participant to Transmit the relevant Valid Message in accordance with Rule 18.3.3(b), 18.4.3(b), 18.6.1(d), 18.9.2(b) or 18.9A.2(b) (as applicable) within the time specified in the direction.

(b) The Product Issuer Settlement Participant must comply with any direction received from ASX Settlement pursuant to Rule 18.12.3(a) within the time specified in the direction.

Introduced 15/08/16

18.13 SPECIFIC MODIFICATIONS TO RULES

18.13.1 Modifications

The following Rules apply in relation to AQUA Products and Issuers of AQUA Products subject to the modifications specified below:

(a) Rules 5.12.2 and 5.12.3 apply as if references to "Issuer's constitution" were references to the constitution or other governing document of the registered scheme under which the AQUA Products are constituted; ~~and~~

(b) Rules 5.13.1 and 5.13.3 apply as if references to "total issued capital" for a class of Financial Products were references to the total number of issued Financial Products in a class of AQUA Products; and

(c) Rules 8.19.7 to 8.19.12 apply as if references to the "Issuer" were references to the relevant "Product Issuer Settlement Participant".

18.14 LIMITATION OF LIABILITY

18.14.1 ASX Settlement not in control of issue or redemption

Each Settlement Participant acknowledges that ASX Settlement does not control and cannot procure:

(a) the issue or redemption of AQUA Products by Issuers;

(b) the processing of requests for issue or redemption of AQUA Products~~, or requests to Switch between AQUA Products,~~ by Product Issuer Settlement Participants;

(c) the processing of requests for cancellation of requests for redemption of AQUA Products~~ or a Switch between AQUA Products~~, by Product Issuer Settlement Participants;

(d) the processing of requests for income advice for AQUA Products, or the accuracy or completeness of any such income advice for AQUA Products provided by Product Issuer Settlement Participants; or

(e) the processing of requests for a change to details of a Holder's standing instructions for the issue or redemption of AQUA Products.

Amended 15/08/16

18.14.2 Limitation of ASX Settlement liability

ASX Settlement has no liability to:

(a) Issuers;

(b) Settlement Participants;

(c) any client of a Settlement Participant that has lodged a request for issue or redemption ~~or Switch~~ of AQUA Products;

(d) Holders of AQUA Products; or

(e) any other person claiming an interest in AQUA Products,

with respect to any action or failure to take action by an Issuer, Product Issuer Settlement Participant or other Settlement Participant in connection with a request for issue or redemption ~~or Switch~~ of AQUA Products, including (without limitation):

(f) an Issuer's failure to issue or redeem AQUA Products or to make available redemption moneys;

(g) failure by a Product Issuer Settlement Participant or other Settlement Participant to deliver AQUA Products or to settle an AQUA Payment Batch Instruction;

(h) failure by the Product Issuer Settlement Participant to provide an income advice for AQUA Products or the accuracy or completeness of any such income advice for AQUA Products provided by the Product Issuer Settlement Participant; or

(i) failure by the Product Issuer to process a request for a change to details of a Holder's standing instructions for the issue or redemption of AQUA Products.

Amended 15/08/16

18.14.3 Product Issuer Settlement Participant to indemnify ASX Settlement

Each Issuer, Product Issuer Settlement Participant and other Settlement Participant indemnifies ASX Settlement against all expenses, losses, damages and costs that ASX Settlement may sustain or incur in connection with any action or failure to take action by the Issuer, Product Issuer Settlement Participant or other Settlement Participant, as the case requires, in connection with a request for issue or redemption ~~or Switch~~ of AQUA Products.

SECTION 19 TRANSITIONAL ARRANGEMENTS

This Section sets out transitional arrangements governing the transition from the Old System to the New System, including:

(a) the remediation, conversion and migration of Holder Record details;

(b) Messages that Facility Users are required to Transmit by the End of Day of the Old System Close Date;

(c) transitional arrangements for certain Messages and Batch Instructions;

(d) Messages that will not be migrated from the Old System to the New System;

(e) transitional arrangements for applications and redemptions of AQUA Products; and

(f) the commencement timing for the transitional arrangements.

19.1 INTERPRETATION AND GENERAL RULES

19.1.1 Definitions

In this Section 19:

"**AQUA Product Request Cut-Off** means Fund Request Cut-Off on the day that is four Business Days before the Old System Close Date.

"**Effective Period**" in respect of a Rule in this Section 19 means the period during which that Rule is effective, as specified in the Procedure to Rule 19.1.2.

"**Non-Compliance**" means an instance in which the Registration Details recorded in a Holder Record will not comply with the standards specified for Registration Details recorded in a Holder Record in the New System that are published by ASX Settlement as referred to in the Procedures.

"**New System**" means the Clearing House Electronic Subregister System operated by ASX Clear and ASX Settlement from the New System Start Date.

"**New System Start Date**" means the date that ASX Settlement notifies Facility Users as being the date on which the New System commences operation.

"**Old System**" means the Clearing House Electronic Subregister System operated by ASX Clear and ASX Settlement until the Old System Close Date.

"**Old System Close Date**" means the date that ASX Settlement notifies Facility Users as being the date on which the Old System will cease to accept Messages from Facility Users.

"**Transition Period**" means the period starting from the End of Day on the Old System Close Date and ending at the Start of Day on the New System Start Date.

19.1.2 Commencement and effectiveness of Transitional Rules

Each Rule specified in this Section 19 will:

(a) be effective on and from the commencement of the Effective Period for that Rule specified in the Procedures; and

(b) if applicable, will cease to be effective at the end of the Effective Period for that Rule specified in the Procedures.

19.2 MIGRATION OF HOLDER RECORDS

19.2.1 ASX Settlement may direct Participants to consider whether Non-Compliance in Registration Details

If ASX Settlement considers, on or before the Old System End Date, that a Non-Compliance may exist in relation to the Registration Details recorded in a Holder Record for a person on behalf of whom a Participant is authorised to operate one or more CHESS Holdings:

(a) ASX Settlement may direct the Participant to consider whether such a Non-Compliance exists; and

(b) if ASX Settlement directs a Participant under paragraph (a), the Participant must by the time specified by ASX Settlement:

(i) consider whether a Non-Compliance exists in relation to the Registration Details; and

(ii) if a Non-Compliance exists, remediate the Non-Compliance that exists in relation to the Registration Details recorded in the Holder Record in accordance with Rule 19.2.2.

19.2.2 Remediation of Registration Details by Participants prior to Migration

Subject to Rules 8.18.2 and 8.18.9, if before the Old System Close Date, either as a result of a direction under Rule 19.2.1(a) or otherwise, a Participant becomes aware of a Non-Compliance in the Registration Details recorded in a Holder Record for a person on behalf of whom the Participant is authorised to operate one or more CHESS Holdings, the Participant must by the time specified by ASX Settlement take the actions specified in the Procedures to remediate the relevant Registration Details so that they comply with the standards specified for Registration Details in a Holder Record that are published by ASX Settlement as referred to in the Procedures.

Note: If the remediation of a Non-Compliance would involve a change to the substance of the Registration Details, then this is a Change of Registration Details which needs to be performed by Participants in accordance with Rules 8.18.2 or 8.18.9 (as applicable), including receiving written authority from the Holder to effect that change.

19.2.3 Action to be taken by ASX Settlement

Subject to Rule 19.2.4, ASX Settlement, after receipt of a Valid Originating Message in accordance with the Procedures under Rule 19.2.2 for the remediation of Registration Details of the Holder, must:

(a) remediate the Registration Details recorded in the Holder Record in accordance with the details in the Valid Originating Message; and

(b) within the Scheduled Time, give notice to the persons identified in the Procedures of the matters specified in the Procedures.

19.2.4 ASX Settlement may request documentation

Prior to Transmitting a Message under Rule 19.2.2, a Participant must, where applicable, have and maintain documentation to verify that the requested remediation of Registration Details is correct.

ASX Settlement may request that such documentation be provided to it within a specified time and if so, the Participant must within that time:

(a) give ASX Settlement such documentation as ASX Settlement requires to support the requested remediation; and

(b) reference the supporting documentation to the HIN for the relevant Holder Record.

The obligations under this Rule 19.2.4 also apply to remediations of Registration Details of the type referred to in Rule 19.2.2 but which are effected by the Participant prior to the Effective Period for Rule 19.2.2.

19.2.5 Participant indemnities

(a) If a Participant has Transmitted a Message to ASX Settlement, including a Message Transmitted under Rule 19.2.2 or a Message of a type referred to in Rule 19.2.2 but Transmitted prior to the Effective Period for Rule 19.2.2, to remediate a Non-Compliance in the Registration Details recorded in a Holder Record so that they comply with the standards for Registration Details recorded in a Holder Record in the New System that are published by ASX Settlement as referred to in the Procedures, but the Participant has provided incorrect details in the Message requesting the remediation, the Participant indemnifies ASX Settlement and the Issuer from and against all losses, damages, costs and expenses which ASX Settlement or the Issuer may suffer or incur in connection with any inaccuracy in the details provided in that Message.

(b) If a Participant fails to remediate a Non-Compliance that exists in relation to the Registration Details recorded in the Holder Record under Rule 19.2.1 or Rule 19.2.2, the Participant indemnifies ASX Settlement and the Issuer against all losses, damages, costs and expenses that they may suffer or incur as a result of that failure.

19.2.6 Remediation of Registration Details by ASX Settlement during Transition Period

During the Transition Period, if ASX Settlement considers there to be a Non-Compliance in the Registration Details recorded in a Holder Record and:

(a) the Non-Compliance is of a type specified in the Procedures; and

(b) at the End of Day on the Old System Close Date, either:

(i) one or more Holdings are linked to the Holder Record;

(ii) ASX Settlement has scheduled for settlement on or after the New System Start Date a Batch Instruction linked to the Holder Record; or

(iii) ASX Settlement otherwise determines at its absolute discretion to remediate the Registration Details recorded in the Holder Record under paragraph (c) below,

ASX Settlement will:

(c) during the Transition Period remediate the Registration Details recorded in the Holder Record in accordance with the Procedures; and

(d) within the Scheduled Time, give notice to the persons identified in the Procedures of the matters specified in the Procedures.

19.2.7 Conversion and migration of Holder Records

During the Transition Period, ASX Settlement will:

(a) subject to Rule 19.2.8:

(i) convert the Holder Records in the Old System in accordance with the conversion logic that is published by ASX Settlement as referred to in the Procedures; and

(ii) record those converted Holder Records in the New System; and

(b) in respect of each Holder Record in the Old System that pursuant to Rule 19.2.8 ASX Settlement does not convert and migrate under paragraph (a) above:

(i) not record the Holder Record in the New System; and

(ii) within the Scheduled Time, give notice to the persons identified in the Procedures of the matters specified in the Procedures.

Note: For the purposes of converting Holder Records under Rule 19.2.7, where a Holder Record contains Registration Details for more than one Holder and is subject to a Holder Record Lock due to the death or bankruptcy of one or more Holders, ASX will apply a named holder indicator to the first named Holder that is recorded on the relevant Holder Record.

Where a Holder Record has not been recorded in the New System under paragraph (a) above, that Holder Record will not be available for use to record

Holdings of that Holder. Accordingly another Holder Record (whether new or existing) will need to be used to record Holdings of that Holder.

19.2.8 Holder Records excluded from conversion and migration

If a Holder Record is of a type specified under the Procedures, ASX Settlement will not convert and migrate the Holder Record under Rule 19.2.7 unless it determines otherwise at its absolute discretion.

19.2.9 Change of Email Purpose by ASX Settlement during Transition Period

If the Registration Details recorded in a Holder Record contain Email Details that include an Email Purpose of either ASX Settlement and Issuer communications or ASX Settlement communications, based on a Message received by ASX Settlement prior to the e-statements commencement date with such Email Purpose, ASX Settlement will:

(a) during the Transition Period, in the case of an Email Purpose of ASX Settlement and Issuer communications, change the Registration Details by converting such communication preference to Issuer communications only and record that the Holder wishes to receive communications by post from ASX Settlement regarding Financial Products in a CHESS Holding linked to the Holder Record;

(b) during the Transition Period, in the case of an Email Purpose of ASX Settlement communications, change the Registration Details by removing the preference to receive ASX Settlement communications by delivery to an email address and record that the Holder wishes to receive communications by post from ASX Settlement regarding Financial Products in a CHESS Holding linked to the Holder Record; and

(c) within the Scheduled Time, give notice to the persons identified in the Procedures of the matters specified in the Procedures.

ASX Settlement will not give Notice of any change to Registration Details to Participant Sponsored Holders under paragraphs (a) and (b) above.

Note: The changes referred to in paragraphs (a) and (b) above will update the Email Purpose recorded in the New System in respect of a Holder's Registration Details (where applicable) so as to reflect the existing approach for ASX Settlement communications pursuant to which ASX Settlement delivers communications by post and does not deliver communications to an email address unless a Message which contains Email Details that include an Email Purpose of either ASX Settlement and Issuer communications or ASX Settlement communications has been received by ASX Settlement on or after the e-statements commencement date.

Where such a Message has been received by ASX Settlement on or after the e-statements commencement date, the Email Purpose is not affected by the changes referred to in paragraphs (a) and (b) above and accordingly will continue unchanged in the New System.

19.2.10 Removal of Email Details by ASX Settlement during Transition Period

If the Registration Details recorded in a Holder Record contain Email Details in relation to which a Non-Compliance exists, ASX Settlement will, unless it determines otherwise at its absolute discretion:

(a) during the Transition Period, change the Registration Details so as to:

(i) remove the Email Details;

(ii) record that the Holder wishes to receive communications by post from ASX Settlement and the Issuer regarding Financial Products in a CHESS Holding linked to the Holder Record; and

(b) within the Scheduled Time, give notice to the persons identified in the Procedures of the matters specified in the Procedures.

ASX Settlement will not give Notice of any change to Registration Details to Participant Sponsored Holders under paragraph (a) above.

Note: The changes referred to in this Rule 19.2.10 do not in practice impact the receipt of communications by Holders as the email addresses affected under this Rule 19.2.10 are invalid and therefore not usable.

19.2.11 Limitation of ASX Settlement liability

ASX Settlement has no liability to:

(a) Issuers;

(b) Participants;

(c) Holders; or

(d) any other person,

with respect to the remediation, conversion and migration of Holder Records by ASX Settlement under Rule 19.2.6 or Rule 19.2.7 or the change of Email Purpose or removal of Email Details by ASX Settlement under Rule 19.2.9 or Rule 19.2.10 unless it acts negligently or in wilful default.

19.2.12 Confirmation of Entity Type for uncategorised Holder Records from New System Start Date

If the Entity Type for a Holder is recorded as "Unknown (UNKN)" in the Holder Record, a Participant Transmitting a Message on or after the New System Start Date under Rule 8.18.2, 8.18.6, 8.18.9, or 8.18.12 to notify ASX Settlement of a change to details recorded in a Holder Record must either:

(a) include in that Message the Entity Type for each Holder recorded in the Holder Record in accordance with the Procedures; or

(b) first Transmit to ASX Settlement a Valid Message in accordance with the Procedures to change the Entity Type for each Holder recorded in the Holder Record.

19.3 UNACTIONED AND UNMATCHED MESSAGES

19.3.1 Reducing to End of Day on Old System Close Date the time for Facility Users to comply with requirements on Messages received

Notwithstanding the relevant Scheduled Time specified in Appendix 1 for a Rule referred to in this Rule 19.3.1:

(a) if:

(i) a Facility User receives a Valid Message from ASX Settlement of a type specified in the Procedures before the End of Day on the Old System Close Date; and

(ii) but for this Rule 19.3.1, the Scheduled Time for the Facility User to comply with a corresponding requirement (including to respond to the Message) under the relevant Rule specified in the Procedures ends after the End of Day on the Old System Close Date,

(b) then:

(i) the Scheduled Time for the Facility User to comply with a requirement (including to respond to a Message) under the relevant Rule specified in the Procedures is by the End of Day on the Old System Close Date; and

(ii) the Facility User must comply with the requirements (including to respond to a Message) under the relevant Rule specified in the Procedures by the End of Day on the Old System Close Date.

Note: If a Facility User receives a Message of a type specified in the Procedure to Rule 19.3.1(a) before the End of Day on the Old System Close Date and the relevant Facility User does not respond to the Message by the End of Day on the Old System Close Date, pursuant to Rule 19.3.4 the Message will not be migrated to the New System unless the Message is of a type specified in the Procedure to Rule 19.3.4.

If the Message is a notification to the Controlling Participant of a takeover offer acceptance submitted by the Participant Bidder under Rule 14.14.8, and the Controlling Participant fails to respond to that Message under Rule 14.14.9 by the End of Day on the Old System Close Date, the indemnity provided by the Controlling Participant under Rule 14.15.8(b) applies such that the Scheduled Time for the purpose of that indemnity is by the End of Day on the Old System Close Date.

19.3.2 Reducing to End of Day on Old System Close Date the time for Matching of Messages by ASX Settlement

Notwithstanding the relevant Scheduled Time specified in Appendix 1 for a Rule referred to in this Rule 19.3.2:

(a) if:

(i) ASX Settlement receives a Valid Message from a Participant of a type specified in the Procedures before the End of Day on the Old System Close Date; and

(ii) but for this Rule 19.3.2 the Scheduled Time for that Message to be Matched by ASX Settlement with a corresponding Message Transmitted by the counterparty Participant under the relevant Rule specified in the Procedures ends after the End of Day on the Old System Close Date,

(b) then the Scheduled Time for the Message to be Matched by ASX Settlement with a corresponding Message Transmitted by the counterparty Participant under the relevant Rule specified in the Procedures is by the End of Day on the Old System Close Date.

Note: If ASX Settlement receives a Message from a Participant of a type specified in the Procedure to Rule 19.3.2(a) before the End of Day on the Old System Close Date and the Message is not Matched by ASX Settlement with a corresponding Message from the counterparty Participant by the End of Day on the Old System Close Date, pursuant to Rule 19.3.4 the Message will not be migrated to the New System unless the Message is of a type specified in the Procedure to Rule 19.3.4.

19.3.3 Reducing to End Of Day on Old System Close Date the time for processing change of Controlling Participant requests

(a) If, in relation to a change of the Controlling Participant for a Holding under Rule 8.17:

(i) the Participant assuming control of the Holding gives notice of the change to ASX Settlement under Rule 8.17.1 before the Old System Close Date; and

(ii) the Participant relinquishing control of the Holding has not accepted or rejected the change in accordance with the necessary CHESS Subregister administration processes by 4:00 pm on the End of Day on the Old System Close Date,

the Participant assuming control of the Holding must cancel the change in accordance with the necessary CHESS Subregister administration processes by the End of Day on the Old System Close Date.

Note: If ASX Settlement receives a Message from a Participant assuming control of a Holding of a change of Controlling Participant but has not also received a Message from the Participant relinquishing controlling of the Holding of the change of Controlling Participant under Rule 8.17.1 before the End of Day on the Old System Close Date, pursuant to Rule 19.3.4 the Message will not be migrated to the New System unless the Message is of a type specified in the Procedure to Rule 19.3.4.

For the purposes of this Rule 19.3.3, Controlling Participants are expected to liaise with one another to facilitate the orderly acceptance, rejection or cancellation (as applicable) of change requests arising on or just prior to the Old System Close Date.

19.3.4 Unactioned or unmatched Messages at end of Day on Old System Close Date not migrated

Notwithstanding any other Rule:

(a) if a Message is:

(i) Transmitted by a Facility User or ASX Settlement through the Old System before the End of Day on the Old System Close Date;

(ii) not responded to by another Facility User or otherwise Matched by ASX Settlement (as applicable) through the Old System, by the End of Day on the Old System Close Date; and

(iii) not of a type specified in the Procedures,

ASX Settlement will not migrate the Message from the Old System to the New System and will not give effect to the Message; and

(b) if a Facility User Transmits a Message to ASX Settlement on or after the New System Start Date responding, or purporting to respond, to a Message that is not migrated by ASX Settlement under paragraph (a), ASX Settlement will not give effect to the Message Transmitted by the Facility User.

Note: Subject to these Rules, requests, notifications or other actions relating to Messages Transmitted through the Old System that are not migrated by ASX Settlement may be re-initiated by Facility Users in the New System from the New System Start Date.

Where a Valid Message Transmitted through the Old System is of a type specified in the Procedure to Rule 19.3.4(a)(iii) and that Message has not otherwise been purged under these Rules (including under Rule 16.16.12), ASX Settlement may give effect to that Message through the New System from the New System Start Date.

19.3.5 Rejection by Participant Bidder of Offer Accepted Subposition after Old System Close Date

For the purposes of Rule 14.14.5, where the Participant Bidder rejects the reservation of Financial Products in an Offer Accepted Subposition for which:

(a) the Participant Bidder received notification from ASX Settlement under Rule 14.5.1 on or prior to the Old System Close Date; and

(b) the Scheduled Time under Rule 14.14.5 for notifying a rejection of the reservation of Financial Products in the Offer Accepted Subposition ends after the Old System Close Date,

the Participant Bidder may only notify the rejection of the reservation of Financial Products in the Offer Accepted Subposition after the Old System Close Date by Transmitting a Message to ASX Settlement as specified in the Procedures (rather than by Message rejecting the reservation in accordance with ASXSOR 14.14.5).

Note: For the purposes of Rule 19.3.5, ASX expects that if the Participant Bidder is aware that it will not be accepting the relevant Offer Accepted Subposition that it will reject the reservation of Financial Products in an Offer Accepted Subposition by End of Day on the

Old System Close Date by Transmitting a Message to ASX Settlement rejecting the reservation in accordance with ASXSOR 14.14.5.

19.4 BATCH INSTRUCTIONS

19.4.1 Migration of CCP Batch Instructions

Each CCP Batch Instruction received or deemed to be received by ASX Settlement by Start of Day on the New System Start Date from an Approved Clearing Facility in respect of the Old System which is yet to be discharged in full, is to be recorded in the New System and scheduled for settlement in DvP Batch Settlement on the Settlement Date notified by the Approved Clearing Facility as a:

(a) CCP Rescheduled Batch Instruction, unless paragraph (b), (c) or (d) applies;

(b) CCP Offsetting Transaction Arrangement Batch Instruction, where the CCP Batch Instruction deemed to be received by ASX Settlement was a CCP Batch Instruction deemed to be generated by the Approved Clearing Facility in relation to obligations and entitlements under the second leg of an Offsetting Transaction Arrangement entered into in respect of a Failed CCP Batch Instruction;

(c) CCP Isolate Counterparty Batch Instruction, where the CCP Batch Instruction received by ASX Settlement was a CCP Gross Batch Instruction created by the Approved Clearing Facility under ASX Clear Operating Rule 12.9.1;

(d) CCP Market Trade Batch Instruction, where the Settlement Date notified by the Approved Clearing Facility in the CCP Batch Instruction received by ASX Settlement is the third Business Day from the New System Start Date or a subsequent Business Day.

Note: Rule 19.4.1(d) above applies where ASX Clear has classified a Cash Market Transaction which underlies a CCP Batch Instruction as "deferred delivery" or "deferred settlement", in which case the Cash Market Transaction is to be settled on a date later than the standard second Business Day following the date that the transaction was created or reported to the Approved Market Operator.

ASX Settlement will also record in the New System, Batch Instructions other than those referred to in Rule 19.4.1 (e.g. Dual Entry Batch Instructions (renamed as Bilateral Batch Instructions in the New System) and Single Entry Batch Instructions (renamed as Unilateral Batch Instructions in the New System), where those Batch Instructions are scheduled for Batch Settlement in respect of the Old System and are yet to be discharged in full.

19.4.2 Linked CCP Batch Instructions

(a) For each CCP Gross Batch Instruction migrated to the New System as a CCP Rescheduled Batch Instruction under Rule 19.4.1(a) for which the Approved Clearing Facility notifies ASX Settlement that it has determined the underlying Cash CCP Transaction (as defined in the ASX Clear Operating Rules) to be of a type under ASX Clear Operating Rule 24.4.2(a) and notifies

ASX Settlement of a unique identifier code in respect of that CCP Gross Batch Instruction, ASX Settlement will:

(i) apply to the CCP Rescheduled Batch Instruction recorded in the New System and scheduled for settlement in DvP Batch Settlement in respect of the CCP Gross Batch Instruction, the unique identifier code notified by the Approved Clearing Facility in respect of the CCP Gross Batch Instruction; and

(ii) link, for the purpose of Batch Settlement, the CCP Rescheduled Batch Instructions with the same unique identifier code, so that if one of the linked CCP Rescheduled Batch Instructions is Failed or Failed in part on a Settlement Date, the linked CCP Rescheduled Batch Instructions with the same unique identifier code will also be Failed or Failed in part (as applicable) on that Business Day.

(b) For each CCP Gross Batch Instruction migrated to the New System as a CCP Isolate Counterparty Batch Instruction under Rule 19.4.1(b) for which the Approved Clearing Facility notifies ASX Settlement of a unique identifier code in respect of that CCP Gross Batch Instruction, ASX Settlement will:

(i) apply to the CCP Isolate Counterparty Batch Instruction recorded in the New System and scheduled for settlement in DvP Batch Settlement in respect of the CCP Gross Batch Instruction, the unique identifier code notified by the Approved Clearing Facility in respect of the CCP Gross Batch Instruction; and

(ii) link, for the purpose of Batch Settlement, the CCP Isolate Counterparty Batch Instructions with the same unique identifier code in the manner set out in Rule 10.9.19 as applies from the New System Start Date.

19.4.3 Cancellation of suspended Batch Instruction

Notwithstanding Rules 8.5.1(c), 8.25.1(f), 10.16.1(c) or 10.21.2(b), if a Batch Instruction has been suspended under Rules 8.5.1(a), 8.25.1(f), 10.16.1(a), 10.16.1(aa), 10.21.2(a) or 12.19.8(c) and the Batch Instruction remains suspended at End of Day on the Old System Close Date, ASX Settlement may, at its discretion, cancel and remove the Batch Instruction during the Transition Period. If ASX Settlement cancels or removes the Batch Instruction under this Rule 19.4.3, it will not migrate the Batch Instruction from the Old System to the New System and will not give effect to the Batch Instruction.

19.5 SETTLEMENT OF AQUA PRODUCTS

19.5.1 Initiation of application and redemption requests

Despite any other Rule:

(a) a Settlement Participant may not initiate a request:

(i) for issue or redemption of AQUA Products in accordance with Rule 18.3.1 during the period commencing at the AQUA Product Request Cut-Off and ending at Start of Day on the New System Start Date; or

(ii) to Switch between AQUA Products in accordance with Rule 18.4.1 on or after AQUA Product Request Cut-Off;

(b) if, despite Rule 19.5.1(a), a Settlement Participant Transmits a Valid Originating Message in accordance with Rule 18.3.1 or 18.4.1 during the relevant period specified in Rule 19.5.1(a), ASX Settlement is not required to Transmit a Message to a Product Issuer Settlement Participant in accordance with Rule 18.3.3(a) or 18.4.3(a) (as applicable);

(c) if, despite Rule 19.5.1(b), a Message is Transmitted by ASX Settlement to the relevant Product Issuer Settlement Participant in accordance with Rule 19.5.1(b) in respect a request for issue or redemption of AQUA Products or to Switch between AQUA Products, initiated during the relevant period specified in Rule 19.5.1(a):

(i) the Product Issuer Settlement Participant must Transmit a Valid Message to ASX Settlement rejecting the request and specifying the information required by the Procedure to Rule 18.3.3(b); and

(ii) if ASX receives a Valid Message from the Product Issuer Settlement Participant in accordance with Rule 19.5.1(c)(i), ASX Settlement must Transmit a Message to the Settlement Participant that initiated the request notifying it that the request has been rejected.

19.5.2 Initial application for issue of AQUA Products

Subject to Rule 19.5.1, in respect of a request for the issue of AQUA Products initiated by a Settlement Participant in accordance with Rule 18.3.1 before AQUA Product Request Cut-Off, if ASX Settlement has not received a Valid Originating Message containing all the matters required under Rule 18.3.1 by End of Day on the Old System Close Date, ASX Settlement will cancel the Originating Message relating to the request and notify the Settlement Participant of such cancellation.

Note: This Rule 19.5.2 is subject to Rule 19.5.1. If ASX Settlement has not received a Valid Originating Message in respect of the relevant request for issue of AQUA Products before AQUA Product Request Cut-Off, a Sponsoring Participant will next be able initiate the relevant request on or after the New System Start Date.

19.5.3 Product Issuer Settlement Participant must reject certain requests by Old System Close Date

Subject to Rule 19.5.1, if a Product Issuer Settlement Participant receives a Message from ASX Settlement in accordance with Rule 18.3.3(a) on or before the Old System Close Date, notifying of a request for the issue or redemption of AQUA Products, then despite any other Rule, the Product Issuer Settlement Participant must reject the request if accepting the request would result in:

(a) an AQUA Payment Batch Instruction being scheduled for settlement in Batch Settlement on or after the New System Start Date; or

(b) the Holding Adjustment under Rule 18.3.6(b) in respect of the request occurring on or after the New System Start Date.

Note Rule 19.3.1 applies to a Message Transmitted in accordance with Rule 18.3.3(b).

19.5.4 Payment for issue or redemption scheduled after the Old System Close Date

If a Product Issuer Settlement Participant receives notification from ASX Settlement under Rule 18.3.6(a)(ii) on or before the Old System Close Date that an AQUA Payment Batch Instruction is scheduled for settlement in Batch Settlement after the Old System Close Date, the Product Issuer Settlement Participant must request cancellation of that request under Rule 18.5.1 by the End of Day on the End System Close Date.

Note: In the case of a request cancelled under this Rule 19.5.4, the relevant payment and holding adjustment must be completed outside CHESS.

19.5.5 Payment for redemption not settled by the Old System Close Date

(a) If, in respect of a request for redemption of AQUA Products accepted by the Product Issuer Settlement Participant under Rule 18.3.3(b), an AQUA Redemption Payment Batch Instruction is Failed on the Old System Close Date and rescheduled for settlement after the Old System Close Date under Rule 10.11.7(d), the Product Issuer Settlement Participant must request cancellation of the request under Rule 18.5.1 by the End of Day on the End System Close Date.

(b) If the Product Issuer Settlement Participant fails to request cancellation of the request under Rule 18.5.1 in accordance with Rule 18,5,5(a), ASX Settlement may, at its discretion, cancel and remove the relevant AQUA Redemption Payment Batch Instruction during the Transition Period. If ASX Settlement cancels or removes the AQUA Redemption Payment Batch Instruction under this Rule 19.5.5, it will not migrate that AQUA Redemption Payment Batch Instruction from the Old System to the New System and will not give effect to the AQUA Redemption Payment Batch Instruction.

Note: In the case of a request for redemption of AQUA Products where a Holding Adjustment has been processed by the End of Day on the Old System Close Date in respect of the request, payment must be completed outside CHESS.

19.5.6 Reinitiated requests after the Old System Close Date are new requests

If:

(a) a request for issue or redemption of AQUA Products is initiated by a Settlement Participant under Rule 18.3.1 before the Old System Close Date;

(b) the request is cancelled or rejected in accordance with this Rule 19.5; and

(c) on or after the New System Start Date, the Controlling Participant initiates a request for issue or redemption of AQUA Products in respect of the request cancelled under paragraph (b),

the request initiated under paragraph (c) will be a new request, initiated on or after the New System Start Date under the Rules applicable to the New System.

19.5.7 ASX Settlement limitation of liability

ASX Settlement has no liability to:

(a) Issuers;

(b) Settlement Participants;

(c) any client of a Settlement Participant that has lodged a request for issue or redemption or Switch of AQUA Products;

(d) Holders of AQUA Products; or

(e) any other person claiming an interest in AQUA Products,

with respect to any action or failure to take action by an Issuer, Product Issuer Settlement Participant or other Settlement Participant in connection with a request for issue or redemption or Switch of AQUA Products, including (without limitation):

(f) an Issuer's failure to issue or redeem AQUA Products or to make available redemption moneys;

(g) failure by a Product Issuer Settlement Participant or other Settlement Participant to deliver AQUA Products or to settle an AQUA Payment Batch Instruction;

(h) failure by the Product Issuer Settlement Participant to provide an income advice for AQUA Products or the accuracy or completeness of any such income advice for AQUA Products provided by the Product Issuer Settlement Participant; or

(i) failure by the Product Issuer to process a request for a change to details of a Holder's standing instructions for the issue or redemption of AQUA Products,

in connection with this Rule 19.5.

End of Document

APPENDIX 1 SCHEDULED TIMES

Rule Number	Requirement	Sydney Time
.....		
Rule 5.19A.2(a)	Controlling Participant to notify election in respect of all or part of the relevant dividend or other distribution reinvestment plan or bonus share plan by Transmitting to ASX Settlement a Valid Election Participant Notification Message	by the closing time on the Plan Election Date specified in the relevant plan rules.
Rule 5.19A.2(c)	Issuer to Transmit a Corporate Action Election Status Advice Message	by the earlier of: (i) the time specified in the plan rules (if applicable); or (ii) the End of Day on the day the Issuer receives the Message from ASX Settlement under Rule 5.19A.2(b).
Rule 5.19A.4(a)	Controlling Participant to Transmit to ASX Settlement a Valid Election Cancellation Message for a pending election request or election (if applicable)	by the closing time on the Plan Election Date specified in the relevant plan rules, or if an earlier time is specified in the plan rules for such cancellation, such earlier time.
Rule 5.19A.4(c)	Issuer to Transmit a Corporate Action Election Status Advice Message	by the earlier of: (i) the time specified in the plan rules (if applicable); or (ii) the End of Day on the day the Issuer receives the Message from ASX Settlement under Rule 5.19A.4(b).
Rule 5.19A.4(e)	Issuer to Transmit to ASX Settlement a Valid Election Cancellation Message for an election (if applicable)	within 1 Business Day of cancelling the election.
Rule 5.19A.5	Issuer to transmit to ASX Settlement a Valid Corporate Action Status Advice Message	within 1 Business Day of the relevant Valid Message being sent to the Issuer under Rule 5.19A.2(b)(ii) or 5.19A.4(b)(ii).
Rule 5.19A.9(c)	Action by Issuer following receipt of Message from ASX Settlement regarding details of DRP or BSP election.	Within 12 Business Hours of receiving the Message from ASX Settlement under Rule 5.19A.9(b).
...		
Rule 6.20.2	ASX Settlement to remove Instruction from Batch Settlement ~~or Real Time Gross Settlement~~	by Settlement Cut-Off on the Settlement Day on which the Instruction falls due for Batch Settlement ~~or Real Time Gross Settlement~~.
...		
Rule 8.15.12(c)(i)	Deleted ~~ASX Settlement to apply the Holder Record Lock~~	~~within 2 Business Days of receiving the documentation required under Rule 8.15.11.~~
Rule 8.15.12(c(ii) and (iii)	Deleted ~~ASX Settlement to notify of application of Holder Record Lock~~ ~~(i) to the Controlling Participant~~	~~within 2 Business Days of receiving the documentation required under Rule 8.15.11.~~

Rule Number	Requirement	Sydney Time
	~~(ii) to the Issuer~~	~~within 2 Business Days of receiving the documentation required under Rule 8.15.11.~~
8.15.21	A Participant who controls a Source Holding to request ASX Settlement apply a Settlement Lock to CHESS Holdings	before Settlement Cut-off on the Settlement Date specified by the Participant
Rule 8.16.3(b)	Deleted ~~Participant to give documentation supporting request for the removal of a Holder Record Lock under Rule 8.16.3 to ASX Settlement.~~	~~within 2 Business Days of Transmitting the Message under Rule 8.16.3.~~
Rule 8.16.3(c)	Deleted~~ASX Settlement to remove the Holder Record Lock~~	~~within 2 Business Days of receiving the documentation required under Rule 8.16.3.~~
8.16.6	A Participant who controls a Source Holding to request removal of a Settlement Lock	before Settlement Cut-off on the Settlement Date specified by the Participant
Rule 8.17(a)	Participant assuming control of a Participant Sponsored Holding to Transmit a Valid Message~~give Notice~~ to ASX Settlement	within 2 Business Days of being notified by the Participant Sponsored Holder.
Rule 8.17(a)	Participant relinquishing control of a Participant Sponsored Holding to Transmit a Valid Message ~~give Notice~~ to ASX Settlement	within 2 Business Days of being notified by the Participant Sponsored Holder.
Rule 8.18.3	ASX Settlement to ~~process~~ give notice of an amendment to Registration Details~~a Holder Record~~	within 5~~2~~ Business Days of amending the Registration Details ~~receiving the documentation required under the Procedures relating to Rule 8.18.3.~~
Rule 8.18.7	~~ASX Settlement to process a request to:~~ ~~(a) process a change to a Holder Type; or~~ ~~(ba) remove a Holder Record; and~~ ~~(c) give Notice of~~ : ~~(i) the change of Holder Type; or~~ ~~(ii) the removal of the Holder Record to the Controlling Participant~~Deleted	~~within 2 Business Days of receiving the request under Rule 8.18.6.~~
Rule 8.18.8	Deleted. ~~ASX Settlement to reject a request to:~~ ~~(a) process a change to a Holder Type; or~~ ~~(b) remove a Holder Record; and~~ ~~(c) give Notice of the rejection to the Controlling Participant~~	~~within 2 Business Days of receiving the request under Rule 8.18.6.~~
....		
Rule 8.18.13	ASX Settlement to give notice of an amendment to a Holder Record	within 5 Business Days of amending the Holder Record
...		
Rule 8.19.8	ASX Settlement to notify the Issuer and the Controlling Participant of the addition or cancellation of bank ~~Australian ADI A~~account details	within 4 hours of receiving notification from a Participant under Rule 8.19.7.
Rule 8.19.9	Issuer to notify ASX Settlement that it accepts or rejects the bank ~~Australian ADI A~~account details	by End of Day on the Business Day following the Business Day on which the notification under Rule 8.19.8 was received from ASX Settlement.

Rule Number	Requirement	Sydney Time
Rule 8.19.10	Issuer to record bank ~~Australian ADI~~ details	before the End of Day on the day the Issuer notifies ASX Settlement of acceptance under Rule 8.19.9(a).
Rule 8.19.11	Issuer to remove bank ~~Australian ADI~~ details	before the End of Day on the day on which the notification under Rule 8.19.8 was received from ASX Settlement.
....		
Rule 9.5.8	Bilateral~~Dual Entry~~ Demand Message to be Matched.	~~• by End of Day on the Business Day after the Message is Transmitted to ASX Settlement by the Participant, unless the Message is Transmitted to ASX Settlement on a Record Date;~~ ~~if the Message is Transmitted to ASX Settlement by the Participant on a Record Date,~~ by End of Day on the Business Day on which the Message is Transmitted to ASX Settlement by the Participant.
Rule 9.5.8(b)	ASX Settlement to notify that Bilateral~~Dual Entry~~ Demand Message cancelled.	within 60 minutes of ASX Settlement cancelling the Bilateral~~Dual Entry~~ Demand Message.
Rule 9.5A.8	Bilateral Demand Settlement Message to be Matched.	before RTGS Instruction Cut-Off on the Business Day on which the Message is Transmitted to ASX Settlement by the Participant.
Rule 9.5A.8(b)	ASX Settlement to notify that Bilateral Demand Settlement Message cancelled.	within 60 minutes of ASX Settlement cancelling the Bilateral Demand Settlement Message.
Rule 9.8.5(b)	Issuer to notify ASX Settlement that a Demand Transfer or Conversion authorisation request has been rejected.	~~(i)~~ In the case of a Demand Transfer or Conversion initiated by a Participant, within 12 Business Hours of ASX Settlement queuing the Demand Transfer or Conversion authorisation request for collection by the Issuer.~~; or~~ ~~(ii) in the case of a Demand Transfer or Conversion initiated by a Participant: within 12 Business Hours of:~~ ~~• ASX Settlement queuing the Demand Transfer or Conversion authorisation request for collection by the Issuer; or~~

Rule Number	Requirement	Sydney Time
		~~• the Issuer receiving the documentation specified in Rule 9.8.4, whichever is the later; or~~ ~~in the event that the Issuer fails to receive the documentation specified in Rule 9.8.4 within 5 Business Days of ASX Settlement queuing the Demand Transfer or Conversion authorisation request for collection by the Issuer, by End of Day on the following Business Day.~~
Rule 9.8.6	Issuer to notify ASX Settlement that a Demand Transfer or Conversion authorisation request has been authorised.	~~(i)~~ In the case of a Demand Transfer or Conversion initiated by a Participant, within 12 Business Hours of ASX Settlement queuing the Demand Transfer or Conversion authorisation request for collection by the Issuer.~~; or~~ ~~(ii) in the case of a Demand Transfer or Conversion initiated by a Participant: within 12 Business Hours of:~~ ~~• ASX Settlement queuing the Demand Transfer or Conversion authorisation request for collection by the Issuer; or~~ ~~• the Issuer receiving the documentation specified in Rule 9.8.4,~~ ~~whichever is the later.~~ ~~in the event that the Issuer fails to receive the documentation specified in Rule 9.8.4 within 5 Business Days of SCH queuing the Demand Transfer or Conversion authorisation request for collection by the Issuer, by End of Day on the following Business Day.~~
Rule 9.14.4	Action by Issuer following receipt of Message from ASX Settlement regarding details of SRN or SRN Holding Balance.	Within 12 Business Hours of receiving the Message from ASX Settlement under Rule 9.14.3.
Rule 10.5.3	Participants to Match removal request for Direct Batch Instruction or Bilateral Batch Instruction from Scheduled Settlement. Amended 27/06/11	before Settlement Cut-Off on the Settlement Date notified to ASX Settlement by the relevant Approved Market Operator.
~~Rule 10.6.1~~	~~Participants to Match request to switch to RTGS.~~	~~before End of Day on the second Business Day before the Settlement Date.~~

...

Rule Number	Requirement	Sydney Time
Rule 10.9.1	Settlement Participants to request ~~change~~ cancellation of CCP Isolate Counterparty Batch Instructions~~to settlement obligations~~.	~~before End of Day on the Business Day before the Settlement Date notified to ASX Settlement by an Approved Market Operator.~~ by Settlement Cut-Off on the Settlement Date.
~~Rule 10.9.1(a)(ii)~~	~~ASX Settlement to notify that change effected.~~	~~within 60 minutes of ASX Settlement effecting the change.~~
Rule 10.9.1A	Notification of CCP Batch Instructions to Settlement Agent	At or about the time the relevant CCP Batch Instructions would have been notified to the Clearing Participant that the Settlement Participant acts as Settlement Agent for, under the ASX Clear Operating Rules.
Rule 10.9.2	Participant to transmit Bilateral~~Dual Entry~~ Batch Message.	• if the instruction involves a Settlement Amount – before Trade Instruction Cut-Off on the Settlement Date specified by the Participants; • otherwise – before Settlement Cut-Off on the Settlement Date specified by the Participants.
Rule 10.9.3(c)	Bilateral ~~Dual Entry~~ Batch Messages ~~or Dual Entry Payment Batch Messages~~ to be matched.	• if the instruction involves a Settlement Amount – by Trade Instruction Cut-Off on the Settlement Date specified by the Participants; • otherwise – by Settlement Cut-Off on the Settlement Date specified by the Participants.
Rule 10.9.3(d)	Bilateral ~~Dual Entry~~ Batch Messages ~~or Dual Entry Payment Batch Messages~~ unmatched.	• if the instruction involves a Settlement Amount – by Trade Instruction Cut-Off on the Settlement Date specified by the Participants; • otherwise – by Settlement Cut-Off on the Settlement Date specified by the Participants.
Rule 10.9.3(d)(ii)	ASX Settlement to notify Participant that message cancelled.	within 60 minutes of ASX Settlement cancelling the Bilateral~~Dual Entry~~ Batch Message ~~or Dual Entry Payment Batch Message~~.
~~Rule 10.9.4~~	~~Messages to request change to Dual Entry Batch Instruction to Match.~~	~~• if the instruction involves a Settlement Amount – before Trade Instruction Cut-Off on the Settlement Date specified by the Participants;~~ ~~• otherwise – before Settlement Cut-Off on the Settlement Date specified by the Participants.~~
~~Rule 10.9.4(b)~~	~~Participant to transmit Message to cancel original request.~~	~~at any time before the Messages are Matched by ASX Settlement under Rule 10.9.7(a).~~

Rule Number	Requirement	Sydney Time
Rule 10.9.5	Participant to transmit Message to ASX Settlement to request change to Bilateral~~Dual Entry~~ Batch Instruction.	• if the instruction involves a Settlement Amount – before Trade Instruction Cut-Off on the Settlement Date specified by the Participants; • otherwise – before Settlement Cut-Off on the Settlement Date specified by the Participants.
Rule 10.9.5(e)	ASX Settlement to notify Participant that Bilateral~~Dual Entry~~ Batch Instruction changed.	within 60 minutes of ASX Settlement effecting the change to the Settlement Instruction.
Rule 10.9.6	Participant to transmit message requesting cancellation of Message.	• if the instruction involves a Settlement Amount – before Trade Instruction Cut-Off on the Settlement Date specified by the Participants; • otherwise – before Settlement Cut-Off on the Settlement Date specified by the Participants.
Rule 10.9.7	Messages to cancel Bilateral~~Dual Entry~~ Batch Instruction ~~or a Dual Entry Payment Batch Instruction~~ are Matched.	• if the instruction involves a Settlement Amount – by Trade Instruction Cut-Off on the Settlement Date specified by the Participants; • otherwise – by Settlement Cut-Off on the Settlement Date specified by the Participants.
Rule 10.9.7(b)	Participant to transmit Message to cancel original request.	at any time before the Messages are Matched by ASX Settlement under Rule 10.9.7(a).
Rule 10.9.11	Participant to transmit Unilateral~~Single Entry~~ Batch Message.	before Settlement Cut-Off on the Settlement Date specified by the Participant.
Rule 10.9.12	Participant to cancel Unilateral~~Single Entry~~ Batch Message	• if the instruction involves a Settlement Amount – before Trade Instruction cut-off on the Settlement Date specified by the Participants; • otherwise – before Settlement Cut-Off on the Settlement Date specified by the Participants.

Rule Number	Requirement	Sydney Time
~~Rule 10.10.2~~	~~ASX Settlement to notify Participant of projected net obligations for payment and Financial Products~~.	~~if the instruction involves a Settlement Amount – immediately after Trade Instruction Cut-Off on the Settlement Date specified by the Participants;~~ ~~otherwise – immediately after Settlement Cut-Off on the Settlement Date specified by the Participants.~~
Rule 10.10.4(a)	ASX Settlement to notify Participant of payment obligation or entitlement.	concurrent with or prior to ASX Settlement notifying the Participant's Payments Provider in relation to the Participant's Payment Facility pursuant to clause 3.1(a) of the Standard Payments Provider Deed~~Standard Client Bank Deed.~~
Rule 10.10.4(b)	ASX Settlement to notify Participant of revised payment obligation or entitlement.	concurrent with or prior to ASX Settlement notifying the Participant's Payments Provider in relation to the Participant's Payment Facility pursuant to clause 3.3(a) of the Standard Payments Provider Deed ~~Standard Client Bank Deed~~.
Rule 10.10A.2	ASX Settlement to notify Participant of net Client Trust Account payment obligation or entitlement. Introduced 25/05/15	concurrent with or after~~prior to~~ ASX Settlement notifying the Participant's Payments Provider in relation to the Participant's PID.
Rule 10.11.2(a)	If Source Holding would give rise to a Financial Products Shortfall.	by Settlement Cut-Off on the Business Day on which the Batch Instructions fall due for Batch Settlement.
Rule 10.11.2(b)	If Participant's net obligation to make payment is not authorised.	by Authorisation Response Cut-Off as defined in the Standard Payments Provider Deed~~Standard Client Bank Deed~~.
Rule 10.11.3(d)	ASX Settlement may request Payments Provider to authorise increased net obligation to make payment.	by ~~Revised~~ Authorisation Response Cut-Off as defined in the Standard Payments Provider Deed~~Standard Client Bank Deed~~.

Rule Number	Requirement	Sydney Time
~~Rule 10.11.8~~	~~Participants to Match request to switch Failed Batch Settlement Instruction to RTGS.~~	~~by Settlement Cut-off* on the Business Day to which the Batch Instruction has been rescheduled.~~
Rule 10.11.12	Failed Settlement Shortfall exists. Introduced 30/03/09	by Settlement Cut-Off on the second Business Day after the day on which the Rescheduled Batch Instruction was originally scheduled for settlement.
Rule 10.12.1	ASX Settlement to be satisfied that Source Holding will not give rise to a Financial Products Shortfall.	before ~~Inter-Bank Payment System Closure~~RITS Closure as defined in the Standard Payments Provider Deed~~Standard Client Bank Deed~~.
Rule 10.13.3	ASX Settlement to notify Participant of net movement of Financial Products and funds for each Holding and funds for each Payment Facility~~if Batch Instruction has settled~~.	within 30 minutes of ASX Settlement transferring Financial Products under Rule 10.12.1(e).
Rule 10.14.2	ASX Settlement to notify cancellation of Batch Settlement.	within 30 minutes of ASX Settlement cancelling settlement under Rule 10.14.1.
Rule 10.15.1(a)	Payments Provider to authorise net obligation to make payment.	before Authorisation Response Cut-Off as defined in the Standard Payments Provider~~Client Bank~~ Deed.
Rule 10.15.1(b)	Payments Provider to authorise increased net obligation to make payment.	before ~~Revised~~ Authorisation Response Cut-Off as defined in the Standard Payments Provider ~~Client Bank~~ Deed.
…… Rule 11.8.15~~9~~(b)	Participant to nominate new Payment Facility.	within 5 Business Days of ASX Settlement giving Notice to the Participant or such longer period as ASX Settlement determines.
~~Rule 11.9.3(b)(ii)~~	~~ASX Settlement to notify change to Payments Provider Managed attributes of a Net Position Record to Payments Provider and Participant.~~	~~in the case of inactivation of Net Position Record:- by Start of Day on next RTGS Business Day after receipt of request to inactivate;~~ ~~in the case of all other changes:- within 60 minutes of ASX Settlement effecting the change.~~
~~Rule 11.9.6(b)~~	~~ASX Settlement to remove Recorded RTGS Instruction from Feeder System following inactivation of Net Position Record.~~	~~by Start of Day on next RTGS Business Day after receipt of request to inactivate.~~

~~* *Note: as normal net batch processing has priority, whether an instruction to switch settlement modes received shortly before Settlement Cut-off can be actioned necessarily depends on processing volumes and other applicable system constraints: refer Rule 10.11.8.*~~

Rule Number	Requirement	Sydney Time
~~Rule 11.9.12(b)~~	~~ASX Settlement to notify change to Participant Managed attributes of a Net Position Record to Payments Provider and Participant.~~	~~within 60 minutes of ASX Settlement effecting the change.~~
~~Rule 11.11.2(b)~~	~~ASX Settlement to advise Participants that it has Recorded RTGS Instruction switched from Scheduled Settlement.~~	~~within 60 minutes of ASX Settlement Recording the RTGS Instruction.~~
~~Rule 11.12.1(a)(i)~~	~~Participant to Transmit Valid Switch to Batch Settlement Message to ASX Settlement.~~	~~before the commencement of the RTGS Settling Phase for that RTGS Instruction; and~~ ~~by Settlement Cut-off* on the Business Day on which settlement is required.~~
~~Rule 11.12.1(c)~~	~~ASX Settlement to advise removal of RTGS Instruction from RTGS.~~	~~within 60 minutes of ASX Settlement effecting the removal.~~
~~Rule 11.12.3(a)(i)~~	~~Participant to Transmit Dual Entry Switch to Batch Settlement Message to ASX Settlement~~	~~before the commencement of the RTGS Settling Phase for that RTGS Instruction; and~~ ~~by Settlement Cut-off* on the Business Day on which settlement is required.~~
~~Rule 11.12.5~~	~~Batch Instruction to be constituted for settlement to occur on recorded RTGS Settlement Date.~~	~~before commencement of the RTGS Settling Phase for that RTGS Instruction; and by Settlement Cut-off* on the Business Day Recorded as the RTGS Settlement Date.~~
~~Rule 11.12.6~~	~~Participant to Transmit to ASX Settlement request for HIN change.~~	~~before commencement of the RTGS Settling Phase for that RTGS Instruction, and by Settlement Cut-off* on the Business Day on which settlement is required.~~
~~Rule 11.12.6(b)~~	~~ASX Settlement to advise Participant of HIN change.~~	~~within 60 minutes of ASX Settlement effecting the change.~~
Rule 11.13.1(a)	Participant to Transmit RTGS Messages to ASX Settlement.	before RTGS Instruction Cut-off on the RTGS Business Day~~Settlement Date~~.
~~Rule 11.13.3~~	~~Dual Entry RTGS Message to be Transmitted to ASX Settlement.~~	~~before RTGS Instruction Cut-off on the RTGS Settlement Date.~~

~~* Note: as normal net batch processing has priority, whether an instruction to switch received shortly before Settlement Cut-off can be actioned necessarily depends on processing volumes and other applicable system constraints: refer Rule 11.12.7.~~

~~* Note: as normal net batch processing has priority, whether an instruction to switch received shortly before Settlement Cut-off can be actioned necessarily depends on processing volumes and other applicable system constraints: refer Rule 11.12.7.~~

Rule Number	Requirement	Sydney Time
~~Rule 11.13.4~~	~~RTGS Messages to be Matched.~~	~~before RTGS Cut-off on the RTGS Settlement Date.~~
~~Rule 11.13.4(c)(ii)~~	~~ASX Settlement to notify Recording of RTGS Instruction.~~	~~within 60 minutes of ASX Settlement Recording the RTGS Instruction~~.
~~Rule 11.16.1(a)(i)~~	~~Participant to request ASX Settlement to change RTGS Instruction.~~	~~before commencement of the RTGS Settling Phase for that RTGS Instruction or RTGS Instruction Cut-off on the RTGS Settlement Date, whichever is earlier~~.
~~Rule 11.16.1(b)~~	~~ASX Settlement to advise Participant of changed RTGS Instruction~~.	~~within 60 minutes of ASX Settlement effecting the change.~~
~~Rule 11.16.3(a)~~	~~Participants to Transmit Dual Entry Messages requesting changes to Dual Entry RTGS Instruction to ASX Settlement.~~	~~before commencement of RTGS Settling Phase for that RTGS Instruction or RTGS Instruction Cut-off on the RTGS Settlement Date, whichever is earlier~~.
~~Rule 11.16.4~~	~~Participant to Transmit single entry change to ASX Settlement~~	~~before commencement of RTGS Settling Phase for that RTGS Instruction or RTGS Instruction Cut-off on the RTGS Settlement Date, whichever is earlier.~~
~~Rule 11.16.4(d)~~	~~ASX Settlement to advise Participant of change~~	~~within 60 minutes of ASX Settlement effecting the change~~.
Rule 11.17.4	Participant to request ASX Settlement to cancel RTGS Instruction	before RTGS Instruction Cut-off on the RTGS Business Day~~Settlement Date~~ or before completion of the RTGS Settling Phase for that RTGS Instruction, whichever is earlier.
…		
~~Rule 11.17.5(a)~~	~~Participants to Match cancellation request for Dual Entry RTGS Instruction~~	~~before RTGS Instruction Cut-off on the RTGS Settlement Date or before completion of the RTGS Settling Phase for that RTGS Instruction, whichever is earlier.~~
~~Rule 11.18.4~~	~~Participant to notify ASX Settlement that RTGS Instruction is 'ready to settle'~~	~~before RTGS Instruction Cut-off on the RTGS Settlement Date~~.
Rule 11.18.8(a)	RTGS Payments Provider performing a Payment Obligation to notify ASX Settlement of authorisation	before RTGS Cut-off on the RTGS Business Day
Rule 11.18.8(c)	ASX Settlement to notify counterparty or counterparties (as applicable) of Failed RTGS Instruction	as soon as practicable after ASX Settlement receives a rejection Message from the relevant RTGS Payments Provider
~~Rule 11.19.1~~	~~ASX Settlement to determine Financial Products will not give rise to RTGS Delivery Shortfall~~	~~before RTGS Cut-off on the RTGS Settlement Date.~~
~~Rule 11.19.1(e)~~	~~ASX Settlement to notify counterparties of Reservation of Financial Products~~	~~within 60 minutes of ASX Settlement effecting the Reservation.~~

Rule Number	Requirement	Sydney Time
~~Rule 11.20.4~~	~~ASX Settlement to determine Debit Cap Compliance~~	~~before RTGS Cut-off on the RTGS Settlement Date.~~
~~Rule 11.23.1(b)~~	~~ASX Settlement to determine Debit Cap Compliance~~	~~before RTGS Cut-off on the RTGS Settlement Date.~~
Rule 11.23.2(b)~~(ii)~~	ASX Settlement to have received settlement response from RITS/RTGS	before RTGS End of Day on the RTGS Business Day~~Settlement Date~~.
Rule 11.24.1	RTGS Instruction to have entered RTGS Settling Phase	before RTGS Cut-off on the RTGS Business Day~~Settlement Date~~.
Rule 11.24.2(a)(ii)	ASX Settlement to have received settlement response from RITS	before RTGS End of Day on the RTGS Business Day.
Rule 11.24.2(b)(ii)	ASX Settlement to have received settlement response from RITS/RTGS	before RTGS End of Day on the RTGS Business Day~~Settlement Date~~.
Rule 11.25.1	ASX Settlement to be satisfied that RTGS Settling Phase can complete on the RTGS Business Day~~Settlement Date~~	before RTGS End of Day on the RTGS Business Day~~Settlement Date~~.
Rule 11.28.1~~(c)~~	ASX Settlement to notify counterparties of Failed RTGS Instruction	as soon as practicable after RTGS End of Day.
~~Rule 11.28.2(a)~~	~~Participant to request ASX Settlement to switch Failed RTGS Instruction to Batch Settlement~~	~~before Settlement Cut-off* on the next RTGS Business Day.~~
Rule 11.30.1(a)	ASX Settlement to notify RTGS Payments Provider of settled RTGS Instruction	as soon as practicable after ASX Settlement receives notification from RITS that the Payment Obligation has been settled.
Rule 11.30.1(b)	ASX Settlement to make available RTGS Settlement Report to RTGS Payments Provider	as soon as practicable after RTGS End of Day and completion of End of Day Processing Phase.
Rule 11.30.2	ASX Settlement settlement reporting to RTGS Participants	as soon as practicable after RTGS End of Day and completion of End of Day Processing Phase.
~~Rule 11.31.1~~	~~ASX Settlement to generate Accrued RTGS Instruction~~	~~by Start of Day on the Business Day immediately after the Record Date for the Corporate Action.~~

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~~* Note: as normal net batch processing has priority, whether an instruction to switch received shortly before Settlement Cut-off can be actioned necessarily depends on processing volumes and other applicable system constraints: refer Rule 11.12.7.~~

Rule 14.14.9	Controlling Participant to notify ASX Settlement of acceptance or rejection of a ~~T~~takeover ~~O~~offer a~~A~~cceptance Introduced 09/05/05 Amended 30/09/19	by End of Day on the Business Day following the Business Day on which the Controlling Participant receives a Valid Message under Rule 14.14.8.

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Rule 14.24.1	Participant to initiate acceptance under a Non-Takeover Offer Event.	(i) by End of Day on the date the Participant Sponsored Holder instructs the Participant to accept the offer; or (ii) if the offer period ends on the date that the Participant Sponsored Holder instructs the Participant, before the end of the offer period.
Rule 14.24.5	Participant Offeror to notify ASX Settlement of a rejection of an Offer Accepted Subposition	within 2 Business Days of receiving notification from ASX Settlement under Rule 14.5.1.
Rule 14.24.9	Controlling Participant to notify ASX Settlement of acceptance or rejection of a non-takeover offer acceptance	by End of Day on the Business Day following the Business Day on which a Valid Message is received under Rule 14.24.8.
Rule 14.24.10	Controlling Participant to notify Holder of rejection of Non-Takeover Offer Event acceptance	by End of Day on the Business Day on which the Controlling Participant rejects the Non-Takeover Offer Event acceptance under Rule 14.24.9(b).
Rule 14.26.3	Participant Offeror to authorise or reject a request for Financial Products to be released from an Offer Accepted Subposition	within 2 Business Days of receiving a Valid Message from ASX Settlement under Rule 14.27.2.
Rule 14.29.1	Participant Offeror to notify ASX Settlement of acceptances that are avoided	within 1 Business Day of the non-takeover offer lapsing

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Rule 16.20.2	ASX Settlement to provide a Standing Report to a Facility User and Holding Net Movement Report and Total Security Balance Report to an Issuer	after End of Day on each Business Day

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Rule 18.3.3(b)	If an Originating Message Transmitted to ASX Settlement complies with Rule 18.3.1, Product Issuer Settlement Participant must, within the Scheduled Time, Transmit a Message to ASX Settlement accepting or rejecting ~~(or, in the case of requests for redemption only, deferring)~~ the request and specifying the information required by the Procedures. Introduced 21/03/14	As set out in the Procedures.
Rule 18.3.5	If the Product Issuer Settlement Participant has not Transmitted a Valid Message to ASX Settlement pursuant to Rule 18.3.3(b) by the Scheduled Time, ASX Settlement may cancel the relevant request initiated under Rule 18.3.1.	As set out in the Procedures.

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~~Rule 18.4.3(a)~~	~~If an Originating Message Transmitted to ASX Settlement complies with Rule 18.4.1, ASX Settlement must, within the Scheduled Time, Transmit a Message to the relevant Product Issuer Settlement Participant to notify it of the details of the request specified in the Originating Message.~~ ~~Introduced 21/03/14~~	~~As set out in the Procedures.~~
~~Rule 18.4.3(b)~~	~~If an Originating Message Transmitted to ASX Settlement complies with Rule 18.4.1, the Product Issuer Settlement Participant must, within the Scheduled Time, Transmit a Message to ASX Settlement accepting, rejecting or deferring the request and specifying the information required by the Procedures.~~ ~~Introduced 21/03/14~~	~~As set out in the Procedures.~~
~~Rule 18.4.4(b)~~	~~If ASX Settlement receives a Valid Message from a Product Issuer Settlement Participant under Rule 18.4.3(b), and if the request has been accepted, the Product Issuer Settlement Participant must, within the Scheduled Time, Transmit to ASX Settlement Messages that initiate Holding Adjustments to increase or decrease, by the number of AQUA Products determined by the Product Issuer Settlement Participant in respect of the request to Switch between AQUA Products, as the case requires, the Holding Balance of each CHESS Holding specified in the Originating Message.~~ ~~Introduced 21/03/14~~	~~As set out in the Procedures.~~

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~~Rule 18.5.2~~	~~A Product Issuer Settlement Participant may Transmit a Valid Message that requests cancellation of a request to Switch between AQUA Products that the Product Issuer Settlement Participant accepted in accordance with Rule 18.4.3(b).~~ ~~Introduced 21/03/14~~	~~As set out in the Procedures.~~
Rule 18.6.1	A Settlement Participant may Transmit a Valid Message that requests cancellation of~~:~~ ~~(a)~~ a request for redemption of AQUA Products~~; or~~ ~~(b) a request to Switch between AQUA Products,~~ that the Settlement Participant initiated~~ and the Product Issuer Settlement Participant deferred in accordance with Rule 18.3.3(b)~~. Introduced 21/03/14	As set out in the Procedures.
Rule 18.6.1(a~~c~~)	If within the Scheduled Time a Settlement Participant Transmits a Valid Message that requests cancellation of~~:~~ ~~(a)~~ a request for redemption of AQUA Products; or ~~(b) a request to Switch between AQUA Products,~~ that the Settlement Participant initiated~~, and the Product Issuer Settlement Participant deferred in accordance with Rule 18.3.3(b):~~ ~~(c)~~ ASX Settlement must, within the Scheduled Time, Transmit a Message to the Product Issuer Settlement Participant to notify it of the cancellation request. Introduced 21/03/14	As set out in the Procedures.

Rule 18.6.1(bd)	If within the Scheduled Time a Settlement Participant Transmits a Valid Message that requests cancellation of : (a) a request for redemption of AQUA Products ; or (b) a request to Switch between AQUA Products, that the Settlement Participant initiated, and the Product Issuer Settlement Participant deferred in accordance with Rule 18.3.3(b): (c) the Product Issuer Settlement Participant must, within the Scheduled Time, Transmit a Message to ASX Settlement accepting or rejecting the cancellation request and specifying the information required by the Procedures. Introduced 21/03/14	As set out in the Procedures.
Rule 18.6.1A	A Settlement Participant may Transmit a Valid Message that requests cancellation of a request for issue of AQUA Products that the Settlement Participant initiated.	As set out in the Procedures
Rule 18.6.1A(a)	If within the Scheduled Time a Settlement Participant Transmits a Valid Message that requests cancellation of a request for issue of AQUA Products; or that the Settlement Participant initiated, ASX Settlement must, within the Scheduled Time, Transmit a Message to the Product Issuer Settlement Participant to notify it of the cancellation of the request.	As set out in the Procedures
Rule 18.7.1	An Product Issuer Settlement Participant that has accepted: (a) a request for issue or redemption of AQUA Products in accordance with Rule 18.3.3(b) ; or (b) a request to Switch AQUA Products in accordance with Rule 18.4.3(b), may notify the Settlement Participant that initiated the request of changes to details of the matters relating to the request, as specified in the Procedures, by Transmitting, within the Scheduled Time, a Valid Message to ASX Settlement in accordance with the Procedures. Introduced 21/03/14	As set out in the Procedures.

~~Rule 18.9.2(a)~~	~~If a Valid Originating Message Transmitted to ASX Settlement complies with Rule 18.9.1, ASX Settlement must, within the Scheduled Time, Transmit a Message to the relevant Product Issuer Settlement Participant to notify it of the details of the request specified in the Valid Originating Message.~~ ~~Introduced 15/08/16~~	~~As set out in the Procedures.~~
~~Rule 18.9.2(b)~~	~~If a Valid Originating Message Transmitted to ASX Settlement complies with Rule 18.9.1, the Product Issuer Settlement Participant must, within the Scheduled Time, Transmit a Valid Message to ASX Settlement accepting or rejecting the request and specifying the information required by the Procedures.~~ ~~Introduced 15/08/16~~	~~As set out in the Procedures.~~
~~Rule 18.9.4~~	~~A Product Issuer Settlement Participant that has accepted a request for income advice in accordance with Rule 18.9.2(b) must advise, for each class of AQUA Products in relation to which it is authorised, details of:~~ ~~(a) income distribution entitlements in respect of each CHESS Holding of the AQUA Products where applicable; and~~ ~~(b) reinvestment of income distribution entitlements in respect of each CHESS Holding of the AQUA Products where applicable,~~ ~~by Transmitting to ASX Settlement, within the Scheduled Time after each date for determining distribution entitlements in respect of the AQUA Products, a Valid Message that contains the details specified in the Procedures.~~ ~~Introduced 15/08/16~~	~~As set out in the Procedures.~~
~~Rule 18.9.6(a)~~	~~If a Settlement Participant Transmits to ASX Settlement a Valid Message in accordance with the Procedures that requests cancellation of a request for income advice that the Settlement Participant initiated and the Product Issuer Settlement Participant accepted in accordance with Rule 18.9.2(b), ASX Settlement must, within the Scheduled Time, Transmit a Message to the Product Issuer Settlement Participant to notify it of the cancellation request.~~ ~~Introduced 15/08/16~~	~~As set out in the Procedures.~~
~~Rule 18.9.6(b)~~	~~If a Settlement Participant Transmits to ASX Settlement a Valid Message in accordance with the Procedures that requests cancellation of a request for income advice that the Settlement Participant initiated and the Product Issuer Settlement Participant accepted in accordance with Rule 18.9.2(b), the Product Issuer Settlement Participant must, within the Scheduled Time, implement the cancellation request.~~ ~~Introduced 15/08/16~~	~~As set out in the Procedures.~~

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Rule 19.2.3	ASX Settlement to give notice of a remediation of Registration Details	To Participants and Issuers (as applicable) - within 2 Business Days of remediating the Registration Details. To Participant Sponsored Holders (as applicable) – within 5 Business Days of remediating the Registration Details.

Rule 19.2.6	ASX Settlement to give notice of a remediation of Registration Details	To Participants and Issuers (as applicable) - within 2 Business Days of remediating the Registration Details To Participant Sponsored Holders (as applicable) – within 5 Business Days of remediating the Registration Details.
Rule 19.2.7(b)	ASX Settlement to give notice that a Holder Record has not been recorded in the New System	To Participants - within 2 Business Days of not recording the Holder Record in the New System To Participant Sponsored Holders (as applicable) - within 5 Business Days of not recording the Holder Record in the New System
Rule 19.2.9	ASX Settlement to give notice of a change of Email Purpose	within 2 Business Days of changing the Email Purpose
Rule 19.2.10	ASX Settlement to give notice of removal of Email Details	within 2 Business Days of not recording Email Details in New System

APPENDIX 2 [DELETED]

~~DEMAND TRANSFER MESSAGES INITIATED BY PARTICIPANTS FOR WHICH A STANDING HIN MAY BE NOMINATED~~

~~Message Type~~	~~Message Number and Name~~
~~1. Messages where the nominated Standing HIN is applied if the HIN for the Holder of the Target Holding is not specified by the Participant that Transmits the Message initiating the Transfer~~	~~015 Issuer Sponsored to CHESS Transfer Request~~ ~~021 Certificated to CHESS Transfer Request~~
~~2. Messages where the nominated Standing HIN is applied if the HIN for the Holder of the Source Holding is not specified by the Participant that Transmits the Message initiating the Transfer:~~	~~003 Transferor Submitted Demand Transfer~~ ~~007 Demand CHESS to Issuer Sponsored Transfer Request~~ ~~009 Demand CHESS to Certificated Transfer Request~~
~~3. Messages where the nominated Standing HIN is applied if:~~ ~~(i) the HIN for the Holder of the Target Holding; or~~ ~~(ii) the HIN for the Holder of the Source Holding,~~ ~~is not specified by the Participant that Transmits the Message initiating the Transfer provided that either the Source Holding or the Target Holding has been specified in the Message by that Participant.~~	~~001 Demand Single Entry CHESS to CHESS Transfer Request~~

SECTION 2 DEFINITIONS AND INTERPRETATION

2.13 DEFINITIONS

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"**ASX Clear Account**" – an Account as defined in the ASX Clear Operating Rules.

...

~~"**Guarantor**" means a third party approved by ASX Settlement to provide an unconditional and irrevocable guarantee in favour of the Holder, issuer and any party entitled to claim against the Settlement Participant for an unauthorised transfer of Financial Products under the Corporations Regulations.~~

~~Introduced 18/12/19~~

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"**PID**" – where requested by a Participant in accordance with any requirements (including the payment of any fee) notified by ASX Settlement from time to time, ASX Settlement may allocate or attribute more than one PID per Participant up to a maximum number of five (5) PIDs per Participant.

Introduced 08/08/13

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"**User Technical Documentation**" – the documentation published by ASX Settlement for the purposes of this definition are available at the following website:

https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/overview

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SECTION 4 ADMISSION OF OTHER SETTLEMENT PARTICIPANTS

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PROCEDURE 4.13.1 PERSON TO HAVE A PAYMENT FACILITY

For the purposes of Rule 4.13.1(a), the person must have the following number of Payment Facilities with a Payments Provider:

(a) if the person is making and receiving payments in respect of AQUA Payment Batch Instructions, at least two Payment Facilities;

(b) if the person is making and receiving payments in respect of any other payment obligations and entitlements under Section 10 or Section 11 of these Rules, at least one Payment Facility.

Introduced 21/03/14

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PROCEDURE 4.18.1 ORGANISATIONAL REQUIREMENTS

In order to satisfy ASX Settlement that it meets Rule 4.18.1, an applicant must provide to ASX Settlement on or before its admission as a Participant a certification in the form prescribed by ASX Settlement from time to time that the applicant has the resources and processes in place to comply with its obligations under the Rules.

For these purposes, "resources" and "processes" have the same meaning as in Rule 4.18.1.

In providing this certification to ASX Settlement the applicant must have regard to:

(a) the Rules;

(b) where the application is in respect of admission as a Participant other than as a Specialist Settlement Participant admitted for the limited purpose of acting as a Participant Bidder or a Participant Offeror:

(i) ASX Settlement Operating Rules Guidance Note 1 Admission as a Participant;

(ii) ASX Settlement Operating Rules Guidance Note 9 Offshoring and Outsourcing;

(iii) ASX Settlement Operating Rules Guidance Note 10 Business Continuity and Disaster Recovery; and

(iv) the standards expected of financial services licensees set out in ASIC Regulatory Guide 104 Licensing: Meeting the general obligations and ASIC Regulatory Guide 105 Licensing: Organisational competence (this applies even if the applicant does not hold an Australian Financial Services Licence);

(c~~d~~) any other matters specified in the form prescribed by ASX Settlement for these purposes.

If required by ASX Settlement, the applicant must be able to demonstrate to the satisfaction of ASX Settlement, at any time, the basis on which the certification is or was provided.

Introduced 01/01/12 Amended 15/06/15, 05/12/19

PROCEDURE 4.19.1 CUSTODIAL SETTLEMENT PARTICIPANT ELIGIBILITY [DELETED]

~~**Eligibility criteria**~~

~~To be eligible to be classified as a Custodial Settlement Participant, a Settlement Participant must:~~

~~(a) provide a custodial or depository service to Holders;~~

~~(b) either:~~

~~(i) hold an Australian financial services licence authorising the Settlement Participant to provide a custodial or depository service; or~~

~~(ii) be exempt from the requirement to hold an Australian financial services licence to provide a custodial or depository service pursuant to Corporations Regulation 7.6.01(1)(k); and~~

~~(c) either:~~

~~(i) at a minimum, hold at all times the amount of NTA specified in either section 912AA(4)(b) or section 912AC(4)(a) of the Corporations Act and the amount of cash or cash equivalents and liquid assets specified in section 912AA(8) or section 912AC(7) of the Corporations Act; or~~

~~(ii) have a Guarantor which meets the criteria in paragraph (c)(i) above who has provided an unconditional and irrevocable guarantee in the form acceptable to ASX Settlement in favour of the Holder, issuer and any party entitled to claim against the Settlement Participant for an unauthorised transfer of Financial Products under the Corporations Regulations.~~

~~**Supporting documentation**~~

~~In order to be eligible to be classified as a Custodial Settlement Participant, a Settlement Participant must provide ASX Settlement with:~~

~~(d) either~~

~~(i) a copy of its Australian financial services licence; or~~

~~(ii) a legal opinion in a form acceptable to ASX Settlement confirming that the Settlement Participant is eligible to rely on the exemption from the requirement to hold an Australian financial services licence under Corporations Regulation 7.6.01(1)(k);~~

~~(e) one of the following:~~

~~(i) a copy of the most recent audit opinion and balance sheet the Settlement Participant is required to lodge with ASIC under either section 912AA(9)(a) or section 912AC(10)(a) of the Corporations Act;~~

~~(ii) a copy of an audit opinion and balance sheet in respect of the Settlement Participant substantially in the form contemplated by section 912AA(9)(a) or section 912AC(10)(a) of the Corporations Act;~~

~~(iii) a copy of the executed guarantee referred to in paragraph (c)(ii) above, together with a copy of an audit opinion and balance sheet in respect of the Guarantor substantially in the form contemplated by section 912AA(9)(a) or section 912AC(10)(a) of the Corporations Act; or~~

~~(iv) in the case of a Settlement Participant or Guarantor that is not subject to the financial requirements referred to in paragraph (c)(i) above, a certification in a form acceptable to ASX Settlement,~~

~~which demonstrates to ASX Settlement that the Settlement Participant or Guarantor (as applicable) meets the financial requirements referred to in paragraph (c)(i) above; and~~

~~(f) any other information ASX Settlement may reasonably require to determine whether a Settlement Participant meets the criteria to be classified as a Custodial Settlement Participant.~~

Introduced 18/12/19

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SECTION 5 RIGHTS AND OBLIGATIONS OF ISSUERS

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PROCEDURE 5.19A.2 CORPORATE ACTION ELECTION – NOTIFICATION BY CONTROLLING PARTICIPANT

For the purposes of Rule 5.19A.2(a), a Valid Election Participant Notification Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Message includes:

(a) the Controlling Participant's UIC;

(b) the Transaction Identifier of the Message

(c) the Plan Record identifier (if applicable);

(d) the type of Corporate Action that the election relates to;

(e) the code for the relevant Approved Financial Product;

(f) the HIN of the relevant CHESS Holding;

(g) the option number code;

(h) the Election Option Type; and

(i) the number of Approved Financial Products, or the proportion of the relevant CHESS Holding, to which the Election Participant Notification Message relates to.

For the purposes of Rule 5.19A.2(c), a Valid Corporate Action Election Status Advice Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Message includes:

(a) the Transaction Identifier of the related Message received by the Issuer under Rule 5.19A.2(b)(ii);

(b) the Plan Record identifier;

(c) the type of Corporate Action that the election relates to;

(d) the processing status of the election, i.e. if the election is acknowledged or rejected;

(e) the code for the relevant Approved Financial Product;

(f) the HIN of the relevant CHESS Holding;

(g) the option number code;

(h) the Election Option Type;

(i) the number of Approved Financial Products, or the proportion of the relevant CHESS Holding, to which the Corporate Action Election Status Advice Message relates to; and

(j) if the election is rejected, the reason must be provided.

PROCEDURE 5.19A.4 CANCELLATION OF ELECTION

For the purposes of Rule 5.19A.4(a) and 5.19A.4(e), a Valid Election Cancellation Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Election Cancellation Message includes:

(a) the Participant's UIC or Issuer's UIC (as applicable);

(b) the Corporate Action Record identifier;

(c) the type of Corporate Action that the election relates to;

(d) the code for the relevant Approved Financial Product;

(e) the HIN of the relevant CHESS Holding;

(f) the option number code;

(g) the Election Option Type;

(h) the number of Approved Financial Products, or the proportion of the relevant CHESS Holding, to which the Election Cancellation Message relates to.

For the purposes of Rule 5.19A.4(c), a Valid Corporate Action Election Status Advice Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Message includes:

(i) the Transaction Identifier of the related Message received by the Issuer under Rule 5.19A.4(b)(ii);

(j) the Plan Record identifier;

(k) the type of Corporate Action that the election relates to;

(l) the processing status of the cancellation, i.e. if the cancellation is acknowledged or rejected;

(m) the code for the relevant Approved Financial Product;

(n) the HIN of the relevant CHESS Holding;

(o) the option number code;

(p) the Election Option Type;

(q) the number of Approved Financial Products, or the proportion of the relevant CHESS Holding, to which the Corporate Action Election Status Advice Message relates to; and

(r) if the election is rejected, the reason must be provided.

PROCEDURE 5.19A.9 REQUEST FOR DETAILS OF ELECTION STATUS FOR DIVIDEND OR OTHER DISTRIBUTION REINVESTMENT PLAN OR BONUS SHARE PLAN

Request for election status

A Valid Originating Message requesting details of the existing election status recorded by the Issuer will be Transmitted to ASX Settlement in accordance with the Procedures if the Message:

(a) includes a Participant's PID as that of the Participant Transmitting the Message;

(b) specifies the HIN of the relevant CHESS Holding; and

(c) specifies the code for the relevant Approved Financial Product.

SECTION 6

PROCEDURE 6.3.4 SETTLEMENT AND ACCUMULATION ACCOUNTS

A Settlement Participant which is a Clearing Participant must establish both a Settlement Account and an Accumulation Account in respect of each PID allocated or attributed by ASX Clear to the Clearing Participant under the ASX Clear Operating Rules.

A Settlement Participant which is a Clearing Participant must establish both a Settlement Account and an Accumulation Account with a residence indicator of foreign (as identified in the User Technical Documentation)~~"F"~~ to facilitate Foreign to Foreign Allocations in respect of each PID allocated or attributed by ASX Clear to the Clearing Participant under the ASX Clear Operating Rules.

All other Settlement Participants need not establish both a Settlement Account and Accumulation Account but may do so if they wish to.

Introduced 11/03/04 Amended 08/08/13

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PROCEDURE 6.3B.2 TRANSFER OF FINANCIAL PRODUCTS FROM ACCUMULATION ACCOUNT TO SETTLEMENT ACCOUNT

For the purposes of the Valid ~~Single Entry~~Unilateral Batch Message under Rule 6.3B.2:

(a) the Message type to be used is that specified in the User Technical Documentation for the purpose of Transfers from a Settlement Participant's Accumulation Account to its Settlement Account that contains a field for the inclusion of the Client Trust Receivable Amount ~~a MT107~~ (or such other Message type as determined and notified by ASX Settlement from time to time);

(b) a separate Message is required in respect of each class of Financial Product sold under a Cash Market Transaction which is due for settlement on the relevant Settlement Date;

(c) The Client Trust Receivable Amount must be specified as a value of zero or greater, unless the Message is in respect of a PID for which the relevant Settlement Participant is not:

(i) the Clearing Participant; or

(ii) acting as Settlement Agent for a Clearing Participant,

in which case the Client Trust Receivable Amount is not required to be specified in the Message;

(d) The Message must include the scheduled Settlement Date in respect of the Transfer of Financial Products under the Batch Instruction arising from that Message. Transfers may be scheduled for a future Settlement Date;

(e) Participants may send more than one Message for a Settlement Date or a single Message that covers the net settlement obligations for that Settlement Date in respect of that class of Financial Product;

(f) Where the Message provides for the Transfer of Financial Products relating to more than one Cash Market Transaction, the Client Trust Receivable Amount to be included is to represent the gross Client Trust Receivable Amount in respect of each of those Financial Products.

Introduced 25/05/15

PROCEDURE 6.3B.3 TRANSFER OF FINANCIAL PRODUCTS FROM CHESS HOLDING (OTHER THAN ACCUMULATION ACCOUNT) TO SETTLEMENT ACCOUNT

For the purposes of the Valid ~~Single Entry~~Unilateral Batch Message under Rule 6.3B.3:

(a) the Message type to be used is that specified in the User Technical Documentation for the purpose of Transfers from a CHESS Holding (other than the Settlement Participant's Accumulation Account) to its Settlement Account that contains a field for the inclusion of the Client Trust Receivable Amount~~a MT107~~ (or such other Message type as determined and notified by ASX Settlement from time to time);

(b) a separate Message is required in respect of each class of Financial Product sold under a Cash Market Transaction which is due for settlement on the relevant Settlement Date;

(c) The Client Trust Receivable Amount must be specified as a value of zero or greater, unless the Message is in respect of a PID for which the relevant Settlement Participant is not:

(i) the Clearing Participant; or

(ii) acting as Settlement Agent for a Clearing Participant,

in which case the Client Trust Receivable Amount is not required to be specified in the Message;

(d) The Message must include the scheduled Settlement Date in respect of the Transfer of Financial Products under the Batch Instruction arising from that Message. Transfers may be scheduled for a future Settlement Date;

(e) Participants may send more than one Message for a Settlement Date or a single Message that covers the net settlement obligations for that Settlement Date in respect of that class of Financial Product;

(f) Where the Message provides for the Transfer of Financial Products relating to more than one Cash Market Transaction, the Client Trust Receivable Amount to be included is to represent the gross Client Trust Receivable Amount in respect of each of those Financial Products.

Introduced 25/05/15

PROCEDURE 6.3B.4 TRANSFER OF FINANCIAL PRODUCTS FROM SETTLEMENT ACCOUNT TO A HOLDING OTHER THAN ACCUMULATION ACCOUNT

For the purposes of the Valid ~~Single Entry~~Unilateral Batch Message under Rule 6.3B.4:

(a) the Message type to be used is that specified in the User Technical Documentation for the purpose of Transfers from the Settlement Participant's Settlement Account to a CHESS Holding other than the Settlement Participant's Accumulation Account that contains a field for the inclusion of the Client Trust Deductible Amount~~a MT107~~ (or such other Message type as determined and notified by ASX Settlement from time to time);

(b) a separate Message is required in respect of each class of Financial Product purchased under a Cash Market Transaction which is due for settlement on the relevant Settlement Date;

(c) The Client Trust Deductible Amount must be specified as a value of zero or as a negative amount, unless the Message is in respect of a PID for which the relevant Settlement Participant is not:

(i) the Clearing Participant; or

(ii) acting as Settlement Agent for a Clearing Participant,

in which case the Client Trust Deductible Amount is not required to be specified in the Message;

(d) The Message must include the scheduled Settlement Date in respect of the Transfer of Financial Products under the Batch Instruction arising from that Message. Transfers may be scheduled for a future Settlement Date;

(e) Participants may send more than one Message for a Settlement Date in respect of a CHESS Holding for that class of Financial Product or a single Message that covers the net settlement obligations for that Settlement Date in respect of a CHESS Holding for that class of Financial Product;

(f) Where the Message provides for the Transfer of Financial Products relating to more than one Cash Market Transaction and it is intended that a Client Trust Deductible Amount be included in respect of some or all of those Financial Products, the Client Trust Deductible Amount to be included is to represent the gross Client Trust Deductible Amount in respect of each of those Financial Products it is intended that a Client Trust Deductible Amount be included for.

Introduced 25/05/15

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SECTION 8 APPROVAL OF ISSUERS AND FINANCIAL PRODUCTS

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PROCEDURE 8.7.2 ESTABLISHING A HOLDER RECORD

The matters to be specified in the Message from the Participant to ASX Settlement requesting the establishment of a Holder Record are:

(a) the Participant's PID;

(b) a Holder Type;

(c) Registration Details; ~~a Residency Indicator; and~~

(d) in the case of a Clearing Account, a designation to identify that Clearing Account as either:

(i) a Settlement Account; or

(ii) for a Clearing Participant, an Accumulation Account, ~~and~~

(e) where the Clearing Account is to be used for the purposes of Foreign to Foreign Allocations, a Residency Indicator of foreign (as identified in the User Technical Documentation)~~"F"~~;

(f) Entity Type for each Holder;

(g) for a Participant Sponsored Holding, the Communication Preference and if the Communication Preference indicated is receipt of communications electronically, the Email Details; and

(h) Ownership Type.

Introduced 11/03/04

PROCEDURE 8.15.7 ACTION FOLLOWING THE APPLICATION OF A HOLDING LOCK

The Notice to be given by ASX Settlement is a Notice:

(a) notifying the Controlling Participant that the Holding Lock has been applied; and

(b) to:

(i) if an Issuer requested the Holding Lock to be applied, that Issuer;

(ii) if the Locked Holding is a Participant Sponsored Holding, the Holder;

(iii) if some or all of the Financial Products in the Locked Holding are reserved in a Subposition, the Participant in whose favour the Financial Products are reserved; and

(iv) the Approved Market Operator~~Exchange.~~

Introduced 11/03/04

PROCEDURE 8.15.14 APPLICATION OF ~~HOLDING~~ HOLDER RECORD LOCK FOR THE PURPOSES OF FREEZING ASSETS

The relevant legislation and regulations are:

(a) Charter of the United Nations Act (Cth) 1945, including any regulations made under that Act; and

(b) Autonomous Sanctions Act (Cth) 2011, including any regulations made under that Act. ~~Charter of the United Nations (Sanctions – Afghanistan) Regulations (Cth) 2001~~

~~(c) Charter of the United Nations (Terrorism and Dealings with Assets) Regulations (Cth) 2002~~

Introduced 11/03/04

PROCEDURE 8.15.15 APPLICATION OF HOLDING LOCK OR HOLDER RECORD LOCK BY ASX SETTLEMENT FOR THE PURPOSE OF FREEZING ASSETS

The relevant legislation and regulations are:

(a) Charter of the United Nations Act (Cth) 1945, including any regulations made under that Act; and

(b) Autonomous Sanctions Act (Cth) 2011, including any regulations made under that Act. ~~Charter of the United Nations (Sanctions – Afghanistan) Regulations (Cth) 2001~~

~~(c) Charter of the United Nations (Terrorism and Dealings with Assets) Regulations (Cth) 2002~~

Introduced 09/05/06

PROCEDURE 8.15.21 REQUEST TO APPLY A SETTLEMENT LOCK

For the purposes of a Valid Message under Rule 8.15.21, the Message must include:

(a) the delivering HIN;

(b) the number and class of Financial Products to be Transferred under the Unilateral Batch Instruction or Bilateral Batch Instruction (as relevant);

(c) the Transaction Identifier of the related Unilateral Batch Message, Unilateral Batch Instruction, Bilateral Batch Message or Bilateral Batch Instruction (as applicable); and

(d) any other information ASX Settlement may request from time to time.

PROCEDURE 8.16.4 ACTION FOLLOWING THE REMOVAL OF A HOLDING LOCK OR A HOLDER RECORD LOCK OR RELATED NAMED HOLDER INDICATOR

The Notice to be given by ASX Settlement is a Notice:

(a) notifying the Controlling Participant that the Holding Lock or Holder Record Lock and related Named Holder Indicator (if relevant) has been removed; and

(b) of the removal of the Holding Lock or Holder Record Lock to:

(i) the relevant Issuer(s);

(ii) if the Holding is a Participant Sponsored Holding, the Holder;

(iii) if some or all of the Financial Products in the Locked Holding are reserved in a Subposition, the Participant in whose favour the Financial Products are reserved; and

(iv) the ~~Exchange~~Approved Market Operator.

Introduced 11/03/04

PROCEDURE 8.16.6 REMOVAL OF SETTLEMENT LOCK ON REQUEST

For the purposes of a Valid Message under Rule 8.16.6, the Message must include:

(a) the delivering HIN;

(b) the number and class of Financial products subject to the Settlement Lock;

(c) the Transaction Identifier of the related Unilateral Batch Message, Unilateral Batch Instruction, Bilateral Batch Message or Bilateral Batch Instruction (as applicable); and

(d) any other information ASX Settlement may request from time to time.

PROCEDURE 8.16.11 ACTION FOLLOWING THE REMOVAL OF A SETTLEMENT LOCK

The Notice to be given by ASX Settlement is a Notice notifying the Participant controlling the Source Holding that the Settlement Lock has been removed.

....

PROCEDURE 8.18.2 CHANGE OF HOLDER RECORD DETAILS

The action to be taken by a Participant where there is a change to Registration Details recorded in a Holder Record is as follows:

(a) the Participant must Transmit a Valid Originating Message that ~~specified~~ specifies the existing HIN for the Holder Record and the new ~~New~~ Registration Details;

(b) the Controlling Participant must maintain documentation to verify that the Registration Details relating to the change are noted in the Valid Originating Message, are correct and authorised by the client;

(c) on receipt of notification from ASX Settlement that the change to the Registration Details has been made in accordance with the Valid Originating Message, the Participant must check to make sure that the change to the Registration Details of the Holder have been made to the correct Holding; and

(d) if the change to the Registration Details were not made to the correct Holding, then the Controlling Participant must liaise with ASX Settlement as soon as possible, and in any event no later than two Business Days, to rectify the error.

Introduced 11/03/04

PROCEDURE 8.18.3

The Notice to be given by ASX Settlement is a ~~N~~notice:

(a) notifying:

(i) the Controlling Participant that the requested change has been made; and

(ii) in respect of each class of Financial Products in a CHESS Holding of that person, the Issuer of those Financial Products that there has been a change of Holder Record details for that person; and

(b) if the Holder Record has been established on behalf of a Participant Sponsored Holder, ASX Settlement must:

(i) give Notice of the change to that Participant Sponsored Holder; and

(ii) if the change to the Holder Record includes is a change of address, send the Notice to the old address of that Participant Sponsored Holder.

Introduced 11/03/04

PROCEDURE 8.18.6 CHANGE OF HOLDER TYPE OR REMOVAL OF HOLDER RECORD

The matters to be specified in the Message from a Participant to ASX Settlement requesting a change of Holder Type, or removal of a Holder Record are:

(a) the Participant's PID;

(b) HIN for the relevant Holder Record; and

(c) for a change of Holder Type, the updated Holder Type.

PROCEDURE 8.18.9 CHANGE OF RESIDENCY INDICATOR

The action to be taken by a Participant where there is a change to a Residency Indicator is as follows:

(a) the Participant must Transmit a Valid Originating Message that specifies the existing HIN for the Holder Record and the new Residency Indicator;

(b) prior to sending the Valid Originating Message check that the details in the Valid Originating Message are correct;

(c) at the time it transmits the Valid Originating Message have the authority of the Holder to make the changes noted in the Valid Originating Message; and

(d) where relevant, maintain documentation which is sufficient to verify that is has been directed by the Holder to change the Residency Indicator.

Introduced 11/03/04

PROCEDURE 8.18.10

ASX Settlement will take the following action upon receipt of the Message:

(a) change the Residency Indicator recorded in the Holder Record in accordance with the specified details in the Valid Originating Message;

(b) notify the Controlling Participant and the Issuer or Issuers whose Financial Products are included in Schedule 1 to which the change in Residency Indicator relates that the requested change has been made;

(c) if the Holder Record has been established on behalf of a Participant Sponsored Holder, give Notice of that change to the Participant Sponsored Holder.

Introduced 11/03/04

PROCEDURE 8.18.12 CHANGE OF OTHER HOLDER RECORD DETAILS

The action to be taken by a Participant where there is a change to Holder Record details under Rule 8.18.12 is as follows:

(a) the Participant must Transmit a Valid Originating Message that specifies the existing HIN for the Holder Record and UUID for the Holder (if applicable) and the new Holder Record Details;

(b) on receipt of notification from ASX Settlement that the change to the Holder Record details has been made in accordance with the Valid Originating Message, the Participant must check to make sure that the change to the Holder Record details of the Holder have been made to the correct Holding; and

(c) if the change to the Holder Record details were not made to the correct Holding, then the Controlling Participant must liaise with ASX Settlement as soon as possible, and in any event no later than two Business Days, to rectify the error.

PROCEDURE 8.18.13

The Notice to be given by ASX Settlement is a Notice notifying:

(a) the Controlling Participant that the requested change has been made; and

(b) in respect of each class of Financial Products in a CHESS Holding under that Holder Record, the Issuer of those Financial Products if there has been a change in Holder Record details that is relevant to an Issuer.

PROCEDURE 8.19.3 ACTION BY ASX SETTLEMENT FOLLOWING RECEIPT OF TFN, ABN OR EXEMPTION CODE DETAILS

The n~~N~~otice to be given by ASX Settlement is a n~~N~~otice notifying:

(a) the Issuer of the Financial Products, of the TFN, ABN or Exemption Code details; and

(b) the Controlling Participant that the TFN, ABN or Exemption Code details have been notified to the Issuer; or

(c) the Issuer of those details by including them in the Message Transmitted by ASX Settlement to the Issuer under Rule ~~[~~9.7.2(b).~~]~~

Introduced 11/03/04

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PROCEDURE 8.20.2 SUPPRESSION OR REINSTATEMENT OF PRODUCTION OF HOLDING STATEMENTS [DELETED]

~~The entities are:~~

~~(a) a related body corporate of the Participant making the request; or~~

~~(b) an entity that is any one of the following:~~

~~(i) a bank;~~

~~(ii) a merchant bank;~~

~~(iii) a building society or credit union;~~

~~(iv) a life insurance company;~~

~~(v) a general insurance company;~~

~~(vi) a superannuation fund with net assets of not less than $5 million at the date of its last audited balance sheet;~~

~~(vii) an investment company or investment trust with net assets of not less than $5 million at the date of its last published audited balance sheet; and~~

~~(viii) such other bodies corporate as ASX Settlement may from time to time determine.~~

Introduced 11/03/04

~~PROCEDURE 8.20.2~~

~~The Notice must:~~

~~(a) quote the HIN of the Participant Sponsored Holder; and~~

~~(b) be accompanied by written instructions signed by the Participant Sponsored holder in support of the request.~~

Introduced 11/03/04

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PROCEDURE 8.30.1 ESTABLISHING A REGISTRATION IDENTIFIER

The matters to be specified in a Valid Originating Message from a Participant to ASX Settlement requesting the establishment of a Registration Identifier are:

(a) the Participant's PID;

(b) name, address and Residency Indicator of the Holder;

(c) Ownership Type; and

(d) Entity Type for each Holder.

SECTION 9

PROCEDURE 9.4.1 VALID ORIGINATING MESSAGE FOR ~~SINGLE ENTRY~~UNILATERAL DEMAND TRANSFER

A Valid Originating Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Message:

(a) includes a Participant's PID as that of the Participant Transmitting the Message;

(b) specifies as the Source Holding, a CHESS Holding Controlled by the Participant;

(c) specifies as the Target Holding, a different CHESS Holding;

(d) specifies the number and class of Financial Products to be Transferred; and

(e) in the case of a Foreign to Foreign Allocation~~:~~

~~(i) includes a Confirmed FOR Indicator; and~~

~~(ii)~~ specifies a Source Holding which has a Residency Indicator of foreign (as identified in the User Technical Documentation)~~"F"~~.

Introduced 11/03/04

PROCEDURE 9.5.1 INITIATION OF ~~DUAL ENTRY~~BILATERAL DEMAND TRANSFER

A ~~Dual Entry~~Bilateral Demand Message will be T~~t~~ransmitted to ASX Settlement in accordance with the Procedures if the Message:

(a) includes the PID of:

(i) the Participant Transmitting the Message; and

(ii) the counterparty Participant;

(b) specifies:

(i) the number and class of Financial Products to be Transferred;

(ii) if the Participant Transmitting the Message is the delivering Participant, specifies as the Source Holding, a Holding controlled by the Participant;

(iii) if the Participant Transmitting the Message is the receiving Participant, specifies as the Target Holding, a Holding controlled by the Participant;

(d) designates the transaction as; ~~either~~

(i) On Market; ~~or~~

(ii) Off Market;

(iii) IPO;

(iv) Securities Lending; or

(v) Non Reportable,

as the case requires;

(e) designates the transaction as Cum Entitlement or Ex Entitlement.

(f) in the case of a Foreign to Foreign Allocation:

(i) includes a Confirmed FOR Indicator; and

(ii) if the Participant Transmitting the Message is the Delivering Participant, specifies a Source Holding which has a Residency Indicator of foreign (as identified in the User Technical Documentation)~~"F"~~.

Introduced 11/03/04

PROCEDURE 9.5.2 MATCHING ~~DUAL ENTRY~~BILATERAL DEMAND TRANSFERS

A Valid ~~Dual Entry~~Bilateral Demand Message will be Transmitted in accordance with the Procedures if it specifies or implies:

(a) the number and class of Financial Products to be Transferred;

(b) the designation as On Market, ~~or~~ Off Market, IPO, Securities Lending or Non Reportable;

(c) the designation as Cum Entitlement or Ex Entitlement;

(d) the PID of the delivering Participant;

(e) the PID of the receiving Participant;

(f) in the case of a Foreign to Foreign Allocation, a Confirmed FOR Indicator.

Introduced 11/03/04

PROCEDURE 9.5A.1 INITIATION OF BILATERAL DEMAND SETTLEMENT TRANSFER

A Bilateral Demand Settlement Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Message:

(a) includes the PID of:

(i) the Participant Transmitting the Message; and

(ii) the counterparty Participant;

(b) specifies:

(i) the number and class of Financial Products to be Transferred;

(ii) if the Participant Transmitting the Message is the delivering Participant, specifies as the Source Holding, a Holding controlled by the Participant;

(iii) if the Participant Transmitting the Message is the receiving Participant, specifies as the Target Holding, a Holding controlled by the Participant;

(iv) the Settlement Amount;

(v) if required, the Settlement currency;

(vi) if required, the credit / debt indicator;

(vii) the Settlement Date;

(viii) if required, the Trade Date;

(ix) if required, the Payment Type;

(c) designates the transaction as:

(i) On Market;

(ii) Off Market;

(iii) IPO;

(iv) Securities Lending; or

(v) Non Reportable,

as the case requires;

(d) designates the transaction as Cum Entitlement or Ex Entitlement.

(e) in the case of a Foreign to Foreign Allocation:

(i) includes a Confirmed FOR Indicator; and

(ii) if the Participant Transmitting the Message is the Delivering Participant, specifies a Source Holding which has a Residency Indicator of "F".

PROCEDURE 9.5A.4 MATCHING BILATERAL DEMAND SETTLEMENT MESSAGES

A Valid Bilateral Demand Settlement Message will be Transmitted in accordance with the Procedures if it specifies or implies:

(a) the number and class of Financial Products to be Transferred;

(b) the designation as On Market, Off Market, IPO, Securities Lending or Non Reportable;

(c) the designation as Cum Entitlement or Ex Entitlement;

(d) the PID of the delivering Participant;

(e) the PID of the receiving Participant;

(f) the Settlement Amount;

(g) if required, the Settlement currency;

(h) if required, the credit / debt indicator

(i) if required, the Settlement Date;

(j) if required, the Trade Date;

(k) if required, the Payment Type,

(l) in the case of a Foreign to Foreign Allocation, a Confirmed FOR Indicator.

....

PROCEDURE 9.7.1 TRANSFERS AND CONVERSIONS FROM CHESS HOLDINGS

A Valid Originating Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Message:

(a) includes a Participant's PID as that of the Participant Transmitting the Message;

(b) specifies as the Source Holding, a CHESS Holding controlled by the Participant;

(c) in the case of a Message initiating a Transfer, specifies the Registration Details for a Target Holding on the Issuer Sponsored Subregister;

(d) specifies the number of Financial Products to be Transferred or Converted, as the case requires; ~~and~~

(e) in the case of a Foreign to Foreign Allocation

(i) includes a Confirmed FOR Indicator; and

(ii) specifies a Source Holding which has a Residency Indicator of foreign (as identified in the User Technical Documentation)~~"F"~~;~~.~~

(f) includes the relevant movement reason; and

(g) includes the relevant transaction basis.

A CHESS to Issuer Sponsored Demand Transfer or Conversion is not permitted for Government Bond Depositary Interests.

Introduced 11/03/04 Amended 21/05/13

PROCEDURE 9.8.1 TRANSFERS AND CONVERSIONS INTO CHESS HOLDINGS

A Valid Originating Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Message:

(a) includes a Participant's PID as that of the Participant Transmitting the Message;

(b) specifies as the Source Holding, an Issuer Sponsored Holding by quoting the SRN for the Holder of that Holding;

(c) in the case of a Message initiating a Transfer, specifies the Registration Details for a Source Holding on the Issuer Sponsored Subregister;

(d~~e~~) specifies as the Target Holding, a CHESS Holding controlled by that Participant;

(e~~d~~) specifies the number of Financial Products to be Transferred or Converted, as the case requires; ~~and~~

(f~~e~~) in the case of a Foreign to Foreign Allocation:

(i) includes a Confirmed FOR Indicator; and

(ii) specifies a Source Holding which has a Residency Indicator of foreign (as identified in the User Technical Documentation)~~"F"~~;~~.~~

(g) includes the relevant movement reason; and

(h) includes the relevant transaction basis.

Introduced 11/03/04 Amended 23/09/05

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PROCEDURE 9.9.1 STANDING HINS [DELETED]

~~The manner for determining whether a Message of a type listed in Appendix 2 specifies a Source Holding or a Target Holding is as follows:~~

~~(a) If:~~

~~(i) the Message does not specify a HIN for the Source Holding; and~~

~~(ii) the Participant specified in the Message as the Transmitting Participant has given Notice of a Standing HIN for that Message type,~~

~~the Message will be taken to specify that Standing HIN as the HIN of the Source Holding;~~

~~(b) If:~~

~~(i) the Message does not specify a HIN for the Target Holding;~~

~~(ii) the Participant specified in the Message as the Controlling Participant for the Target Holding has given Notice of a Standing HIN for that Message type; and~~

~~(iii) paragraph (a) applies to the Message and the Transmitting Participant is not the Controlling Participant for the Target Holding, the Message will be taken to specify the Standing HIN as the HIN of the Target Holding.~~

Introduced 11/03/04

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PROCEDURE 9.14.2 REQUEST FOR DETAILS OF SRN OR HOLDING BALANCE OF ISSUER SPONSORED HOLDING

Request for SRN

A Valid Originating Message requesting SRN details of an Issuer Sponsored Holding will be Transmitted to ASX Settlement in accordance with the Procedures if the Message:

(a) includes a Participant's PID as that of the Participant Transmitting the Message; and

(b) specifies the Registration Details for the Source Holding on the Issuer Sponsored Subregister.

Request for Holding Balance

A Valid Originating Message requesting Holding Balance details of an Issuer Sponsored Holding will be Transmitted to ASX Settlement in accordance with the Procedures if the Message:

(a) includes a Participant's PID as that of the Participant Transmitting the Message; and

(b) specifies the SRN and Registration Details for the Source Holding on the Issuer Sponsored Subregister.

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SECTION 10

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PROCEDURE 10.4.5B DESIGNATION OF BATCH INSTRUCTIONS

A Settlement Participant must designate **using a Transaction Basis of foreign** (as identified in the User Technical Documentation)~~"F"~~:

1. any Batch Instruction in respect of which the Settlement Participant is required (or would, but for the grant of a waiver by ASX Settlement, be required) to give notice to ASX Settlement under Rule 10.4.5; and

2. any Batch Instruction which is for one of the purposes mentioned in paragraphs 1(a) – (c) of Procedure 10.4.5 where the Approved Market Operator on whose market the transaction was executed or to whom the off-market transaction was reported (as the case may be) is provided with a Settlement Facilitation Service under Rule 4.1A.

Introduced 28/12/11

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PROCEDURE 10.9.2 BILATERAL~~DUAL ENTRY~~ BATCH INSTRUCTIONS

(1) A Valid Bilateral~~Dual Entry~~ Batch Message will be Transmitted in accordance with the Procedures if the Message:

(a) specifies:

(i) the number and class of Financial Products to be Transferred;

(ii) a Source Holding controlled by the delivering Settlement Participant, or a Target Holding controlled by the receiving Settlement Participant, as the case requires;

(iii) in the case of a DvP Batch Instruction, the Settlement Amount;

(iv) in the case of a DvP Batch Instruction (excluding a Wholesale Loan or a Wholesale Return Loan), a Trade Date;

(v) a Settlement Date;

(vi) in the case of a Foreign to Foreign Allocation:

(A) a Confirmed FOR Indicator; and

(B) if the Settlement Participant Transmitting the Message is the Delivering Participant, a Source Holding controlled by the Participant which has a Residency Indicator of foreign (as identified in the User Technical Documentation)~~"F"~~, and

(b) includes the PID of:

(i) the Settlement Participant Transmitting the Message; and

(ii) the counterparty Settlement Participant;

(c) designates the transaction as On Market~~, or~~ Off Market, IPO, Securities Lending or Non Reportable as the case requires; and

(d) if from the Settlement Participant that is a delivering Settlement Participant and requests ASX Settlement to apply a Settlement Lock to the Financial Products identified in the Bilateral Batch Message, the Message specifies whether the Settlement Participant requests ASX Settlement to apply the Settlement Lock:

(i) promptly on receipt of the Valid Bilateral Batch Message; or

(ii) from the time that the Message is Matched in accordance with Rule 10.9.3.

(2) Without limiting paragraph (1) of this Procedure 10.9.2, a Valid Bilateral Batch Message may, but is not required to, include a Settlement Link ID

Introduced 11/03/04

PROCEDURE 10.9.3 ~~DUAL ENTRY~~BILATERAL BATCH INSTRUCTIONS – MATCHING

The details to be specified or implied in a ~~Dual Entry~~Bilateral Batch Message are:

(a) the number and class of Financial Products to be Transferred;

(b) the designation as On Market, ~~or~~ Off Market, IPO, Securities Lending or Non Reportable;

(c) the designation as Cum Entitlement or Ex Entitlement;

(d) the PID of the delivering Participant (or, if a DvP Transaction the relevant Clearing Participant);

(e) the PID of the receiving Participant;

(f) the Settlement Date;

(g) if required, the Trade Date;

(h) if required, a Settlement Amount; and

(i) in the case of a Foreign to Foreign Allocation, a Confirmed FOR Indicator.

Introduced 11/03/04

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PROCEDURE 10.9.11 ~~SINGLE ENTRY~~UNILATERAL BATCH INSTRUCTIONS

(1) The details to be specified in a ~~Single Entry~~Unilateral Batch Message are:

(a) the Source Holding and another Holding as the Target Holding, each of which must be controlled by the Participant that Transmits the Message;

(b) the number and class of Financial Products to be Transferred;

(c) the Settlement Date;

(d) includes the PID of the Participant Transmitting the Message;

(e) designates the transaction as On Market or Off Market, as the case requires; and

(f) in the case of a Foreign to Foreign Allocation, ~~:~~

~~(i) a Confirmed FOR Indicator; and~~

~~(ii)~~ a Source Holding which has a Residency Indicator of foreign (as identified in the User Technical Documentation)~~"F"~~.

(2) Without limiting paragraph (1) of this Procedure 10.9.11, a Valid Unilateral Batch Message may, but is not required to, include a Settlement Link ID

Introduced 11/03/04

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PROCEDURE 10.13.3 SETTLEMENT MOVEMENT CONFIRMATION

For Rule 10.13.3(a), a notification of the net movement of Financial Products and funds for a Holding will be made in accordance with the Procedures if the notification includes:

(a) the identifier for the relevant Settlement Processing Phase;

(b) the PID of the Participant;

(c) the HIN to which the settlement movement confirmation relates;

(d) the number and class of Financial Products in respect of each type of Batch Instruction comprising the settlement movement confirmation;

(e) the total number of Batch Instructions in respect of each type of Batch Instruction, comprising the settlement movement confirmation, including the number of:

(i) CCP Market Trade Batch Instructions included in the settlement movement confirmation in respect of that Settlement Date;

(ii) CCP Rescheduled Batch Instructions, CCP Offsetting Transaction Arrangement Batch Instructions and CCP Isolate Counterparty Batch Instructions (in aggregate) included in the settlement movement confirmation in respect of that Settlement Date;

(iii) Bilateral Batch Instructions included in the settlement movement confirmation in respect of that Settlement Date;

(iv) Unilateral Batch Instructions included in the settlement movement confirmation in respect of that Settlement Date;

(v) Accrued Batch Instructions included in the settlement movement confirmation in respect of that Settlement Date; and

(vi) Direct Batch Instructions included in the settlement movement confirmation in respect of that Settlement Date.

(f) the new Holding balance for the HIN following completion of the Settlement Processing Phase; and

(g) the amount of money in respect of each type of Batch Instruction comprising the settlement movement confirmation.

Note: For the purpose of the settlement movement confirmation, CCP Rescheduled Batch Instructions, CCP Offsetting Transaction Arrangement Batch Instructions and CCP Isolate Counterparty Batch Instructions are together referred to as Novated Rescheduled Instructions (NRIN).

For the purpose of determining the number and class of Financial Products comprising the settlement movement confirmation in respect of each type of Batch Instruction on a Business Day during an Ex-Period, regard is to be had to whether the Financial Product is to be transferred with or without the relevant Entitlement.

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SECTION 11

PROCEDURE 11.1.1 ELIGIBLE INSTRUCTIONS

For the purpose of Rule 11.1.1, the following Instructions are specified:

(a) Bilateral Demand Settlement Instructions.

PROCEDURE 11.4.3 BANK ACCOUNT DETAILS

For the purpose of Rule 11.4.3(c), the prescribed particulars of each bank account to be given by an RTGS Participant are as follows:

(a) Name of the RTGS Payments Provider;

(b) BSB number; and

(c) Account number.

…

SECTION 14

PROCEDURE 14.6.1 RESERVATION OF SECURITIES IN CHESS HOLDINGS AS COVER

A Valid Originating Message will be Transmitted to ASX Settlement in accordance with the Procedures if it:

(a) specifies the Clearing Participant and ~~,~~ ASX Clear Account ~~and ASX Clear Lodgement Number~~ in respect of which the Financial Products are to be reserved; ~~and~~

(b) specifies the number and class of Financial Products to be reserved in the Subposition; ~~and~~

(c) specifies the source HIN; and~~.~~

(d) specifies the relevant Subposition type.

Introduced 11/03/04 Amended 07/06/13

PROCEDURE 14.8.1 COVER RELEASE

A Valid Originating Message will be Transmitted to ASX Settlement in accordance with the Procedures if it:

(a) specifies the Clearing Participant, ASX Clear Account and ASX Clear lodgement number (if an ASX Clear lodgement number was provided in a Valid Originating Message Transmitted

in accordance with Procedure 14.6.1 pursuant to which the Financial Products were reserved as Cover) in respect of which the Financial Products are to be released;

(b) specifies the number of Financial Products to be released from the Subposition;

(c) specifies the Source Holding that contains Financial Products that have been reserved in a Subposition in favour of ASX Clear; and

(d) specifies the relevant Subposition type.

PROCEDURE 14.9.1 COVER RELEASE AND TRANSFER

A Valid Message will be Transmitted to ASX Settlement in accordance with the Procedures if it:

(a) specifies a Source Holding that contains Financial Products that have been reserved in a Subposition in favour of ASX Clear;

(b) specifies another CHESS Holding as the Target Holding; and

(c) specifies the ASX Clear l~~L~~odgement n~~N~~umber (if such number was provided in a Valid Originating Message Transmitted in accordance with Procedure 14.6.1 pursuant to which the Financial Products were reserved as Cover) and number of Financial Products to be released from that Subposition and Transferred to the Target Holding.

Introduced 11/03/04 Amended 07/06/13

PROCEDURE 14.23.3 OBLIGATIONS OF OFFEROR

For the purposes of Rule 14.23.3, a notice must be in the form and include the information specified in the Participant Offeror Notice as determined by ASX Settlement from time to time.

SECTION 16 COMMUNICATIONS WITH ASX SETTLEMENT

PROCEDURE 16.25.1 PARTICIPANT MAY REQUEST ASX SETTLEMENT FOR ASSISTANCE

If a Participant is no longer able to transmit Messages, the Participant may request ASX Settlement to provide emergency assistance on a reasonable endeavours basis by following the following procedure.

An authorised signatory of the Participant (as notified to ASX Settlement under Rule 4.6.2) should immediately contact ASX Operations.

Unless otherwise determined by ASX Settlement, the authorised signatory of the Participant must provide ASX Settlement with its request for emergency assistance in writing as soon as possible, including identifying the specific actions the Participant requests that ASX Settlement take.

A letter signed by the authorised signatory of the Participant in the form set out below must also be provided as soon as possible.

The written request for emergency assistance and letter are to be sent by email to: CHESShelp@asx.com.au.

ASX Settlement may require that such written request for emergency assistance is received by ASX Settlement before it provides the emergency assistance on a reasonable endeavours basis.

[Participant letterhead]

By email to: CHESShelp@asx.com.au.

[date]

ASX Settlement Operations
ASX Settlement Pty Ltd

Request for emergency assistance

I confirm that:

1. I am an authorised signatory of the Participant as notified to ASX Settlement under Rule 4.6.2;

2. I warrant that I have the authority to request and bind the Participant to the terms of the request for emergency assistance and to ASX Settlement's Rules, Procedures and practices (as amended from time to time);

3. I, on behalf of the Participant, acknowledge that ASX Settlement accepts no responsibility or liability for activities undertaken as a result of the Participant's request; and

4. I, on behalf of the Participant, indemnify ASX Settlement and its officers, employees, agents and contractors against all actions, proceedings, claims, demands, damages, costs, expenses and any other amounts against or incurred by ASX Settlement, or its officers, employees, agents or contractors arising out of or in connection with any action taken by or any inaction by any of ASX Settlement, or its officers, employees, agents or contractors under the ASX Settlement Operating Rules in relation to the emergency assistance.

SECTION 18

PROCEDURE 18.3.1 VALID ORIGINATING MESSAGE FOR AQUA PRODUCTS – INITIATION OF REQUEST

Initial Application for issue

"**Initial Application**" means an application for units in a Financial Product where the investor does not have a Holding in that Financial Product at the time the application is made.

For the purposes of Rule 18.3.1, a Valid Originating Message in respect of an Initial Application for issue of AQUA Products will be Transmitted to ASX Settlement in accordance with the Procedures if the Message ~~includes~~comprises:

(a) a Valid AQUA Product applicant Message; followed by

(b) a Valid Initial AQUA Product application Message.

If the matters specified in respect of both Messages above are not received by ASX Settlement within 5 Business Days of the Originating Message being sent, ASX Settlement will cancel the Originating Message and notify the Settlement Participant of such cancellation.

For the purposes of Procedure 18.3.1(a) above, a "Valid AQUA Product applicant Message" will be Transmitted to ASX Settlement in accordance with the Procedures if the Message includes:

(c) all required account type details;

(d) all required investor details;

(e) all required tax residency details;

(f) all required details of the investor's advisor;

(g) the distribution preference of the investor (full distribution reinvestment plan, partial distribution reinvestment plan or cash); and where a partial distribution reinvestment plan or cash is nominated; and

(h) the bank account details of the investor.

For the purposes of Procedure 18.3.1(b) above, a "**Valid Initial AQUA Product Application Message**" will be Transmitted to ASX Settlement in accordance with the Procedures if the Message includes:

(~~a~~i) the code for the AQUA Product;

(~~b~~j) the HIN;

(~~c~~k) the amount to be invested; and

(~~d~~l) the identification number for the request transaction.~~;~~

~~(e) all required account type details;~~

~~(f) all required investor details;~~

~~(g) all required tax residency details;~~

~~(h) all required details of the investor's advisor; and~~

~~(i) the distribution preference of the investor (full distribution reinvestment plan, partial distribution reinvestment plan or cash); and~~

~~(j) where a partial distribution reinvestment plan or cash is nominated; the bank account details of the investor.~~

~~If the matters specified above are not received by ASX Settlement within 5 Business Days of the Originating Message being sent, ASX Settlement will cancel the Originating Message and notify the Settlement Participant of such cancellation.~~

Subsequent Application for issue

"**Subsequent Application**" means an application for units in a Financial Product where the Holding Balance of that Financial Product of a Holder is greater than zero at the time the application is made.

For the purposes of Rule 18.3.1, a Valid Originating Message in respect of a Subsequent Application for issue of AQUA Products will be Transmitted to ASX Settlement in accordance with the Procedures if the Message includes:

(a) the code for the AQUA Product;

(b) the HIN;

(c) the amount to be invested; and

(d) the identification number for the request transaction.

Application for redemption

For the purposes of Rule 18.3.1, a Valid Originating Message in respect of an application for redemption of AQUA Products will be Transmitted to ASX Settlement in accordance with the Procedures if the Message includes:

(a) the code for the AQUA Product;

(b) the number of AQUA Products to be redeemed;

(c) the identification number for the request transaction;

(d) the HIN;

~~(e) a statement as to whether the redemption is to be net or gross; and~~

(~~f~~e) indication if a full or partial redemption is requested; and

(f) either:

(i) if the application for redemption relates to the exercise of cooling-off rights, the redemption request reason "Cooling-Off" must be provided; or

(ii) otherwise the redemption request reason "Fund Redemption" must be provided.

Applications for issue or redemption

For the purposes of Rule 18.3.1, a Valid Originating Message in respect of an Initial Application, a Subsequent Application, or application for redemption of AQUA Products will be Transmitted to ASX Settlement in accordance with the Procedures only if:

(a) in respect of an Initial Application, or a Subsequent Application, the relevant AQUA Products are open for applications (in the case) of the kind contemplated by the relevant request; and

(b) and in respect of an application for a redemption of AQUA Products only, if:

(i) the relevant AQUA Products are open for redemptions of the kind contemplated by the relevant request;

(ii) the relevant Holding is not Locked,

(iii) either:

(A) the available balance in relation to the Holding is greater than or equal to the total number of AQUA Products to which the application relates; or
(B) in the case of a request for a "Full Redemption" of a particular Holding of an AQUA Product, the total balance in relation to the Holding is equal to the total number of AQUA Products to which the application relates;

(iv) the total number of AQUA Products to which the application relates are available at the time that the Settlement Participant seeks to Transmit the relevant Message; and

(v) the current Payment Facility established by the Product Issuer Settlement Participant in relation to the relevant AQUA Product is active.

Introduced 21/03/14 Amended 01/07/14, 15/08/16, 12/11/18

PROCEDURE 18.3.3 VALID MESSAGE FOR AQUA PRODUCTS – ACCEPTING OR~~,~~ REJECTING ~~OR DEFERRING~~ A REQUEST

Issue

For the purposes of Rule 18.3.3(b), a Valid Message in respect of an acceptance or rejection of an application for issue of AQUA Products will be Transmitted to ASX Settlement in accordance with the Procedures if the Message includes:

(a) a timestamp to show the time of processing;

(b) the identification number for the acceptance or rejection transaction (as applicable);

(c) the identification number of the originating request transaction;

(d) a statement as to whether the request under Rule 18.3.1 is accepted or rejected ;

(e) if the request under Rule 18.3.1 is accepted, the day on which the price of the AQUA Product units will be determined and the day for delivery of AQUA Products to an applicant for issue of AQUA Products; and

(f) if the request under Rule 18.3.1 is rejected, the reason must be provided.

Redemption

For the purposes of Rule 18.3.3(b), a Valid Message in respect of an acceptance or ~~,~~ rejection ~~or deferral~~ of an application for redemption of AQUA Products will be Transmitted to ASX Settlement in accordance with the Procedures if the Message includes:

(a) a timestamp to show the time of processing;

(b) the identification number for the acceptance or~~,~~ rejection ~~or deferral~~ transaction (as applicable);

(c) the identification number of the originating request transaction;

(d) a statement as to whether the request under Rule 18.3.1 is accepted or, rejected or deferred;

(e) if the request under Rule 18.3.1 is accepted, the day on which the price of the AQUA Product units will be determined and the Settlement Date; and

(f) if the request under Rule 18.3.1 is deferred, the reason must be provided; and

(fg) if the request under Rule 18.3.1 is rejected, the reason must be provided.

Introduced 21/03/14 Amended 15/08/16, 12/11/18

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PROCEDURE 18.3.6A VALID MESSAGE FOR AQUA PRODUCTS – INFORMATION TO BE PROVIDED PRIOR TO ISSUE OR REDEMPTION

Issue

For the purposes of Rule 18.3.6A(a), a Valid Message in respect of an application for issue of AQUA Products will be Transmitted to ASX Settlement in accordance with the Procedures if the Message includes:

(a) a timestamp to show the time of processing;

(b) the Controlling Participant's UIC;

(c) the identification number for the transaction;

(d) the identification number for the originating request transaction;

(e) the number of AQUA Product units for issue;

(f) the price per AQUA Product unit for issue;

(g) the settlement amount; and

(hg) the transaction status.; and

(h) the order type.

Redemption

For the purposes of Rule 18.3.6A(a), a Valid Message in respect of an application for redemption of AQUA Products will be Transmitted to ASX Settlement in accordance with the Procedures if the Message includes:

(a) a timestamp to show the time of processing;

(b) the Controlling Participant's UIC;

(c) the identification number for the transaction;

(d) the identification number for the originating request transaction;

(e) the price per AQUA Product unit for redemption;

(f) the settlement amount;

(g~~f~~) any change to the day on which the price of the AQUA Product units will be determined or the Settlement Date (as applicable); and

~~(~~h~~g~~) the transaction status.~~; and~~

~~(h) the order type.~~

Introduced 15/08/16

PROCEDURE 18.4.1 VALID ORIGINATING MESSAGE FOR AQUA PRODUCTS – INITIATION OF REQUEST TO SWITCH – [DELETED]

~~For the purposes of Rule 18.4.1, a Valid Originating Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Message includes:~~

~~(a) the code for the AQUA Product that is to be redeemed;~~

~~(b) the code for the AQUA Product that is to be issued;~~

~~(c) the identification number for the switch request transaction;~~

~~(d) the HIN; and~~

~~(e) indication if a full or partial switch is requested. If a partial switch is requested, the number of AQUA Products that are to be switched.~~

~~Introduced 21/03/14 Amended 01/07/14, 15/08/16, 12/11/18~~

PROCEDURE 18.4.3 VALID MESSAGE FOR AQUA PRODUCTS – ACCEPTING OR~~,~~ REJECTING ~~OR DEFERRING~~ THE SWITCH REQUEST – [DELETED]

~~For the purposes of Rule 18.4.3(b), a Valid Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Message includes:~~

~~(a) the code for the AQUA Product that is to be redeemed;~~

~~(b) the code for the AQUA Product that is to be issued;~~

~~(c) the identification number for the acceptance, rejection or deferral transaction (as applicable);~~

~~(d) the identification number for the originating switch request transaction;~~

~~(e) the HIN;~~

~~(f) a timestamp to show the time of processing; and~~

~~(g) the transaction status.~~

~~Introduced 21/03/14 Amended 15/08/16, 12/11/18~~

PROCEDURE 18.4.4 VALID MESSAGE FOR AQUA PRODUCTS – HOLDING ADJUSTMENT REQUEST – [DELETED]

~~For the purposes of Rule 18.4.4(b), a Valid Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Message includes:~~

~~(a) the code for the AQUA Product;~~

~~(b) the HIN;~~

~~(c) the identification number for the transaction;~~

~~(d) the identification number for the originating request transaction;~~

~~(e) the number of AQUA Product units to be increased or decreased (as applicable); and~~

~~(f) the reason for the transaction type.~~

~~Introduced 15/08/16~~

PROCEDURE 18.5.1 VALID MESSAGE FOR AQUA PRODUCTS – CANCELLATION OF ACCEPTED ISSUER OR REDEMPTION REQUESTS BY PRODUCT ISSUER SETTLEMENT PARTICIPANT

For the purposes of Rule 18.5.1, a Valid Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Product Issuer Settlement Participant Transmits the Message to ASX Settlement prior to:

(a) settlement of the AQUA Application Payment Batch Instruction or AQUA Redemption Payment Batch Instruction, as the case requires, that relates to the request; and

(b) initiation of the Holding Adjustment to increase or decrease the Holding Balance of the CHESS Holding, as the case requires, that relates to the request; and

the Message includes the following:

(c) a timestamp to show the time of processing;

(d) the Controlling Participant's UIC;

(e) the identification number for the cancellation transaction;

(f) the identification number for the originating transaction;

(g) the transaction status.; and

(h) a reason for the cancellation must be provided~~the order type~~.

~~For the purposes of Rule 18.5.2, a Valid Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Message includes:~~

~~(a) a timestamp to show the time of processing;~~

~~(b) the Controlling Participant's UIC;~~

~~(c) the identification number for the cancellation transaction;~~

~~(d) the identification number for the originating transaction;~~

~~(e) the transaction status; and~~

~~(f) the order type.~~

Introduced 15/08/16

PROCEDURE 18.6.1 VALID MESSAGE FOR AQUA PRODUCTS – CANCELLATION OF REQUEST FOR REDEMPTION BY APPLICANT

For the purposes of Rule 18.6.1, a Valid Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Settlement Participant Transmits the Message to ASX Settlement prior to:

(a) settlement of the AQUA Application Payment Batch Instruction or AQUA Redemption Payment Batch Instruction, as the case requires, that relates to the request; and

(b) initiation of the Holding Adjustment to increase or decrease the Holding Balance of the CHESS Holding, as the case requires, that relates to the request; and

the Message includes the following:

(a) the identification number for the cancellation request transaction; and

(b) the identification number for the originating transaction.

For the purposes of Rule 18.6.1(d), a Valid Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Message includes:

(a) a timestamp to show the time of processing;

(b) the Controlling Participant's UIC;

(c) the identification number for the cancellation transaction;

(d) the identification number for the originating cancellation request transaction; and

~~(~~e) the transaction status ~~; and~~

~~(f) the order type.~~

Introduced 21/03/14 Amended 15/08/16

PROCEDURE 18.6.1A VALID MESSAGE FOR AQUA PRODUCTS – CANCELLATION OF REQUEST FOR ISSUE BY APPLICANT

For the purposes of Rule 18.6.1A, a Valid Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Message includes the following:

(a) the identification number for the cancellation request transaction;

(b) the identification number for the originating transaction;

(c) a timestamp to show the time of processing; and

(d) a reason for the cancellation must be provided.

PROCEDURE18.7.1 VALID MESSAGE FOR AQUA PRODUCTS – CHANGE OF DETAILS NOTIFIED BY PRODUCT ISSUER SETTLEMENT PARTICIPANT

For the purposes of Rule 18.7.1, a Valid Message will be Transmitted to ASX Settlement in accordance with the Procedures if:

(a) for the issue of AQUA Products ~~or the issue component of a switch between AQUA Products,~~ the Message relates to a change of details for the day for delivery of AQUA Products to an applicant for issue of AQUA Products; or

(b) for the redemption of AQUA Products ~~or the redemption component of a switch between AQUA Products,~~ the Message relates to a change of details for the Settlement Date, and

includes the following:

(c) a timestamp to show the time of processing;

(d) the status of the transaction;

(e) the identification number of the change request transaction;

(f) the identification number of the originating transaction; and

~~(g) the order type; and~~

(g~~h~~) a reason for the change request must be provided.

Introduced 21/03/14 Amended 15/08/16

PROCEDURE18.9.1 VALID ORIGINATING MESSAGE FOR AQUA PRODUCTS – INITIATION OF REQUEST FOR INCOME ADVICE – [DELETED]

~~For the purposes of Rule 18.9.1, a Valid Originating Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Message includes:~~

~~(a) the code for the AQUA Product;~~

~~(b) the HIN;~~

~~(c) the identification number for the income advice request transaction; and~~

~~(d) the income advice preference of the investor; and where income advice is nominated; the preference of the investor for an annual income advice or a periodic income advice.~~

~~Introduced 15/08/16~~

PROCEDURE 18.9.2 VALID MESSAGE FOR AQUA PRODUCTS – ACCEPTING OR REJECTING REQUEST FOR INCOME ADVICE– [DELETED]

~~For the purposes of Rule 18.9.2(b), a Valid Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Message includes:~~

~~(a) the identification number for the acceptance or rejection transaction (as applicable);~~

~~(b) the identification number for the originating income advice request transaction; and~~

~~(c) a statement as to whether the request under Rule 18.9.1 is accepted or rejected. If the request is rejected, a reason must be provided.~~

~~Introduced 15/08/16~~

PROCEDURE18.9.4 VALID MESSAGE FOR AQUA PRODUCTS – INCOME ADVICE DETAILS – [DELETED]

~~**Periodic Income Advice**~~

~~Where the preference of the investor is for a periodic income advice, for the purposes of Rule 18.9.4(a), a Valid Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Message includes:~~

~~(a) a timestamp to show time of processing;~~

~~(b) the code for the AQUA Product;~~

~~(c) the HIN;~~

~~(d) the identification number for the income advice transaction;~~

~~(e) the identification number for the originating income advice request transaction;~~

~~(f) the gross amount of the income distribution entitlement;~~

~~(g) the net amount of the income distribution entitlement;~~

~~(h) a statement as to whether the income advice is an initial income advice or an amended income advice;~~

~~(i) the payment date; and~~

~~(j) the record date.~~

~~Where the preference of the investor is for a periodic income advice, for the purposes of Rule 18.9.4(b), a Valid Originating Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Message includes:~~

~~(a) the code for the relevant AQUA Product;~~

~~(b) the gross amount of the income distribution entitlement;~~

~~(c) the identification number of the income advice transaction;~~

~~(d) the HIN;~~

~~(e) the PID;~~

~~(f) the income distribution entitlement amount per AQUA Product unit;~~

~~(g) the number of AQUA Product units participating;~~

~~(h) the payment date; and~~

~~(i) the record date.~~

~~**Annual Income Advice**~~

~~Where the preference of the investor is for an annual income advice, for the purposes of Rule 18.9.4(a), a Valid Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Message includes:~~

~~(a) a timestamp to show time of processing;~~

~~(b) the code for the AQUA Product;~~

~~(c) the HIN;~~

~~(d) the identification number for the income advice transaction;~~

~~(e) the identification number for the originating income advice request transaction;~~

~~(f) the net amount of the income distribution entitlement;~~

~~(g) the identification number of the set transaction for the income advice;~~

~~(h) the period that the income advice relates to; and~~

~~(i) a statement as to whether the income advice is an initial income advice or an amended income advice.~~

~~The information included in a Valid Message must be provided in accordance with the tax reporting requirements of the relevant AQUA Product.~~

~~Where a Product Issuer Settlement Participant provides details of the relevant income distribution entitlement in a series Valid Messages, it must also provide a Valid Message with consolidated details of the relevant income distribution entitlement.~~

~~Where the preference of the investor is for an annual income advice, for the purposes of Rule 18.9.4(b), no details for the reinvestment of income distribution entitlements in respect of each CHESS Holding of AQUA Products are prescribed in the Procedures.~~

~~Introduced 21/03/14 Amended 15/08/16~~

PROCEDURE18.9.6 VALID MESSAGE FOR AQUA PRODUCTS – CANCELLATION OF ACCEPTED REQUEST FOR INCOME ADVICE

For the purposes of Rule 18.9.6, a Valid Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Message includes:

(a) the Controlling Participant's UIC;

(b) the identification number for the cancellation request transaction; and

(c) the identification number for the originating income advice request transaction.

Introduced 15/08/16

PROCEDURE18.9A.1 VALID ORIGINATING MESSAGE FOR AQUA PRODUCTS – INITIATION OF REQUEST TO CHANGE HOLDER'S STANDING INSTRUCTIONS

The details specified in Procedure 18.3.1(f) may only be changed by a Settlement Participant initiating a request in accordance with Rule 18.9A.1.

For the purposes of Rule 18.9A.1, a Valid Originating Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Message relates to the details specified in Procedure 18.3.1(f) and includes the following:

(a) the code for the AQUA Product;

(b) the HIN;

(c) the Controlling Participant's UIC;

(d~~e~~) the identification number for the change request transaction;

(e~~d~~) the distribution preference of the investor; and where cash or a partial distribution reinvestment plan is nominated; the Bank Account details of the investor; and

(f~~e~~) confirmation that the Holder has received a copy of the current version of the Product Disclosure Statement specified by date required to be given in connection with issue of the AQUA Product to a person as a retail client under the Corporations Act (if applicable).

Introduced 15/08/16

PROCEDURE 18.9A.2 VALID MESSAGE FOR AQUA PRODUCTS – ACCEPTING OR REJECTING REQUEST TO CHANGE DETAILS

For the purposes of Rule 18.9A.2(b), a Valid Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Message includes:

(a) the identification number for the acceptance or rejection transaction (as applicable);

(b) the identification number for the originating change request transaction; and

(c) a statement as to whether the request under Rule 18.9A.1 is accepted or rejected. If the request is rejected a reason must be provided.

Introduced 15/08/16

PROCEDURE 18.10.1 VALID MESSAGE FOR AQUA PRODUCTS – HOLDING ADJUSTMENT REQUEST

For the purposes of Rule 18.10.1, a Valid Message will be Transmitted to ASX Settlement in accordance with the Procedures if the Message includes:

(a) the code for the AQUA Product;

(b) the HIN;

(c) the Controlling Participant's UIC;

(~~c~~d) the identification number for the transaction;

~~(d) the identification number for the originating request transaction;~~

(e) the number of AQUA Product units to be increased or decreased (as applicable); and

(f) the reason for the transaction type.

Introduced 15/08/16

PROCEDURE18.11.1 TECHNICAL ACCREDITATION

A prospective Product Issuer Settlement Participant seeking technical accreditation must contact ASX Settlement to arrange for access to the CHESS external test environment for AQUA Products. ASX Settlement will provide each prospective Product Issuer Settlement Participant with a CHESS test kit and an accreditation script.

A Product Issuer Settlement Participant obtains technical accreditation when it has, to the reasonable satisfaction of ASX Settlement:

(a) demonstrated the capacity to communicate reliably with CHESS using Messages required for the issue, redemption ~~and switch~~ of AQUA Products; and

(b) adhered to and successfully completed each of the testing scenarios outlined in the accreditation script.

Introduced 21/03/14

SECTION 19 TRANSITIONAL ARRANGEMENTS

PROCEDURE 19.1.1 DEFINITIONS

The standards published by ASX Settlement for the purposes of the definition of "Non-Compliance" in Rule 19.1.1 are specified in the User Technical Documentation available at the following website:

https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/856719933/Exceptions+Warnings+and+Errors

PROCEDURE 19.1.2 COMMENCEMENT

For the purposes of Rule 19.1.2, the Rules in Section 19 become effective from the dates specified in the table below:

Rule	Effective Period
Rule 19.1.1	The period commencing on the date [6 months prior to the Old System Close Date *(insert earliest start date in this table)*] [and ending on the date which ASX Settlement notifies Facility Users on which Section 19 ceases to be effective].
Rule 19.1.2	The period commencing on the date [6 months prior to the Old System Close Date *(insert earliest start date in this table)*] [and ending on the date which ASX Settlement notifies Facility Users on which Section 19 ceases to be effective].
Rule 19.2.1	The period commencing on the date that is [6 months prior to the Old System Close Date] and ending [at the start of the Transition Period]
Rule 19.2.2	The period commencing on the date that is [6 months prior to the Old System Close Date] and ending [at the start of the Transition Period]
Rule 19.2.3	The period commencing on the date that is [6 months prior to the Old System Close Date] and ending on [at the end of the Transition Period]
Rule 19.2.4	The period commencing on the date that is [6 months prior to the Old System Close Date].
Rule 19.2.5	The period commencing on the date that is [6 months prior to the Old System Close Date].
Rule 19.2.6	The Transition Period.
Rule 19.2.7	The Transition Period.

Rule 19.2.8	The Transition Period. [***Consider if this should be open ended.***]
Rule 19.2.9	The period commencing [at the end of the Transition Period].
Rule 19.2.10	The period commencing [at the end of the Transition Period].
Rule 19.2.11	The period commencing [at the end of the Transition Period].
Rule 19.2.12	The period commencing [at the end of the Transition Period].
Rule 19.3.1	The period commencing [at the start of the Transition Period].
Rule 19.3.2	The period commencing on the date that is [2 Business Days prior to the Old System Close Date].
Rule 19.3.3	The period commencing on the date that is [2 Business Days prior to the Old System Close Date].
Rule 19.3.4	The period commencing on the date that is [2 Business Days prior to the Old System Close Date].
Rule 19.4.1	The period commencing on the date that is [2 Business Days prior to the Old System Close Date].
Rule 19.4.2	The period commencing on the date that is [2 Business Days prior to the Old System Close Date].
Rule 19.4.3	The period commencing on the date that is [2 Business Days prior to the Old System Close Date].
Rule 19.5.1	The period commencing on the date that is [4 Business Days prior to the Old System Close Date] and ending [at the end of the Transition Period].
Rule 19.5.2	The period commencing on the date that is [4 Business Days prior to the Old System Close Date] and ending [at the end of the Transition Period].
Rule 19.5.3	The period commencing on the date that is [4 Business Days prior to the Old System Close Date] and ending [at the end of the Transition Period].
Rule 19.5.4	The period commencing on the date that is [4 Business Days prior to the Old System Close Date] and ending [at the end of the Transition Period].
Rule 19.5.5	The period commencing on the date that is [4 Business Days prior to the Old System Close Date].

Rule 19.5.6	The period commencing on the date that is [4 Business Days prior to the Old System Close Date].
Rule 19.5.7	The period commencing on the date that is [4 Business Days prior to the Old System Close Date].

PROCEDURE 19.2.2 REMEDIATION OF REGISTRATION DETAILS BY PARTICIPANTS PRIOR TO MIGRATION

The action to be taken by a Participant where there is a remediation of a Non-Compliance in relation to the Registration Details recorded in a Holder Record is as follows:

(a) other than as specified below in this Procedure 19.2.2, the Participant must Transmit a Valid Originating Message that specifies the existing HIN for the Holder Record and the remediated Registration Details to be recorded in the Holder Record;

(b) where applicable, the Controlling Participant must maintain documentation to verify that the Registration Details relating to the remediation noted in the Valid Originating Message, are correct;

(c) on receipt of notification from ASX Settlement that the remediation of the Registration Details has been made in accordance with the Valid Originating Message, the Participant must check to make sure that the remediation of the Registration Details of the Holder has been made to the correct Holding; and

(d) if the remediation of the Registration Details were not made to the correct Holding, then the Controlling Participant must liaise with ASX Settlement as soon as possible, and in any event no later than two Business Days, to rectify the error.

The Participant is not required to take the action specified in Procedure 19.2.2(a) where the standards published by ASX Settlement for the purposes of Rule 19.2.2 classify the relevant Non-Compliance in relation to the Registration Details recorded in a Holder Record as a "Warning" for which remediation is not required.

The standards published by ASX Settlement for the purposes of Rule 19.2.2 are specified in the User Technical Documentation available at the following website:

https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/856719933/Exceptions+Warnings+and+Errors

PROCEDURE 19.2.3 ACTION TO BE TAKEN BY ASX SETTLEMENT

The notice to be given by ASX Settlement is a notice:

(a) notifying:

(i) the Participant that the requested remediation has been made;

(ii) in respect of each class of Financial Products in a CHESS Holding of that person, the Issuer of those Financial Products that there has been a remediation of Registration Details for that person; and

(b) if the Holder Record has been established on behalf of a Participant Sponsored Holder, notifying the Participant Sponsored Holder that there has been a remediation of the Registration Details.

PROCEDURE 19.2.5 PARTICIPANT INDEMNITIES

The standards published by ASX Settlement the purposes of Rule 19.2.5 are specified in the User Technical Documentation available at the following website:

https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/856719933/Exceptions+Warnings+and+Errors

PROCEDURE 19.2.6 REMEDIATION OF REGISTRATION DETAILS BY ASX SETTLEMENT DURING TRANSITION PERIOD

For the purposes of Rule 19.2.6(a), the types of Non-Compliance are:

(a) more than one Holder name is recorded and the Holder Record relates to a Direct Account or Clearing Account;

(b) more than four Holder names are recorded and the Holder Record relates to a Participant Sponsored Account;

(c) no comma character is recorded;

(d) more than one comma character is recorded;

(e) one or more characters is recorded between:

(i) a closed angle bracket which ASX Settlement reasonably considers to represent the end of a designation; and

(ii) a comma character which ASX Settlement reasonably considers to represent the end of the Holder name and designation field;

(f) an invalid country code is recorded;

(g) a Holder name is recorded that contains more than 80 characters;

(h) a designation is recorded that contains more than 35 characters;

(i) no character or characters are recorded for the Holder name or address;

(j) no character or characters are recorded for the Holder name after plus ("+") character;

(k) a Residency Indicator of "M" is recorded and the Holder Record relates to a Clearing Account;

(l) no "EST" is recorded before the name of the deceased Holder in a Holder Record to which a Holder Record Lock has been applied due to Notice of Death of the relevant Holder; or

(m) any other Non-Compliance exists as determined by ASX Settlement in its absolute discretion.

For the purposes of Rule 19.2.6(c), where ASX Settlement identifies a Non-Compliance of a type specified in the Procedure for Rule 19.2.6(a) as reproduced below, ASX Settlement will make the following remediations of Registration Details:

(a) where more than one Holder name is recorded and the Holder Record relates to a Direct Account or Clearing Account, ASX Settlement will remove the name of each Holder other than the first-named Holder;

(b) where more than four Holders are recorded and the Holder Record relates to a Participant Sponsored Account, ASX Settlement will remove the Holder names that are recorded after the fourth-named Holder;

(c) where the Registration Details do not contain a comma character, ASX Settlement will insert a comma character immediately after what ASX Settlement reasonably considers to be:

(i) if a designation is present, the closed angle bracket at the end of the designation;

(ii) if a designation is not present, the name of the Holder (in the case of a Holder Record with a single Holder) or last-named Holder (in the case of a Holder Record with joint Holders);

(d) where the Registration Details contain more than one comma character, ASX Settlement will remove any comma character that is not placed immediately after what ASX Settlement reasonably considers to be:

(i) if a designation is present, the closed angle bracket at the end of the designation;

(ii) if a designation is not present, the name of the Holder (in the case of a Holder Record with a single Holder) or last-named Holder (in the case of a Holder Record with joint Holders);

(e) where the Registration Details contain one or more characters between:

(i) a closed angle bracket which ASX Settlement reasonably considers to represent the end of a designation; and

(ii) a comma character which ASX Settlement reasonably considers to represent the end of the Holder name and designation field,

ASX Settlement will move that comma character so that it is located immediately after the closed angle bracket;

(f) where the Registration Details contain an invalid country code, ASX Settlement will:

(i) if ASX Settlement can reasonably infer the correct country code by reference to the address specified in the Registration Details, replace the country code with what ASX Settlement reasonably considers to be the correct country code; or

(ii) if ASX is unable to reasonably infer the correct country code by reference to the address specified in the Registration Details, change the country code to "ZZ";

(g) where a Holder name in the Registration Details contains more than 80 characters, ASX Settlement will remove the characters in the name of that Holder which occur after the 80th character;

(h) where a designation in the Registration Details contains more than 35 characters, ASX Settlement will remove the characters in the designation which occur after the 35th character;

(i) where the address or name in the Registration Details is missing, ASX Settlement will insert one dash character ("-") as the relevant address or name (as applicable);

(j) where no character or characters are recorded for the Holder name after a plus ("+") character, ASX Settlement will remove the plus ("+") character;

(k) where a Residency Indicator of "M" is recorded and the Holder Record relates to a Clearing Account, ASX Settlement will change the Residency Indicator if it is notified of a change to the Residency Indicator during the Transition Period;

(l) where no "EST" is recorded before the name of the deceased Holder in a Holder Record to which a Holder Record Lock has been applied due to Notice of Death of the relevant Holder, ASX Settlement will prepend "EST" before the name of the deceased Holder; or

(m) where any other kind of Non-Compliance exists in the Registration Details, ASX Settlement may change the Registration Details as it considers appropriate to address the Non-Compliance.

For the purposes of Rule 19.2.6(d), the notice to be given by ASX Settlement is a notice:

(a) notifying:

(i) the Participant authorised to operate one or more Holdings linked to the Holder Record that there has been a remediation of the Registration Details recorded in the Holder Record;

(ii) in respect of each class of Financial Products in a CHESS Holding linked to the Holder Record, the Issuer of those Financial Products that there has been a remediation of Registration Details recorded in the Holder Record; and

(b) if the Holder Record has been established on behalf of a Participant Sponsored Holder, notifying the Participant Sponsored Holder that there has been a remediation of Registration Details recorded in the Holder Record.

PROCEDURE 19.2.7 CONVERION AND MIGRATION OF HOLDER RECORDS

The conversion logic published by ASX Settlement for the purposes of Rule 19.2.7 is specified in the User Technical Documentation available at the following websites:

https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/856719909/Cutover+and+Migration+-+Registration+Details+Tool

https://asxchessreplacement.atlassian.net/wiki/spaces/CSP/pages/25297080/Email+Address

For the purposes of Rule 19.2.7(b), the notice to be given by ASX Settlement is a notice notifying:

(a) the Participant authorised to operate one or more Holdings linked to the Holder Record that the Holder Record has not been recorded in the New System;

(b) if the Holder Record has been established on behalf of a Participant Sponsored Holder, notifying the Participant Sponsored Holder that the Holder Record has not been recorded in the New System.

PROCEDURE 19.2.8 HOLDER RECORDS EXCLUDED FROM CONVERSION AND MIGRATION

For the purposes of Rule 19.2.8, ASX Settlement will not, unless it determines otherwise at its absolute discretion, convert and migrate a Holder Record under Rule 19.2.7 if the Holder Record satisfies each of the following criteria:

(a) at the End of Day on the Old System Close Date:

(i) no Holding is linked to the Holder Record; and

(ii) ASX Settlement has not scheduled for settlement on or after the New System Start Date any Batch Instruction linked to the Holder Record; and

(b) the Holder Record contains Registration Details with any of the following types of Non-Compliance:

(i) more than one Holder name is recorded and the Holder Record relates to a Direct Account or Clearing Account;

(ii) more than four Holder names are recorded and the Holder Record relates to a Participant Sponsored Account;

(iii) no comma character is recorded;

(iv) more than one comma character is recorded;

(v) one or more characters is recorded between:

(A) a closed angle bracket which ASX Settlement reasonably considers to represent the end of a designation; and

(B) a comma character which ASX Settlement reasonably considers to represent the end of the Holder name and designation field;

(vi) an invalid country code is recorded;

(vii) a Holder name is recorded that contains more than 80 characters;

(viii) a designation is recorded that contains more than 35 characters;

(ix) no character or characters are recorded for the Holder name or address;

(x) a Residency Indicator of "M" is recorded and the Holder Record relates to a Clearing Account; or

(xi) any other Non-Compliance exists as determined by ASX Settlement in its absolute discretion.

PROCEDURE 19.2.9 CHANGES TO EMAIL PURPOSE

The notice to be given by ASX Settlement is a notice notifying:

(a) the Participant authorised to operate one or more Holdings linked to the Holder Record that there has been a change to the Email Purpose in respect of a Holder's Registration Details recorded in the Holder Record; and

(b) in respect of each class of Financial Products in a CHESS Holding linked to the Holder Record, the Issuer of those Financial Products that there has been a change to the Email Purpose in respect of a Holder's Registration Details recorded in the Holder Record.

PROCEDURE 19.2.10 REMOVAL OF EMAIL DETAILS

The notice to be given by ASX Settlement is a notice notifying:

(a) the Participant authorised to operate one or more Holdings linked to the Holder Record that there has been a change of Holder Record details for that Holder Record; and

(b) in respect of each class of Financial Products in a CHESS Holding linked to the Holder Record, the Issuer of those Financial Products that there has been a change of Holder Record details for that Holder Record.

PROCEDURE 19.2.12 CONFIRMATION OF ENTITY TYPE FOR UNCATEGORISED HOLDER RECORDS

The matters to be specified in the Message from a Participant to ASX Settlement notifying of a change to the Entity Type are:

(a) the existing HIN for the Holder Record;

(b) for each Holder in relation to the Holder Record:

(i) the relevant holder identifier for that Holder;

(ii) the name of the Holder; and

(iii) the relevant Entity Type for that Holder.

PROCEDURE 19.3.1 REDUCING TO OLD SYSTEM CLOSE DATE THE TIME FOR FACILITY USERS TO COMPLY WITH REQUIREMENTS ON MESSAGES RECEIVED

The following types of Messages received by Facility Users are specified for the purposes of Rule 19.3.1(a)(i).

The following Rules dealing with the corresponding requirements of Facility Users (including to respond to the Message) are specified for the purposes of Rule 19.3.1(a)(ii) and 19.3.1(b):

Type of Message received by Facility User (for purpose of Rule 19.3.1(a)(i))	**Rules dealing with corresponding requirements of Facility User (for purpose of Rules 19.3.1(a)(ii) and 19.3.1(b))**
Notification to an Issuer of Australian ADI Account details under Rule 8.19.8	Rule 8.19.9
Request to an Issuer for an Issuer Sponsored to CHESS Demand Transfer or Conversion under Rule 9.8.2	Rule 9.8.5 or 9.8.6
Notification to a Controlling Participant of a takeover offer acceptance submitted by a Participant Bidder under Rule 14.14.8	Rule 14.14.9
Request to a Participant Bidder for authorisation for the release of Financial Products from an Offer Accepted Subposition under Rule 14.16.2	Rule 14.16.3
Request to a Product Issuer Settlement Participant for the issue or redemption of AQUA Products under Rule 18.3.3(a)	Rule 18.3.3(b)

PROCEDURE 19.3.2 REDUCING TO OLD SYSTEM CLOSE DATE THE TIME FOR MATCHING OF MESSAGES BY ASX SETTLEMENT

The following types of Messages received by ASX Settlement are specified for the purposes of Rule 19.3.2(a)(i).

The following Rules dealing with Matching of Messages by ASX Settlement are specified for the purposes of Rule 19.3.2(a)(ii) and 19.3.2(b):

Type of Message received by ASX Settlement (for purpose of Rule 19.3.2(a)(i))	**Rules dealing with Matching of Messages by ASX Settlement**

	(for purpose of Rule 19.3.2(a)(ii) and 19.3.2(b))
Dual Entry Demand Message under Rule 9.5.2	Rule 9.5.8
Request to cancel a Direct Batch Instruction or a Dual Entry Batch Instruction under Rule 10.5.3	Rule 10.5.3
Dual Entry Batch Message or Dual Entry Payment Batch Message under Rule 10.9.2	Rule 10.9.3(d)
Request to change to a Dual Entry Batch Instruction or Dual Entry Payment Batch Instruction under Rule 10.9.4	Rule 10.9.4
Request to change the designation of the Dual Entry Batch Instruction as available or not available for settlement in part under Rule 10.9.5	Rule 10.9.5

PROCEDURE 19.3.4 UNACTIONED OR UNMATCHED MESSAGES AT END OF DAY ON OLD SYSTEM CLOSE DATE NOT MIGRATED

For the purposes of Rule 19.3.4(a)(iii), the following Messages are specified:

(a) a Valid Originating Message Transmitted to ASX Settlement by a Controlling Participant under Rule 14.14.2, notifying of a takeover offer acceptance under a takeover bid for Financial Products.

PROCEDURE 19.3.5 REJECTION BY PARTICIPANT BIDDER OF OFFER ACCEPTED SUBPOSITION AFTER OLD SYSTEM CLOSE DATE

For the purposes of Rule 19.3.5(b), rejections of an Offer Accepted Subposition after the Old System Close Date may only be notified by the Participant Bidder Transmitting a Valid Corporate Action Cancellation Request (evnt_746) Message to ASX Settlement.

APPENDIX 1 SCHEDULED TIMES

ASX Settlement will provide 30 days' notice of any amendments to the Scheduled Times in this appendix, other than in exceptional circumstances where an urgent amendment is required.

Rule Number	Sydney Time
Rule 2.13.1 (Fund Request Cut-Off)	11:00am on any Business Day.
Rule 18.3.1	A Message Transmitted by a Settlement Participant under Rule 18.3.1 will be cancelled if all relevant information is not provided within 5 Business Days of the Message being sent.
Rule 18.3.3(a)	Where the Message Transmitted by a Settlement Participant under Rule 18.3.1 was Transmitted before Fund Request Cut-Off: Settlement Cut-Off on the same Business Day. Where the Message Transmitted by a Settlement Participant under Rule 18.3.1 was Transmitted after Fund Request Cut-Off: Settlement Cut-Off on the next Business Day.
Rule 18.3.3(b)	Where the Message Transmitted by a Settlement Participant under Rule 18.3.1 was Transmitted before Fund Request Cut-Off: Settlement Cut-Off on the same Business Day. Where the Message Transmitted by a Settlement Participant under Rule 18.3.1 was Transmitted after Fund Request Cut-Off: Settlement Cut-Off on the next Business Day.
Rule 18.3.5	Where the Message Transmitted by a Settlement Participant under Rule 18.3.1 was Transmitted before Fund Request Cut-Off: 31 days after Settlement Cut-Off on the same Business Day. Where the Message Transmitted by a Settlement Participant under Rule 18.3.1 was Transmitted after Fund Request Cut-Off: 31 days after Settlement Cut-Off on the next Business Day.
Rule 18.3.6(b)	Prior to CHESS End of Day on the day on which the issue is to occur, as specified by the Product Issuer Settlement Participant in the Message Transmitted under Rule 18.3.3(b) or Rule 18.7.

Rule 18.3.6A(a)	In relation to a request for issue of AQUA Products: as soon as reasonably practicable prior to the issue of AQUA Product units on the day on which the issue is to occur. In relation to a request for redemption of AQUA Products: as soon as reasonably practicable prior to settlement on the Settlement Date.
Rule 18.3.6A(b)	Within 4 Business Hours of receipt of a Message from a Product Issuer Settlement Participant Transmitted under Rule 18.3.6A(a).
~~**Rule 18.4.3(a)**~~	~~Within 4 Business Hours of receipt of a Message from a Settlement Participant Transmitted under Rule 18.4.1.~~
~~**Rule 18.4.3(b)**~~	~~Within 12 Business Hours of receipt of a Message from ASX Settlement Transmitted under Rule 18.4.3(a).~~
~~**Rule 18.4.4(b)**~~	~~Prior to CHESS End of Day on the day on which the Switch is to occur, as specified by the Product Issuer Settlement Participant in the Message Transmitted under Rule 18.4.3(b).~~
Rule 18.5.1	~~Within 90 calendar days of the day on which the Message under Rule 18.3.1 was Transmitted~~Prior to the Product Issuer Settlement Participant accepting the relevant application for issue or redemption.
Rule 18.5.2	Within 90 calendar days of the day on which the Message under Rule 18.4.1 was Transmitted.
Rule 18.6.1	Within 90 calendar days of the day on which the Message under Rule 18.3.1 or 18.4.1 was Transmitted.
Rule 18.6.1(a~~c~~)	Within 4 Business Hours of receipt of a Message from a Settlement Participant under Rule 18.6.1 (a) or (b).
Rule 18.6.1(b~~d~~)	Within 12 Business Hours of receipt of a Message in accordance with Rule 18.6.1(c).
Rule 18.6.1A	Before the acceptance of the relevant request for issue by the Product Issuer Settlement Participant under Rule 18.3.3(b).
Rule 18.6.1A(a)	Within 4 Business Hours of receipt of a Message from the Settlement Participant under Rule 18.6.1A.

Rule 18.7.1	In relation to a request for issue of AQUA Products~~, or a Switch between AQUA Products~~: prior to CHESS End of Day on the day on which the issue is to occur, as specified by the Product Issuer Settlement Participant in the Message Transmitted under Rule 18.3.3(b) or 18.4.3(b), as the case may be. In relation to a request for redemption of AQUA Products: prior to Settlement Cut-Off on the day specified as the payment date by the Product Issuer Settlement Participant in a Message Transmitted under Rule 18.3.3(b).
~~**Rule 18.9.2(a)**~~	~~Within 4 Business Hours of receipt of a Message from a Settlement Participant Transmitted under Rule 18.9.1.~~
~~**Rule 18.9.2(b)**~~	~~Within 12 Business Hours of receipt of a Message from ASX Settlement Transmitted under Rule 18.9.2(a).~~
~~**Rule 18.9.4**~~	~~Where the Message Transmitted by a Product Issuer Settlement Participant under Rule 18.9.4 relates to a periodic income advice: no later than five (5) Business Days after each periodic income distribution or reinvestment of income distribution (as applicable) occurs.~~ ~~Where the Message Transmitted by a Product Issuer Settlement Participant under Rule 18.9.4 relates to an annual income advice: no later than five (5) Business Days after details of the annual income distribution entitlements or reinvestment of income distribution entitlements (as applicable) is sent or made available to that investor.~~
~~**Rule 18.9.6(a)**~~	~~Within 4 Business Hours of receipt of a Message from a Settlement Participant Transmitted under Rule 18.9.6.~~
~~**Rule 18.9.6(b)**~~	~~Within 12 Business Hours of receipt of a Message from ASX Settlement Transmitted under Rule 18.9.6(a).~~
Rule 18.9A.2(a)	Within 4 Business Hours of receipt of a Message from a Settlement Participant Transmitted under Rule 18.9A.1.
Rule 18.9A.2(b)	Within 12 Business Hours of receipt of a Message from ASX Settlement Transmitted under Rule 18.9A.2(a).
Rule 18.9A.4	Within 12 Business Hours of Transmitting a Valid Message to ASX Settlement accepting the request under Rule 18.9A.2(b).

Introduced 21/03/14 Amended 07/03/16, 15/08/16, 12/11/18

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ASX CLEAR OPERATING RULES

SECTION 2 DEFINITIONS AND INTERPRETATION

…

2.10 DEFINITIONS AND INTERPRETATION

2.10.1 Definitions used in the Rules

In these Rules and in the Procedures, unless the context otherwise requires:

…

"**Accrued Batch Instruction**" has the meaning given in the ASX Settlement Operating Rules.

…

"**BIC**" stands for business identifier code.

…

"**Buyer**" means:

(a) in relation to a Cash Market Transaction, the party who has an obligation to pay money under the terms of the transaction;

(b) in relation to:

(i) a Cash CCP Transaction; or

(ii) a CCP ~~Net~~ Batch Instruction.~~;~~

~~(iii) a CCP Gross Batch Instruction;~~

~~(iv) a CCP RTGS Instruction,~~

the Participant responsible to ASX Clear for performing the obligations of the buyer under the terms of the relevant Cash Market Transaction or Offsetting Transaction Arrangement;

(c) in relation to a Direct ~~Settlement~~ Batch Instruction, the Participant who has an obligation to pay money under the terms of the relevant Cash Market Transaction;

(d) in relation to a Derivatives Market Contract which is an Options Market Contract, the party with the exercisable rights under the terms of the contract;

(e) in relation to a Derivatives Market Contract which is a Futures Market Contract, the party specified as buyer under the terms of the contract;

(f) in relation to a Derivatives CCP Contract, being a Futures CCP Contract or an Options CCP Contract, the Participant responsible to ASX Clear for performance of the obligations of the buyer under the terms of the relevant Derivatives Market Contract; and

(g) ASX Clear where a specific Rule refers to ASX Clear as buyer.

Amended 28/04/14

...

"**CCP Batch Instruction**" means ~~either a CCP Gross Batch Instruction or~~ a CCP ~~Net~~ Market Trade Batch Instruction, a CCP Rescheduled Batch Instruction, a CCP Offsetting Transaction Arrangement Batch Instruction or a CCP Isolate Counterparty Batch Instruction.

Introduced 28/04/14

...

"**CCP Isolate Counterparty ~~Gross~~ Batch Instruction**" means an instruction generated by ASX Clear for notification to the Approved Settlement Facility and which contains details of payment and delivery obligations in relation to CCP Rescheduled Batch Instructions, CCP Offsetting Transaction Arrangement Batch Instructions or Accrued Batch Instructions (as applicable) pursuant to a request to isolate a counterparty~~a Cash CCP Transaction that has been excluded from netting in accordance with Rule 12.7.3 and includes an instruction which contains payment and delivery obligations under an Offsetting Transaction Arrangement entered into in respect of a Failed CCP Gross Batch Instruction~~.

Amended 28/04/14

"**CCP ~~Net~~ Market Trade Batch Instruction**" means an instruction generated by ASX Clear for notification to the Approved Settlement Facility and which contains details of payment and delivery obligations in relation to a Cash CCP Transaction that has been netted in accordance with Rule 12.6.1~~and includes an instruction which contains payment and delivery obligations under an Offsetting Transaction Arrangement entered into in respect of a Failed CCP Net Batch Instruction~~.

Amended 28/04/14

"**CCP Offsetting Transaction Arrangement Batch Instruction**" means an instruction generated or deemed to be generated by ASX Clear for notification to the Approved Settlement Facility and which contains details of payment and delivery obligations under

the second leg of an Offsetting Transaction Arrangement entered into in respect of a Failed CCP Batch Instruction.

"**CCP Rescheduled Batch Instruction**" means an instruction generated by ASX Clear for notification to the Approved Settlement Facility and which contains details of payment and delivery obligations in relation to CCP Market Trade Batch Instructions that are:

(a) Failed by an Approved Settlement Facility due to a Financial Products Shortfall;

(b) suspended by an Approved Settlement Facility due to the suspension of the approval of a class of Financial Products; or

(c) due for settlement on a Business Day that Batch Settlement is cancelled by the Approved Settlement Facility.

...

~~"**CCP RTGS Instruction**" means an instruction generated by ASX Clear for notification to the Approved Settlement Facility and which contains details of payment and delivery obligations in relation to a Cash CCP Transaction that is to be settled in Real Time Gross Settlement.~~

....

"**Fail**" means the removal by the Approved Settlement Facility of the whole or part of~~:~~

~~(a)~~ a CCP ~~Net~~ Batch Instruction~~;~~

~~(b) a CCP Gross Batch Instruction; or~~

~~(c) a CCP RTGS Instruction,~~

from settlement in accordance with the operating rules of the Approved Settlement Facility.

Note: A Failed CCP Batch Instruction removed from Batch Settlement (as defined in the operating rules of the Approved Settlement Facility) may be notified by the Approved Settlement Facility to ASX Clear for settlement on that day through an Offsetting Transaction Arrangement entered into between ASX Clear and the respective non-defaulting Participant in accordance with Rule 12.8A.

Amended 28/04/14

....

"**Financial Products Shortfall**" has the meaning given to that term under the operating rules of the Approved Settlement Facility.

...

"**Instruction**" means:

~~(a)~~ a CCP ~~Net~~ Batch Instruction.~~;~~

~~(b) a CCP Gross Batch Instruction; or~~

~~(c) a CCP RTGS Instruction.~~

...

"**Novated Net Delivery Position**" means, in respect of a PID of a Participant and each relevant Business Day, the net delivery and payment obligations or entitlements (as applicable) for all Cash CCP Transactions in a class of Financial Product due for settlement on that Business Day by way of CCP Market Trade Batch Instructions.

Note: The Novated Net Delivery Position in respect of a PID of a Participant will not include delivery or payment obligations or entitlements for Cash CCP Transactions due for settlement by way of CCP Offsetting Transaction Arrangement Batch Instructions, CCP Rescheduled Batch Instructions or CCP Isolate Counterparty Batch Instructions.

Where a Participant (or its Settlement Agent) operates multiple Settlement Accounts for the settlement of CCP Batch Instructions in respect of a PID of the Participant, and CCP Market Trade Batch Instructions in a class of Financial Products due for settlement on a Business Day relate to more than one of those Settlement Accounts, separate Novated Net Delivery Positions apply in respect of each Settlement Account to which the CCP Market Trade Batch Instructions relate.

...

"**PID**" stands for participant identifier and means a unique identification code allocated or attributed by ASX Clear to a Participant that is used as the identification code, or one of the identification codes, of the Participant for the purposes of instructions notified to the Approved Settlement Facility for settlement. ASX Clear may allocate or attribute up to a maximum number of PIDs per Participant as specified in the Procedures.

Note: A code will be 'attributed' by ASX Clear where such code is allocated to the Participant by a person other than ASX Clear but is attributed by ASX Clear to the Participant for the purposes outlined above.

Amended 08/08/13

....

~~"**Real Time Gross Settlement**" means the processing and settling of payment and delivery obligations in real time and on a gross, not net, basis, the fundamental characteristic of which is that the payment and delivery components of a transaction become irrevocable at the time of settlement~~.

...

~~"**RTGS**" means Real Time Gross Settlement~~.

....

"**Seller**" means:

(a) in relation to a Cash Market Transaction, the party who has an obligation to deliver a particular number and class of transferable Financial Products under the terms of the transaction;

(b) in relation to:

(i) a Cash CCP Transaction; or

(ii) a CCP ~~Net~~ Batch Instruction.~~;~~

~~(iii) a CCP Gross Batch Instruction; and~~

~~(iv) a CCP RTGS Instruction,~~

the Participant responsible to ASX Clear for performing the obligations of the seller under the relevant Cash Market Transaction or Offsetting Transaction Arrangement;

(c) in relation to a Direct ~~Settlement~~ Batch Instruction, the Participant who has an obligation to deliver a particular number and class of transferable Financial Products under the terms of the relevant Cash Market Transaction;

(d) in relation to a Derivatives Market Contract which is an Options Market Contract, the party with the obligation to acquire or dispose of a specified quantity of an Underlying Financial Product, an Underlying Derivative or an Underlying Commodity, to pay an amount of money, or to enter into an Underlying Derivative under the terms of the contract;

(e) in relation to a Derivatives Market Contract which is a Futures Market Contract, the party specified as seller under the terms of the contract;

(f) in relation to a Derivatives CCP Contract, being a Futures CCP Contract or an Options CCP Contract, the Participant responsible to ASX Clear for performance of the obligations of the seller under the terms of the relevant Derivatives Market Contract; and

(g) ASX Clear where a specific Rule refers to ASX Clear as seller.

Amended 19/08/09, 28/04/14

...

"**Settlement Account**" has the meaning given in the ASX Settlement Operating Rules.

"**Settlement Agent**" has the meaning given in the ASX Settlement Operating Rules.

...

"**Settlement Processing Phase**" has the meaning given in the ASX Settlement Operating Rules.

...

"**Standard Settlement Price**" means a price determined by reference to bids/offers and the last sale price of a class of Financial Products on one or more Approved Market Operators (as selected by ASX Clear in its absolute discretion) ~~on the~~ two Business Days before the Settlement Date on which an Instruction Fails in accordance with the operating rules of the Approved Settlement Facility.

Amended 27/06/11

...

SECTION 4 RIGHTS AND OBLIGATIONS OF PARTICIPANTS

...

4.21 PARTICIPANT'S AUTHORITY TO INCLUDE PID

4.21.1 Participant irrevocably authorises ASX Clear to include PID

Each Participant irrevocably authorises ASX Clear to include its PID in each:

(a) CCP ~~Net~~ Batch Instruction; and

~~(b) CCP Gross Batch Instruction;~~

~~(c) CCP RTGS Instruction; and~~

(b~~d~~) each Cash Market Transaction accepted for reporting by ASX Clear under Rule 12.1.2,

as the PID of the delivering Participant or receiving Participant, as the case requires.

Introduced 11/03/04 Origin SCH 9.22.2

...

SECTION 6 COMMUNICATIONS WITH ASX CLEAR

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6.7 IDENTIFICATION OF CLEARING MESSAGES FROM A PARTICIPANT

6.7.1 Clearing Message taken to have been submitted by Participant

A Clearing Message that:

(a) is submitted into the Clearing System by a Participant; or

(b) in the case of a Cash CCP Transaction, specifies the PID of the Participant,

is taken for all purposes under these Rules to have been submitted by, and with the knowledge of, that Participant.

6.7.2 Use of BIC as a PID of a Participant

A Participant may request that ASX Clear attribute to the Participant as one of its PIDs the BIC allocated to the Participant by a person other than ASX Clear, for inclusion in Clearing Messages from or to the Participant as an alternative to the inclusion in such Clearing Messages of a PID allocated by ASX Clear to the Participant. Where this occurs:

(a) the Participant must nominate the PID allocated by ASX Clear to the Participant that the BIC is referable to;

(b) a Clearing Message received from the Participant which includes the Participant's BIC will be treated as a Clearing Message from the nominated PID that the BIC is referable to, and not as a Clearing Message from the BIC as a separate PID to that nominated PID;

(c) for the purpose of obligations or entitlements of a Participant under these Rules in respect of each PID, those obligations and entitlements will apply in respect of the nominated PID that the BIC is referable to, and not as obligations and entitlements in respect of the BIC as a separate PID to that nominated PID; and

(d) the BIC will not be included in calculating the maximum number of PIDs per Participant for the purposes of the definition of PID.

SECTION 12 REGISTRATION, NOVATION, NETTING AND SETTLEMENT

This Section deals with the novation, netting and settlement of transactions.

Market Transactions are either Cash Market Transactions or Derivatives Market Transactions. A Derivatives Market Transaction may be a Futures Market Transaction or an Option Market Transaction. A Derivatives Market Transaction comprises the number of Derivatives Market Contracts entered into on the market of an Approved Market Operator, or over the counter in the case of OTC Options Market Transactions. Market Transactions are notified to ASX Clear by an Approved Market Operator, or by the relevant Participant in the case of OTC Options Market Transactions, and (if eligible) will either be accepted by ASX Clear for registration or accepted for reporting but not registration. In the case of Derivatives Market Transactions, ASX Clear will register each of the Derivatives Market Contracts (Futures Market Contracts, Options Market Contracts or OTC Options Market Transactions) comprising the Derivatives Market Transaction.

If a Market Transaction is accepted by ASX Clear for registration and meets the requirements for novation set out in Rule 12.2.1, it will be novated to ASX Clear. Once novated, a Cash Market Transaction is discharged and replaced with two Cash CCP Transactions, a Derivatives Market Contract is discharged and replaced with two Derivatives CCP Contracts, a Futures Market Contract is discharged and replaced with two Futures CCP Contracts and an Options Market Contract is discharged and replaced with two Options CCP Contracts.

Cash CCP Transactions and Derivatives CCP Contracts may then be subject to set off and the netting of delivery obligations and payment obligations. ~~In general terms, in relation to a Cash CCP Transaction both Participants together may, prior to netting and set off, choose to take a transaction out of the Clearing Facility and settle it directly or in an Alternative Settlement Facility.~~ ASX Clear also has power, in certain circumstances to remove a transaction.

~~Once~~ ASX Clear will, for each Business Day, ~~has~~ calculate~~d~~, or cause to be calculated, the Novated Net Delivery Position ~~net delivery and net payment obligations~~ of Participants for all Cash CCP Transactions in a class of Financial Product due for settlement on that Business Day by way of CCP Market Trade Batch Instructions, and notify such Novated Net Delivery Position to the Participant as at the end of each Business Day.

ASX Clear ~~it~~ will also ~~then~~ notify the Approved Settlement Facility of:

(a) each Cash CCP Transaction due for settlement on a particular Business Day by way of a CCP Market Trade Batch Instruction; and

(b) the Novated Net Delivery Position for each Participant for all CCP Cash Transactions in a class of Financial Products due for settlement on that Business Day by way of CCP Market Trade Batch Instructions.

~~(a) those net delivery and net payment obligations which have been set off and netted by way of a CCP Net Batch Instruction; and~~

~~(b) those delivery and payment obligations which have been novated but not netted by way of a CCP Gross Batch Instruction or CCP RTGS Instruction.~~

If a Market Transaction is accepted by ASX Clear for reporting but not registration, ASX Clear will notify the reported transaction to the Approved Settlement Facility and ASX Clear has no other obligation or responsibility for the Market Transaction.

In addition to dealing with the above matters, this section deals with:

(c) when Market Transactions are novated to ASX Clear;

(d) the effect of novation;

(e) the circumstances in which a Cash Market Transaction may be excluded from novation and the consequences of so excluding it;

(f) the circumstances in which a Cash CCP Transaction may be removed from novation and excluded from netting and the consequences of so doing;

~~(g) the circumstances in which a Participant may remove and settle transactions by Real Time Gross Settlement;~~

(g~~h~~) what is to happen if there is a payment or delivery failure in the case of Cash CCP Transactions (including generation of CCP Rescheduled Batch Instructions or CCP Offsetting Transaction Arrangement Batch Instructions) or a payment failure in respect of Derivatives CCP Contracts;

(h~~i~~) the circumstances in which a Buyer (or if the Buyer is not also a Settlement Participant, a Settlement Participant acting as Settlement Agent for a Buyer) may choose to isolate counterparty in respect of CCP Rescheduled Batch Instructions, CCP Offsetting Transaction Arrangement Batch Instructions or Accrued Batch Instructions~~Cash CCP Transactions~~ and what is to happen if that occurs;

(i~~j~~) the discharge of payment and delivery obligations;

(j~~k~~) a Participant's obligation to report positions in relation to Derivatives CCP Contracts to ASX Clear;

(k~~l~~) the giving of trading and clearing information in relation to Derivatives Market Contracts and Derivatives CCP Contracts by ASX Clear to Participants, the Participant's obligation to check that information and report any errors to ASX Clear;

(l~~m~~) the correction of errors by ASX Clear; and

(m~~n~~) the cancellation and amendment of Derivatives Market Contracts.

This section also deals with the Offsetting Transaction Arrangements which will apply between ASX Clear and Participants for failed CCP Batch Instructions notified by the Approved Settlement Facility in order to facilitate the settlement (rather than rescheduling) of those instructions for the purposes of Sub-standard 7.9 of the Financial Stability Standards for Central Counterparties. Delivery and payment obligations under

such Offsetting Transaction Arrangements are to be dealt with on the same basis as delivery and payment obligations under other Cash CCP Transactions and be subject to set-off against those obligations.

12.1 REGISTRATION AND NOTIFICATION OF MARKET TRANSACTIONS

12.1.1 Market Transactions to be registered

Subject to Rule 12.2.5, ASX Clear will register a Market Transaction (other than an OTC Options Market Transaction) if, and only if:

(a) there is a current agreement between ASX Clear, an Approved Settlement Facility and the Approved Market Operator through which the Market Transaction was effected, for the provision of a Trade Acceptance Service;

(b) the Approved Market Operator has submitted the Market Transaction to ASX Clear in accordance with the Terms of Trade Acceptance Service; and

(c) the Market Transaction is in a category of Market Transactions which ASX Clear will accept for registration, as specified by ASX Clear in the Procedures.

Introduced 11/03/04 Origin OCH 5.4.1, 5.4.2, SCH 7.4 Amended 27/06/11, 28/05/12, 01/10/15

Note: Market Transactions that are not eligible for registration (a pre-requisite for novation) may nevertheless be eligible to be notified by ASX Clear to an Approved Settlement Facility under Rule 12.1.2.

12.1.1A Registration of OTC Options Market Transactions

Subject to Rule 12.2.5, ASX Clear will register an OTC Options Market Transaction if, and only if, the relevant Participant or Participants notify ASX Clear of the OTC Options Market Transaction in the manner set out in the Procedures. In notifying an OTC Options Market Transaction a Participant warrants to ASX Clear that it has satisfied itself that its client is not a 'U.S. person' (as that term is defined in the Procedures).

Introduced 28/05/12 Amended 01/10/15, 23/11/16

12.1.2 Market Transactions notified but not registered

ASX Clear will notify an Approved Settlement Facility of a Cash Market Transaction which is not registrable under Rule 12.1.1 if:

(a) there is a current agreement between ASX Clear, the Approved Settlement Facility and the Approved Market Operator through which the Cash Market Transaction was effected, under which ASX Clear agrees to notify that category of Cash Market Transaction to the Approved Settlement Facility for settlement by that facility;

(b) the Approved Market Operator notifies ASX Clear of that Cash Market Transaction in accordance with the terms of that agreement; and

(c) the Cash Market Transaction is in a category of Cash Market Transactions which ASX Clear will notify to an Approved Settlement Facility, as specified by ASX Clear in the Procedures.

Introduced 11/03/04 Origin SCH 7.4.3 Amended 27/06/11

12.1.3 Participants liable to settle Cash Market Transactions notified but not registered

Participants must settle Cash Market Transactions notified to an Approved Settlement Facility under Rule 12.1.2 in accordance with the operating rules of that Approved Settlement Facility.

Introduced 11/03/04

12.1.4 Reliance on particulars of Market Transactions

ASX Clear is entitled to rely on the particulars of any Market Transaction notified to it by an Approved Market Operator as being correct and, subject to Rule 12.21 in relation to Derivatives Market Contracts, is not bound to recognise any error in relation to those particulars. Without limiting the generality of the foregoing, but subject to Rule 12.21 in relation to Derivatives Market Contracts:

(a) where:

(i) an Approved Market Operator submits a Market Transaction to ASX Clear for registration in the name of a Participant (that is, the particulars of the Market Transaction notified to ASX Clear by the Approved Market Operator identify the Participant, by its PID or otherwise, as a clearing counterparty to the Market Transaction); and

(ii) the Participant is authorised under these Rules to clear one or more categories of Market Transactions effected through the Approved Market Operator, or

(b) where a Participant is directed a Misdirected Market Transaction;

the Participant is taken for all purposes under these Rules to have agreed to clear the Market Transaction and has the corresponding obligations in respect of the Market Transaction, notwithstanding any actual or alleged error concerning the identification of the Participant as a clearing counterparty to the Market Transaction.

Note: In relation to Cash Market Transactions which are notified to ASX Clear by an Approved Market Operator with incorrect particulars of Buyer or Seller, refer Rule 12.7.1 under which ASX Clear may remove Cash CCP Transactions from transactions to be notified for settlement under Rule 12.6.2~~1~~ if it is notified by an Approved Market Operator that the original Cash Market Transaction has been cancelled.

Introduced 11/03/04 Origin OCH 5.4.9 Amended 27/06/11

12.2 NOVATION

12.2.1 ASX Clear to novate Cash Market Transactions and Derivatives Market Contracts

ASX Clear will novate a Cash Market Transaction which is registered in accordance with Rule 12.1.1 if and only if the delivering PID and the receiving PID ~~specified in the particulars of~~ for the Cash Market Transaction submitted to ASX Clear by the Approved Market Operator relate to two different legal entities.

If the delivering PID and the receiving PID relate to the same legal entity, ASX Clear will~~, unless instructed otherwise in accordance with the Procedures,~~ register the Cash Market Transaction and notify the relevant Participant that the Cash Market Transaction has been registered for information only.

ASX Clear will novate a Cash Market Transaction subject to and in accordance with this Rule 12.2.1 with effect from:

(a) if the Cash Market Transaction is the result of the matching of bids and offers on the market of the Approved Market Operator, immediately after the matching of those bids and offers; or

(b) if the Cash Market Transaction is the result of a transaction being recorded by the Approved Market Operator, immediately after the transaction is recorded.

ASX Clear will novate a Derivatives Market Contract, if the Derivatives Market Transaction to which it relates has been registered under Rules 12.1.1 or 12.1.1A, at the time of registration.

Note: A Cash Market Transaction which is submitted by an Approved Market Operator to ASX Clear for registration must be validated by ASX Clear in accordance with the Terms of Trade Acceptance Service in order to confirm that the Cash Market Transaction is registrable under Rule 12.1.1. If the Cash Market Transaction is determined by ASX Clear to be registrable and if it meets the requirements for novation in this Rule 12.2.1, then it is novated with effect from the point in time specified by Rule 12.2.1.

For the avoidance of doubt, Derivatives Market Contract includes an Options Market Contract executed on the over the counter market and a Derivatives Market Transaction includes an OTC Options Market Transaction.

Introduced 11/03/04 Origin OCH 5.4.4, SCH 7.7 Amended 27/06/11, 28/05/12, 07/06/13, 03/12/18

12.2.2 Effect of novation

Upon novation of a Cash Market Transaction or a Derivatives Market Contract under Rule 12.2.1:

(a) the Cash Market Transaction is discharged and replaced with two Cash CCP Transactions; and

(b) the Derivatives Market Contract is discharged and replaced with two Derivatives CCP Contracts,

with the following effect, subject to these Rules:

(c) the obligations owed by a Seller to a Buyer are replaced by obligations in the same terms owed by the Seller to ASX Clear, and by obligations owed by ASX Clear to the Buyer;

(d) the obligations owed by a Buyer to a Seller are replaced by obligations in the same terms owed by the Buyer to ASX Clear, and by obligations owed by ASX Clear to the Seller.

ASX Clear and each Participant acknowledge that:

(e) Cash CCP Transactions (excluding Cash CCP Transactions which are removed from novation pursuant to Rule 12.7.1 ~~or 12.7.2 and not reinstated pursuant to Rule 12.7.5~~); and

(f) Derivatives CCP Contracts,

are market netting contracts (as defined in the Payment Systems and Netting Act 1998) the terms of which incorporate any and all Rules which provide for or relate to the exercise of default rights, the netting, set-off or termination of obligations, the calculation or payment of termination values or net amounts and obligations to pay deposits or margin calls, or which otherwise affect the rights and obligations of the parties to the contracts, including, without limitation the Recovery Rules and:

(g) in respect of Cash CCP Transactions, Rules 12.4.1, 12.6.1, and 15; and

(h) in respect of Derivatives CCP Contracts, Rules 12.16, 12.17, 13.2, 14 and 15.

Introduced 11/03/04 Origin OCH 5.4.4, SCH 7.8.1 Amended 18/12/06, 13/07/09, 19/08/09, 01/10/15

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12.6 CALCULATION OF NET CLEARING OBLIGATIONS

12.6.1 Calculation, set-off and notification of net payment obligation

Subject to Rule 12.6.2A and Rule 12.7 upon novation of a Cash Market Transaction due for settlement on a particular Business Day, the payment and delivery obligations under the Cash CCP Transaction are immediately set off against all other payment and delivery obligations due for settlement on that Business Day in accordance with the rules of law as follows:

(a) the total of all the amounts that a Participant is obliged to pay ASX Clear on that Business Day for a PID will be set off against the total of all the amounts that the Participant is entitled to receive from ASX Clear on that Business Day for the same PID; and

(b) the total number of Financial Products of a particular class to be delivered to a Participant by ASX Clear on that Business Day for a PID will be set off against

the total number of Financial Products of that class to be delivered to ASX Clear on that Business Day for the same PID.

Note: For the purpose of determining net delivery or payment obligations and entitlements in respect of a class of Financial Products due to be delivered or received on a Business Day during an Ex-Period (as defined in the ASX Settlement Operating Rules), regard is to be had to whether the Financial Product is to be transferred with or without the relevant Entitlement.

Introduced 11/03/04 Origin SCH 7.9.1 Amended 08/08/13, 28/04/14

12.6.1A Calculation of a Participant's Novated Net Delivery Position and netted obligation report

ASX Clear will:

(a) calculate, or cause to be calculated, the Novated Net Delivery Position in respect of a PID of a Participant for all CCP Cash Transactions in a class of Financial Products due for settlement on a Business Day by way of CCP Market Trade Batch Instructions in the manner specified below:

(i) the net delivery obligation or entitlement of a Participant for each PID will be calculated by setting off the total of the number of Financial Products that the Participant is obliged to deliver to ASX Clear on a Business Day by way of all CCP Market Trade Batch Instructions in respect of Cash CCP Transactions in that class of Financial Products for a PID against the total of the number of Financial Products that the Participant is entitled to receive from ASX Clear on that Business Day by way of all CCP Market Trade Batch Instructions in respect of Cash CCP Transactions in that class of Financial Products for the same PID;

(ii) the associated net payment obligation or entitlement of the Participant for each PID will be calculated by setting off the total of the amounts that the Participant is obliged to pay ASX Clear on that Business Day by way of all CCP Market Trade Batch Instructions in respect of Cash CCP Transactions in that class of Financial Products for that PID against the total of the amount that the Participant is entitled to receive from ASX Clear on that Business Day by way of all CCP Market Trade Batch Instructions in respect of Cash CCP Transactions in that class of Financial Products for the same PID;

(b) notify Participants of their projected Novated Net Delivery Position calculated in accordance with paragraph (a) above in respect of a PID of the Participant as at the End of Day of each Business Day that the Participant has CCP Market Trade Batch Instructions in respect of Cash CCP Transactions in a class of Financial Products due for settlement, in accordance with the Procedures;

(c) notify the Approved Settlement Facility of the Novated Net Delivery Position calculated in accordance with paragraph (a) above in respect of a PID of a Participant as at the commencement of the Settlement Processing Phase in respect of that Business Day; and

(d) where both of the following apply:

(i) a Participant (or its Settlement Agent) operates multiple Settlement Accounts for the settlement of CCP Batch Instructions in respect of a PID of the Participant; and

(ii) CCP Market Trade Batch Instructions in a class of Financial Products due for settlement on a Business Day relate to more than one of those Settlement Accounts,

ASX Clear will calculate, or cause to be calculated, and notify a separate Novated Net Delivery Position in respect of each Settlement Account to which the CCP Market Trade Batch Instructions relate.

Note: For the purpose of determining the relevant Novated Net Delivery Position in respect of a PID of a Participant for a class of Financial Products due to be delivered or received on a Business Day during an Ex-Period (as defined in the ASX Settlement Operating Rules), regard is to be had to whether the Financial Product is to be transferred with or without the relevant Entitlement.

A Settlement Participant that is a Clearing Participant must operate at least two Settlement Accounts, including one Settlement Account with a 'foreign' residency indicator to facilitate foreign to foreign allocations, unless otherwise agreed by ASX Settlement (refer to ASX Settlement Operating Rule 6.3.4).

The Novated Net Delivery Position in respect of a PID of a Participant will not include delivery or payment obligations or entitlements for Cash CCP Transactions due for settlement by way of CCP Offsetting Transaction Arrangement Batch Instructions under Rule 12.6.2A, CCP Rescheduled Batch Instructions under Rule 12.6.2B or CCP Isolate Counterparty Batch Instructions under Rule 12.9.1.

For reconciliation purposes against the projected Novated Net Delivery Position notified to a Participant by ASX Clear under Rule 16.2.1A(b), the Participant in its capacity as Settlement Participant (or if it is not also a Settlement Participant, a Settlement Participant acting as a Settlement Agent for the Participant), may also request an obligation status report in respect of the underlying Cash CCP Transactions due for settlement on the relevant Business Day by way of CCP Market Trade Batch Instructions in respect of a PID for a particular class of Financial Products in accordance with Rule 16.20 of the operating rules of the Approved Settlement Facility.

12.6.2 Notification of Cash CCP Transactions to Approved Settlement Facility

Subject to Rule 12.6.2A, within the time prescribed in the Procedures, ASX Clear will for each Business Day send to the Approved Settlement Facility a CCP ~~Net~~ Market Trade Batch Instruction containing the details specified in the Procedures in respect of each Cash CCP Transaction due for settlement on that Business Day.~~:~~

~~(a) the net delivery obligation or entitlement of a Participant for each PID for all CCP Cash Transactions in a class of Financial Products due for settlement on that Business Day; and~~

~~(b) the associated net payment obligation or entitlement of the Participant for each PID for all Cash CCP Transactions in the class of Financial Products due for settlement on that Business Day which will be calculated by setting off the total of the amounts that the Participant is obliged to pay ASX Clear on that Business Day in respect of transactions in that class of Financial Products for a PID against the total of the amount that the Participant is entitled to receive from ASX Clear in respect of transactions in that class of Financial Products for the same PID,~~

~~and will notify the Participant of the CCP Net Batch Instruction.~~

Introduced 11/03/04 Amended 08/08/13, 28/04/14

12.6.2A Obligations under Offsetting Transaction Arrangement relating to Failed CCP ~~Net~~ Batch Instruction

Where the Approved Settlement Facility notifies ASX Clear of Failed CCP ~~Net~~ Batch Instructions under Rule 12.8A and pursuant to that Rule ASX Clear enters into an Offsetting Transaction Arrangement with the Participant that has obligations or entitlements under the Failed CCP ~~Net~~ Batch Instruction, then:

(a) obligations and entitlements under the first leg of an Offsetting Transaction Arrangement entered into in respect of each such Failed CCP ~~Net~~ Batch Instruction will be set-off against and discharged by equal but opposite obligations and entitlements under the Failed CCP ~~Net~~ Batch Instruction in the manner set out in Rule 12.8A;

(b) obligations and entitlements under the second leg of an Offsetting Transaction Arrangement entered into in respect of each such Failed CCP ~~Net~~ Batch Instruction will also be included as delivery and payment obligations or entitlements (as applicable) of the Participant for the PID to which those Failed CCP ~~Net~~ Batch Instructions related in the class of Financial Products due for settlement on the next Business Day;

(c) where the Failed CCP Batch Instruction is a CCP Market Trade Batch Instruction or a CCP Gross Batch Instruction, ASX Clear will, within the time specified in the Procedures, send to the Approved Settlement Facility a CCP Offsetting Transaction Arrangement Batch Instruction containing the details specified in the Procedures in respect of:

(i) the net delivery obligation or entitlement of a Participant for each PID under the second leg of the Offsetting Transaction Arrangements entered into in respect of all CCP Market Trade Batch Instructions that are Failed on a Settlement Date in that class of Financial Product; and

(ii) the associated net payment obligation or entitlement of the Participant for each PID under the second leg of the Offsetting Transaction Arrangements entered into in respect of all CCP Market Trade Batch Instructions that are Failed on that Settlement Date in that class of Financial Product; and

(iii) where both of the following apply:

(A) a Participant (or its Settlement Agent) operates multiple Settlement Accounts for the settlement of CCP Batch Instructions in respect of a PID of the Participant; and

(B) the CCP Market Trade Batch Instructions in a class of Financial Products that are Failed on a Settlement Date relate to more than one of those Settlement Accounts,

ASX Clear will send to the Approved Settlement Facility a separate CCP Offsetting Transaction Arrangement Batch Instruction in respect of each Settlement Account to which the Failed CCP Market Trade Batch Instructions relate,

and will notify the Participant of the CCP Offsetting Transaction Arrangement Batch Instruction; and

(d) where the Failed CCP Batch Instruction is a CCP Rescheduled Batch Instruction, a CCP Offsetting Transaction Arrangement Batch Instruction or a CCP Isolate Counterparty Batch Instruction:

(i) the CCP ~~Net~~ Batch Instructions due for settlement on a Business Day in respect of that Participant will ~~, in addition to the CCP Net Batch Instructions notified under Rule 12.6.2, also~~ include separate ~~CCP Net Batch Instructions~~ CCP Offsetting Transaction Arrangement Batch Instructions containing details of delivery and payment obligations and entitlements (as applicable) of the Participant under the second leg of each Offsetting Transaction Arrangement entered into in respect of a CCP Rescheduled Batch Instruction, CCP Offsetting Transaction Arrangement Batch Instruction or CCP Isolate Counterparty Batch Instruction ~~CCP Net Batch Instruction~~ (and representing equivalent delivery and payment obligations and entitlements of the Participant (as applicable) as under the ~~CCP Net Batch Instruction~~CCP Rescheduled Batch Instruction, CCP Offsetting Transaction Arrangement Batch Instruction or CCP Isolate Counterparty Batch Instruction) Failed on the previous Business Day relating to that PID and class of Financial Products; and

(ii~~d~~) ~~an instruction~~ CCP Offsetting Transaction Arrangement Batch Instructions will be deemed to have been generated by ASX Clear and sent to the Approved Settlement Facility which contain~~s~~ the details referred to in (~~c~~d)(i) above.

Introduced 28/04/14

12.6.2B Rescheduling of CCP Market Trade Batch Instructions as CCP Rescheduled Batch Instructions

Where the Approved Settlement Facility notifies ASX Clear of:

(a) Failed CCP Market Trade Batch Instructions due to a Financial Products Shortfall, ASX Clear will, within the time specified in the Procedures, send to the Approved Settlement Facility a CCP Rescheduled Batch Instruction containing the details specified in the Procedures in respect of:

(i) the net delivery obligation or entitlement of a Participant for each PID for all CCP Market Trade Batch Instructions that are Failed on a Settlement Date in a class of Financial Products; and

(ii) the associated net payment obligation or entitlement of the Participant for each PID for all CCP Market Trade Batch Instructions that are Failed on that Settlement Date in that class of Financial Products;

(b) the suspension of CCP Market Trade Batch Instructions scheduled for settlement on the day that ASX Settlement suspends approval of a class of an Issuer's Financial Products or on a subsequent Business Day in accordance with the operating rules of the Approved Settlement Facility, ASX Clear will, within the time specified in the Procedures, send to the Approved Settlement Facility a CCP Rescheduled Batch Instruction containing the details specified in the Procedures in respect of:

(i) the net delivery obligation or entitlement of a Participant for each PID for all CCP Market Trade Batch Instructions that are suspended on a Settlement Date in a class of Financial Products; and

(ii) the associated net payment obligation or entitlement of the Participant for each PID for all CCP Market Trade Batch Instructions that are suspended on that Settlement Date in that class of Financial Products; or

(c) the cancellation of Batch Settlement on a particular Business Day in accordance with the operating rules of the Approved Settlement Facility and there are CCP Market Trade Batch Instruction due for settlement on that Business Day, ASX Clear will, within the time specified in the Procedures, send to the Approved Settlement Facility a CCP Rescheduled Batch Instruction containing the details specified in the Procedures in respect of:

(i) the net delivery obligation or entitlement of a Participant for each PID for all CCP Market Trade Batch Instructions that are due for settlement on that Business Day in a class of Financial Products; and

(ii) the associated net payment obligation or entitlement of the Participant for each PID for all CCP Market Trade Batch Instructions that are due for settlement on that Business Day in that class of Financial Products; and

(d) where both of the following apply:

(i) a Participant (or its Settlement Agent) operates multiple Settlement Accounts for the settlement of CCP Batch Instructions in respect of a PID of the Participant; and

(ii) the CCP Market Trade Batch Instructions in a class of Financial Products that are:

a. Failed or suspended on a Settlement Date; or

b. due for settlement on a Business Day when batch settlement is cancelled,

relate to more than one of those Settlement Accounts,

ASX Clear will send to the Approved Settlement Facility a separate CCP Rescheduled Batch Instruction in respect of each Settlement Account to which those CCP Market Trade Batch Instructions relate,

and will notify the Participant of the CCP Rescheduled Batch Instruction.

12.6.3 Failure to discharge net obligation – [Deleted]

Introduced 11/03/04 Origin SCH 7.9.3 Deleted 31/03/05

12.7 CANCELLATION AND REMOVAL OF CASH CCP TRANSACTIONS FROM NOVATION, NETTING AND SETTLEMENT

12.7.1 Removal by ASX Clear of a Cash CCP Transaction from settlement notification

ASX Clear may, before the time specified in the Procedures, remove Cash CCP Transactions from transactions to be notified for settlement under Rule 12.6.2~~1~~ if:

(a) ASX Clear reasonably considers it appropriate having regard to Rule 1.15 in order to maintain the orderly operation and integrity of ASX Clear;

(b) it is requested to do so by an Approved Market Operator in accordance with the Terms of Trade Acceptance Service, or by an Approved Settlement Facility, in order to ensure the efficiency, orderly operation, integrity or proper functioning of the market or facility; or

(c) it is notified by an Approved Market Operator in accordance with the Terms of Trade Acceptance Service, or by an Approved Settlement Facility, that the original Cash Market Transaction has been cancelled,

and if it removes the Cash CCP Transactions, ASX Clear will immediately notify:

(d) the affected Participants that the Cash CCP Transactions have been removed; and

(e) where relevant, the Approved Market Operator or the Approved Settlement Facility that the Cash CCP Transactions have been removed,

and Rule 12.7.6 will have effect.

For the purpose of this Rule 12.7.1, requests for removal of Cash CCP Transactions from transactions to be notified for settlement under Rule 12.6.2 can only be made by

Approved Market Operators before End of Day on the day that the relevant underlying Cash Market Transaction was submitted to ASX Clear under Rule 12.1.1 by the Approved Market Operator.

Introduced 11/03/04 Origin SCH 7.5A1, 7.5A.2 Amended 27/06/11

12.7.2 Buyer and Seller may request Cash CCP Transactions be removed from novation and set off – [Deleted]

~~If before the time specified in the Procedures, the Buyer and Seller to a Cash Market Transaction request ASX Clear to remove the transaction from novation under Rule 12.2.1 and set off under Rule 12.6.1, in order, for example, to remove the transaction to an Alternative Settlement Facility, ASX Clear will:~~

~~(a) remove the corresponding Cash CCP Transactions from set off; and~~

~~(b) notify the Buyer and Seller accordingly,~~

~~and Rule 12.7.6 will have effect.~~

~~If the Buyer and Seller request it, ASX Clear will send to an Approved Settlement Facility a corresponding Direct Batch Instruction.~~

Introduced 11/03/04 Origin SCH 7.13.1

12.7.3 ~~Buyer and Seller may request~~ Cash CCP Transactions may be excluded from set off

ASX Clear may exclude Cash CCP Transactions from set off under Rule 12.6.1 if ASX Clear reasonably considers it appropriate having regard to Rule 1.15 in order to maintain the orderly operation and integrity of ASX Clear.

If ASX Clear excludes the Cash CCP Transactions, ASX Clear will immediately notify:

(a) the affected Participants that the Cash CCP Transactions have been excluded from set-off; and

(b) where relevant, the Approved Market Operator or the Approved Settlement Facility that the Cash CCP Transactions have been excluded from set-off.

~~If before the time specified in the Procedures a Buyer and Seller to a Cash Market Transaction:~~

~~(a) request ASX Clear to remove the corresponding Cash CCP Transactions from set off under Rule 12.6.1; or~~

~~(b) request ASX Clear to remove the corresponding Cash CCP Transactions from set off under Rule 12.6.1 for the purpose of settlement in Real Time Gross Settlement,~~

~~ASX Clear will remove the Cash CCP Transactions from set off.~~

Introduced 11/03/04 Origin SCH 7.12

12.7.4 Action by ASX Clear where Buyer and Seller request Cash CCP Transaction be excluded from set off – [Deleted]

~~Subject to Rule 12.7.9, where ASX Clear accepts a request under Rule 12.7.3 to exclude a transaction from set off, ASX Clear will, within the time specified in the Procedures, send to the Approved Settlement Facility corresponding:~~

~~(a) CCP Gross Batch Instructions; or~~

~~(b) CCP RTGS Instructions,~~

~~as the case requires and notify the Buyer and Seller accordingly.~~

Introduced 11/03/04 Origin SCH 7.12, 28/04/14

12.7.5 Buyer and Seller may cancel request - [Deleted]

~~If before the time specified in the Procedures, the Buyer and Seller to a transaction cancel a request made to ASX Clear to:~~

~~(a) remove the transaction from novation and set off under Rule 12.7.2; or~~

~~(b) remove the transaction from set off under Rule 12.7.3,~~

~~and ASX Clear accepts the request for cancellation, ASX Clear will reinstate the transaction to novation and set off or set off as the case requires.~~

Introduced 11/03/04 Origin SCH 7.1.4A, 7.12, 7.12A, 7.13

12.7.6 Effect of removal of Cash CCP Transaction

If ASX Clear removes Cash CCP Transactions under Rule~~s~~ 12.7.1~~ or 12.7.2~~:

(a) the Seller and the Buyer are, and are taken from the time the original Cash Market Transaction was entered into, to be in direct contractual relationship with each other on the terms of that transaction;

(b) the CCP Market Trade Batch Instructions generated and sent to the Approved Settlement Facility in respect of the Cash CCP Transactions will be cancelled; and

(c~~b~~) ASX Clear has no obligation in relation to those transactions.

Introduced 11/03/04 Origin SCH 7.5A.2, 7.13.3

12.7.7 Request by Buyer or Seller where counterparty not known – [Deleted]

~~Where a Buyer or Seller (as the case may be) is not aware of the identity of its counterparty for the purpose of making a request to ASX Clear for the removal of a transaction under either Rule 12.7.2 or Rule 12.7.3, the Buyer or Seller may ask ASX Clear, by the time and in the manner set out in the Procedures, to facilitate such a request.~~

Introduced 28/11/05

12.7.8 ASX Clear action where asked to facilitate a request – [Deleted]

~~Upon being asked under Rule 12.7.7 to facilitate a request, ASX Clear will use reasonable endeavours to contact the counterparty to ascertain whether the counterparty is agreeable or otherwise to a request to remove the transaction. ASX Clear will notify the Buyer or Seller as soon as reasonably practicable whether the counterparty is agreeable to the request.~~

Introduced 28/11/05

12.7.9 Obligations under second leg of Offsetting Transaction Arrangement relating to Failed CCP Gross Batch Instruction – [Deleted]

~~Where the Approved Settlement Facility notifies ASX Clear of Failed CCP Gross Batch Instructions under Rule 12.8A and pursuant to that Rule ASX Clear enters into an Offsetting Transaction Arrangement with the Participant that has obligations or entitlements under the Failed CCP Gross Batch Instruction, then:~~

~~(a) obligations and entitlements under the first leg of an Offsetting Transaction Arrangement entered into in respect of each such Failed CCP Gross Batch Instruction will be set-off against and discharged by equal but opposite obligations and entitlements under the Failed CCP Gross Batch Instruction in the manner set out in Rule 12.8A;~~

~~(b) CCP Gross Batch Instructions due for settlement on a Business Day in respect of that Participant will, in addition to the CCP Gross Batch Instructions notified under Rule 12.7.4, also include separate CCP Gross Batch Instructions containing details of delivery and payment obligations and entitlements (as applicable) of the Participant under the second leg of each Offsetting Transaction Arrangement entered into in respect of a CCP Gross Batch Instruction (and representing equivalent delivery and payment obligations and entitlements of the Participant (as applicable) as under the CCP Gross Batch Instruction) Failed on the previous Business Day relating to that PID; and~~

~~(c) an instruction will be deemed to have been generated by ASX Clear and sent to the Approved Settlement Facility which contains the details referred to in (b) above.~~

Introduced 28/04/14

12.7.10 Cancellation by Approved Settlement Facility of CCP Isolate Counterparty Batch Instructions

Where the Approved Settlement Facility cancels CCP Isolate Counterparty Batch Instructions generated in respect of a request from a Buyer to isolate a counterparty under Rule 12.9.1, pursuant to a request by the receiving Settlement Participant and delivering Settlement Participant(s) to those CCP Isolate Counterparty Batch Instructions, then:

(a) ASX Clear has no obligation in relation to those CCP Isolate Counterparty Batch Instructions; and

(b) the relevant Cash CCP Transactions (or part thereof (as applicable)) which underlie the CCP Isolate Counterparty Batch Instructions are cancelled and ASX Clear and the relevant Buyer and Seller have no obligations in relation to those Cash CCP Transactions.

12.8 PAYMENT OR DELIVERY FAILURE OF CASH CCP TRANSACTIONS

12.8.1 Failure causing an increase in ASX Clear's payment obligations

If an Approved Settlement Facility Fails:

(a) a CCP Market Trade ~~Net~~ Batch Instruction generated by ASX Clear under Rule 12.6.2 ~~or 12.6.2A~~;

(b) a CCP ~~Gross~~ Isolate Counterparty Batch Instruction generated by ASX Clear under Rule 12.9.1~~7.4 or 12.7.9~~; ~~or~~

~~(c) a CCP RTGS Instruction generated by ASX Clear under Rule 12.7.4,~~

(c) a CCP Rescheduled Batch Instruction generated by ASX Clear under Rule 12.6.2B; or

(d) a CCP Offsetting Transaction Arrangement Batch Instruction generated or deemed to be generated by ASX Clear under Rule 12.6.2A(c) or 12.6.2A(d),

and as a result of the Failure there is an increase in ASX Clear's obligation to make payment, ASX Clear may make arrangements to meet its increased obligation. Where ASX Clear considers that a Participant's default would trigger a Failure in respect of an Instruction referred to in this Rule 12.8.1, ASX Clear may also make arrangements to make payments to avoid such Instructions being Failed.

Introduced 11/03/04 Origin SCH 7.26.1 Amended 28/04/14

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12.8.5 Application of Standard Settlement Price by ASX Clear

If an Approved Settlement Facility Fails in full or in part:

(a) a CCP ~~Net~~ Market Trade Batch Instruction generated by ASX Clear under Rule 12.6.2 ~~or 12.6.2A~~;

(b) a CCP ~~Gross~~ Isolate Counterparty Batch Instruction generated by ASX Clear under Rule 12.9.1~~7.4 or 12.7.9~~; ~~or~~

~~(c) a CCP RTGS Instruction generated by ASX Clear under Rule 12.7.4,~~

(c) a CCP Rescheduled Batch Instruction generated by ASX Clear under Rule 12.6.2B; or

(d) a CCP Offsetting Transaction Arrangement Batch Instruction generated or deemed to be generated by ASX Clear under Rule 12.6.2A(c) or Rule 12.6.2A(d),

and ASX Clear requests the Approved Settlement Facility to reschedule the Instruction or schedule the resulting Instruction (as applicable) to the next Business Day, ASX Clear will apply a Standard Settlement Price to determine a Revised Settlement Amount for each Instruction or part of Instruction that ASX Clear requests the Approved Settlement Facility to reschedule or schedule (as applicable) for settlement and:

(~~d~~e) if ASX Clear has an entitlement to receive under ~~a rescheduled~~the Instruction and:

(i) if the Revised Settlement Amount is greater than the Settlement Amount of the Instruction that has Failed, the delivering Participant must pay ASX Clear the difference between the two amounts; or

(ii) if the Revised Settlement Amount is less than the Settlement Amount of the Instruction that has Failed, ASX Clear must pay to the delivering Participant the difference between the two amounts;

(~~e~~f) if ASX Clear has an obligation to deliver under ~~a rescheduled~~the Instruction and:

(i) if the Revised Settlement Amount is less than the Settlement Amount of the ~~Settlement~~ Instruction that has Failed, the receiving Participant must pay ASX Clear the difference between the two amounts; and

(ii) if the Revised Settlement Amount is greater than the Settlement Amount of the Instruction that has Failed, ASX Clear must pay the receiving Participant the difference between the two amounts; and

(g~~f~~) ASX Clear will apply the Revised Settlement Amount to each Instruction.

Introduced 11/03/04 Origin SCH 7.28.2 Amended 28/04/14

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12.8A ASX CLEAR TO ENTER INTO OFFSETTING TRANSACTIONS

12.8A.1 Offsetting Transaction Arrangement

Where the Approved Settlement Facility Fails CCP Batch Instructions for a Payment Shortfall (or to limit a Settlement Participant's net obligation to make payment in respect of that Payment Facility to the amount notified under Rule 10.10.4(a) of the operating rules of the Approved Settlement Facility) or for a suspension or termination of a Payments Provider that would affect payment under a CCP Batch Instruction, and notifies ASX Clear of those CCP Batch Instructions:

(a) ASX Clear may, in its absolute discretion, enter into an Offsetting Transaction Arrangement with each non-defaulting Participant (or in the case of a CCP Batch Instruction Failed for a suspension or termination of a Payments Provider, with the affected Participant other than for where the affected

Participant's authority to clear the category of Market Transaction that underlies the Failed CCP Batch Instruction has been suspended or terminated) that has obligations or entitlements under the Failed CCP Batch Instruction (reflecting obligations and entitlements under Cash CCP Transactions to which the Participant is a counterparty which underlie such CCP Batch Instruction);

(b) The Offsetting Transaction Arrangement is to provide for:

(i) under the first leg of the Offsetting Transaction Arrangement, obligations and entitlements which are equal but opposite to the outstanding obligations and entitlements of ASX Clear and the Participant under the Failed CCP Batch Instruction;

(ii) under the second leg of the Offsetting Transaction Arrangement, obligations and entitlements which are equal but opposite to the obligations and entitlements of ASX Clear and the Participant under the first leg of the Offsetting Transaction Arrangement (ie equal to the outstanding obligations and entitlements of ASX Clear and the Participant under the Failed CCP Batch Instruction),

on the terms set out in the Procedures.

(c) Nothing further is required to be done by either ASX Clear or the Participant in order to enter into and bring into effect such Offsetting Transaction Arrangement;

(d) At the time of entry into an Offsetting Transaction Arrangement, the delivery and payment obligations and entitlements of the Participant and ASX Clear under the Failed CCP Batch Instruction are to be set-off against the equal but opposite payment and delivery obligations and entitlements of the Participant and ASX Clear under the first leg of the Offsetting Transaction Arrangement relating to the Failed CCP Batch Instruction, with the result that:

(i) each of the obligations of a Participant to deliver Financial Products (or Entitlements relating to those Financial Products) to ASX Clear under the Failed CCP Batch Instruction are discharged by the equal but opposite obligations of ASX Clear to deliver Financial Products (or Entitlements relating to those Financial Products) to the Participant under the first leg of the Offsetting Transaction Arrangement;

(ii) each of the obligations of ASX Clear to make payment to the Participant under the Failed CCP Batch Instruction are discharged by the equal but opposite obligations of the Participant to make payment to ASX Clear under the first leg of the Offsetting Transaction Arrangement;

(iii) each of the obligations of ASX Clear to deliver Financial Products (or Entitlements relating to those Financial Products) to a Participant under the first leg of the Offsetting Transaction Arrangement are discharged by the equal but opposite obligations of the Participant to deliver Financial Products (or Entitlements relating to those Financial Products) to ASX Clear under the Failed CCP Batch Instruction; and

(iv) each of the obligations of a Participant to make payment to ASX Clear under the first leg of the Offsetting Transaction Arrangement are discharged by the equal but opposite obligations of ASX Clear to make payment to the Participant under the Failed CCP Batch Instruction;

(e) payment and delivery obligations and entitlements of a Participant under the second leg of the Offsetting Transaction Arrangement will be due for settlement on the following Business Day and are subject to set-off against all other payment and delivery obligations and entitlements for the PID to which the Failed CCP Batch Instruction related and inclusion for settlement in accordance with Rule~~s~~ 12.6 ~~and 12.7 (as applicable)~~ and discharge by net delivery and net payment in accordance with Rule 12.4.

Introduced 28/04/14 Amended 01/10/15

12.9 ISOLATE COUNTERPARTY – CASH CCP TRANSACTIONS

12.9.1 Where CCP ~~Net~~ Market Trade Batch Instruction has Failed, been suspended or upon cancellation of Batch Settlement

In relation to a CCP ~~Net~~ Market Trade Batch Instruction:

(a) which has Failed in full or in part and results in the generation of a CCP Rescheduled Batch Instruction under Rule 12.6.2B(a), a CCP Offsetting Transaction Arrangement Batch Instruction under Rule 12.6.2A or an Accrued Batch Instruction under the operating rules of the Approved Settlement Facility;

(b) which has been suspended and results in the generation of a CCP Rescheduled Batch Instruction under Rule 12.6.2B(b); or

(c) which was due to settle on a day when Batch Settlement was cancelled and results in the generation of a CCP Rescheduled Batch Instruction under Rule 12.6.2B(c),

a Buyer (or if the Buyer is not also a Settlement Participant, a Settlement Participant acting as Settlement Agent for a Buyer) may request ASX Clear to isolate a counterparty in relation to the CCP Rescheduled Batch Instruction, CCP Offsetting Transaction Arrangement Batch Instruction or Accrued Batch Instruction (as applicable) and ASX Clear may, in its absolute discretion:

(d~~a~~) select one or more Sellers in respect of the CCP Rescheduled Batch Instruction, CCP Offsetting Transaction Arrangement Batch Instruction or Accrued Batch Instruction (as applicable) ~~CCP Net Batch Instruction~~ relating to that particular class of Financial Products so that the Financial Products to be delivered by the Seller or Sellers matches the total number of Financial Products to be received by the Buyer in relation to that particular class of Financial Products;

(e~~b~~) create ~~a~~ CCP ~~Gross~~ Isolate Counterparty Batch Instructions between ASX Clear and the Seller or Sellers and ASX Clear and the Buyer relating to that number of Financial Products and send the ~~i~~Instructions to the Approved Settlement Facility for settlement on the next Business Day;

(f) apply to the CCP Isolate Counterparty Batch Instructions created under paragraph (e) the same unique identifier code for the purpose of the Approved Settlement Facility linking the settlement of those CCP Isolate Counterparty Batch Instructions in Batch Settlement, so that if one of the linked CCP Isolate Counterparty Batch Instructions is Failed in full or in part on a Settlement Date, the linked CCP Isolate Counterparty Batch Instructions with the same unique identifier code will also be Failed in full or in part (as applicable) on that Business Day;

(g~~e~~) reduce the Seller's or Sellers' relevant CCP Rescheduled Batch Instructions, CCP Offsetting Transaction Arrangement Batch Instruction(s) or Accrued Batch Instruction(s) (as applicable) ~~CCP Net Batch instructions~~ by the number of units included in the ~~i~~Instruction created under Rule 12.9.1(e); and

(h~~d~~) reduce the Buyer's relevant CCP Rescheduled Batch Instruction, CCP Offsetting Transaction Arrangement Batch Instruction or Accrued Batch Instruction (as applicable) ~~CCP Net Batch instructions~~ by the number of units included in the Instruction created under Rule 12.9.1(e).

Introduced 11/03/04 Origin SCH 7.45.1 Amended 01/10/15

12.9.2 ASX Clear may take action to isolate counterparties

Even though a Buyer has not requested ASX Clear to act in accordance with Rule 12.9.1, ASX Clear:

(a) may take such action under Rule 12.9.1 as if the identified Buyer had made such request under Rule 12.9.1; and

(b) where such action is taken, will notify all Sellers and Buyers of the resulting settlement obligation.

Introduced 11/03/04 Origin SCH 7.45.4

12.9.3 Application of the Rules

Rule 12.9.1 applies to action taken by ASX Clear under Rule 12.9.2 as if the Buyer had made the request under Rule 12.9.1.

Introduced 11/03/04 Origin SCH 7.45.5

12.10 DISCHARGE OF SETTLEMENT OBLIGATIONS RELATING TO CASH CCP TRANSACTIONS

12.10.1 Time at which discharge of settlement obligations occur

Subject to Rule 12.8A in respect of Cash CCP Transactions underlying a Failed CCP Batch Instruction settled through a Cash CCP Transaction that is a transaction under the first leg of an Offsetting Transaction Arrangement, ASX Clear and Participants will be taken under these Rules to have discharged their settlement obligations in relation to Cash CCP Transactions under Rule 4.20 only upon receipt by ASX Clear and the Participant or the Participant's Settlement Participant of a declaration by an Approved Settlement Facility that in accordance with the operating rules of that Approved Settlement Facility:

(a) each obligation to deliver Financial Products is discharged irrevocably in full;

(b) each entitlement to receive Financial Products or Entitlements is satisfied irrevocably in full;

(c) each obligation to make payment has been discharged irrevocably in full; and

(d) each entitlement to receive a payment has been satisfied irrevocably in full.

Note: A notification from ASX Settlement under Rule 10.13.3 of the ASX Settlement Operating Rules is a relevant declaration for the purposes of this Rule 12.10.1.

Introduced 11/03/04 Origin SCH 7.30.2 Amended 28/04/14

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12.17.3 Single net payment

In addition to Rule 12.17.2A, ASX Clear may determine, and set out in the Procedures, that any net payment rights and net payment obligations arising under Rule 12.16 (including, where the Participant has been allocated or attributed more than one PID, any net payment rights or net payment obligations notified under Rule 12.16.1(c) or any net payment rights or net payment obligations notified under Rule 12.16.2(c)) may be settled through a single net payment of those amounts.

Introduced 11/03/04 Origin OCH 4.3.5A Amended 08/08/13

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SECTION 24 TRANSITIONAL ARRANGEMENTS (TRANSITION TO NEW SYSTEM)

This Section sets out transitional arrangements governing the transition from the Old System to the New System, including:

(a) the processing of Collateral removal requests;

(b) Clearing Messages that will not be migrated from the Old System to the New System;

(c) transitional arrangements for CCP Batch Instructions; and

(d) the commencement timing for the transitional arrangements.

24.1 INTERPRETATION

24.1.1 Definitions

In this Rule 24:

"**Effective Period**" in respect of a Rule in this Section 24 means the period during which that Rule is effective, as specified in the Procedure to Rule 24.1.2.

"**New System**" means the Clearing House Electronic Subregister System operated by ASX Clear and ASX Settlement from the New System Start Date.

"**New System Start Date**" means the date that ASX Clear notifies Participants as being the date on which the New System commences operation.

"**Old System**" means the Clearing House Electronic Subregister System operated by ASX Clear and ASX Settlement until the Old System Close Date.

"**Old System Close Date**" means the date that ASX Clear notifies Participants as being the date on which the Old System will cease to accept Clearing Messages from Participants.

24.1.2 Commencement

Each Rule specified in this Section 24 will:

(a) be effective on and from the commencement of the Effective Period for that Rule specified in the Procedures; and

(b) if applicable, will cease to be effective at the end of the Effective Period for that Rule specified in the Procedures.

24.2 COLLATERAL REQUESTS

24.2.1 Lodgement or withdrawal of Approved Financial Products as Cover against margin obligations

(a) Notwithstanding paragraph 3.4 in Annexure 1 of the Procedures, if in the event that a Participant wishes to exchange Collateral or replace one form of Cover with another form of Cover in respect of margin obligations on the Old System Close Date or the New System Start Date, which involves a process occurring through the Old System on or prior to the Old System Close Date, then:

(i) for an exchange of Collateral under paragraph 3.4(a) in Annexure 1 of these Procedures, ASX Clear can determine, at its absolute discretion, a different time for when the relevant Collateral may be replaced by other Collateral than the times currently specified in that paragraph (i.e. between 8:00 am and 5:00pm on a Business Day);

(ii) for a replacement of Collateral with Cash Cover under paragraph 3.4(b) in Annexure 1 of these Procedures, ASX Clear can determine, at its absolute discretion, a different time for when withdrawal requests must be transmitted by a Participant than the time currently specified in that paragraph (i.e. by 5:00 pm on the Business Day before the release of the Collateral is required); and

(iii) for a replacement of Cash Cover with Collateral under paragraph 3.4(c) in Annexure 1 of these Procedures, ASX Clear can determine, at its absolute discretion, a different time for when the replacement Collateral must be lodged by a Participant than the time currently specified in that paragraph (i.e. by 5:00 pm on the Business Day before the release of the Cash Cover is required).

(b) Without limiting Rule 24.3.1, where in relation to the:

(i) lodgement of Approved Financial Products as Cover or specific Cover for margin obligations;

(ii) exchange of Collateral or replacement of one form of Cover with another form of Cover for margin obligations;

(iii) withdrawal of Approved Financial Products not covering margin obligations; or

(iv) transfer of Collateral from one Participant to another Participant,

the workflow required to be performed through the Old System in respect of such lodgement, exchange or replacement, withdrawal or transfer has not been completed through the Old System by the End of Day on the Old System Close Date, ASX Clear will not give effect to such lodgement, exchange or replacement, withdrawal or transfer.

Note: ASX Clear will attempt to process requests relating to such lodgement, exchange, replacement, withdrawal or transfer of Cover submitted through the Old System

on the Old System Close Date or on the prior Business Day by End of Day on the Old System Close Date.

Subject to these Rules, requests relating to such lodgement, exchange, replacement, withdrawal or transfer of Cover submitted through the Old System that are not given effect to by ASX Clear may be re-initiated by Participants through the New System from the New System Start Date.

24.2.2 Third Party Withdrawals of CHESS Holdings

Notwithstanding paragraph 3.6 in Annexure 1 of the Procedures, for withdrawals of CHESS Holdings lodged as Cover in respect of margin obligations for Derivatives CCP Contracts under Rule 14.6 where the ASX Settlement participant is different to the ASX Clear Participant, if the ASX Clear Participant receives a CHESS *168 – CP Collateral Removal Authorisation Request message* less than 2 Business days prior to the Old System Close Date, the ASX Clear Participant must respond with a CHESS 103 – *CP Collateral Removal Authorisation message* or a CHESS 109 – *CP Collateral Removal Rejection message* by End of Day on the Old System Close Date.

Note: If an ASX Clear Participant receives a Message of a type specified in Rule 24.2.2 less than two Business days before the Old System Close Date and the ASX Clear Participant does not respond to the Message with a CHESS 168 – CP Collateral Removal Authorisation Request message by the End of Day on the Old System Close Date, pursuant to Rule 24.3 the Message will not be migrated to the New System unless the Message is of a type specified in the Procedure to Rule 24.3.1.

24.3 UNACTIONED CLEARING MESSAGES

24.3.1 Unactioned Old System Clearing Messages at End of Day on Old System Close Date not migrated

Notwithstanding any other Rule:

(a) if a Clearing Message is:

(i) submitted by a Participant or ASX Clear through the Old System before the End of Day on the Old System Close Date;

(ii) not responded to by ASX Clear or a Participant (as applicable) through the Old System, by the End of Day on the Old System Close Date; and

(iii) not of a type specified in the Procedures,

ASX Clear will not migrate the Message from the Old System to the New System and will not give effect to the Clearing Message; and

(b) if a Participant submits a Clearing Message to ASX Clear on or after the New System Start Date responding, or purporting to respond, to a Clearing Message that is not migrated by ASX Clear under paragraph (a), ASX Clear will not give effect to the Clearing Message submitted by the Participant despite any other Rule.

Note: This Rule 24.3 only applies to Clearing Messages submitted through CHESS. It does not apply to Clearing Messages submitted through the Derivatives Clearing System or the giving effect to those Clearing Messages. This includes, without limitation, any Exercise Notices submitted by a Buyer of an Options CCP Contract to ASX Clear through the Derivatives Clearing System, which when allocated by ASX Clear to a Seller of an Options CCP Contract will continue to generate in CHESS CCP Batch Instructions notified by ASX Clear to the Approved Settlement Facility for settlement in the Approved Settlement Facility on the relevant Settlement Date.

Subject to these Rules, requests, notifications or other actions relating to Clearing Messages submitted through the Old System that are not migrated by ASX Clear may be re-initiated by Participants through the New System from the New System Start Date.

Where a Clearing Message which has submitted through the Old System is of a type specified in the Procedure to Rule 24.3.1(a)(iii), ASX Clear may give effect to that Clearing Message through the New System from the New System Start Date.

24.4 CCP BATCH INSTRUCTIONS

24.4.1 Migration of CCP Batch Instructions

Each CCP Batch Instruction generated or deemed to be generated by ASX Clear and sent to the Approved Settlement Facility by Start of Day on the New System Start Date in respect of the Old System which is yet to be discharged in full, is to be migrated to the New System and scheduled for settlement in the manner set out in ASX Settlement Operating Rule 19.4.1.

Note: ASX Settlement Operating Rule 19.4.1 deals with the migration to the New System and scheduling in DvP Batch Settlement of CCP Batch Instructions received or deemed to be received by the Approved Settlement Facility from ASX Clear by Start of Day on the New System Start Date in respect of the Old System which are yet to be discharged in full.

24.4.2 Linked CCP Batch Instructions

(a) For each CCP Gross Batch Instruction generated by ASX Clear and sent to the Approved Settlement Facility by Start of Day on the New System Start Date in respect of the Old System which is yet to be discharged in full, for which the underlying Cash CCP Transaction is of a type specified in the Procedures, ASX Clear will notify the Approved Settlement Facility of a unique identifier code in respect of that CCP Gross Batch Instruction for the purpose of the Approved Settlement Facility linking the settlement of the CCP Rescheduled Batch Instruction recorded in the New System and scheduled for settlement in DvP Batch Settlement in respect of that CCP Gross Batch Instruction, so that if one of the linked CCP Rescheduled Batch Instructions is Failed or Failed in part on a Settlement Date, the linked CCP Rescheduled Batch Instructions will also be Failed or Failed in part (as applicable) on that Business Day.

(b) For each CCP Gross Batch Instruction generated by ASX Clear under Rule 12.9.1 and sent to the Approved Settlement Facility by Start of Day on the New

System Start Date in respect of the Old System which is yet to be discharged in full, ASX Clear will notify the Approved Settlement Facility of a unique identifier code in respect of that CCP Gross Batch Instruction for the purpose of the Approved Settlement Facility linking the settlement of the CCP Isolate Counterparty Batch Instruction recorded in the New System and scheduled for settlement in DvP Batch Settlement in respect of that CCP Gross Batch Instruction, so that if one of the linked CCP Isolate Counterparty Batch Instructions is Failed or Failed in part on a Settlement Date, the linked CCP Isolate Counterparty Batch Instructions will also be Failed or Failed in part (as applicable) on that Business Day.

ASX CLEAR OPERATING RULES PROCEDURES

SECTION 1 INTRODUCTION AND GENERAL RULES

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PROCEDURE 1.17.1 GRANT OF CHESS LICENCE

The Procedures referred to in this Rule are contained in the ~~ASX Settlement Participant Guidelines (APG), and the External Interface Specification (EIS).~~ User Technical Documentation.

Introduced 11/03/04 Amended 21/06/05

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SECTION 2 DEFINITIONS AND INTERPRETATION

PROCEDURE 2.10 DEFINITIONS AND INTERPRETATION

"PID" – where requested by a Participant in accordance with any requirements (including the payment of any fee) notified by ASX Clear from time to time, ASX Clear may allocate or attribute more than one PID per Participant up to a maximum number of five (5) PIDs per Participant.

Introduced 02/08/13

"User Technical Documentation" - has the meaning given to it in the ASX Settlement Operating Rules.

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PROCEDURE 4.20.1 SETTLEMENT OF CASH MARKET TRANSACTIONS AND CASH CCP TRANSACTIONS

For the purposes of Rule 4.20.1, a Cash Market Transaction may be settled on a day other than the second Business Day following the date the transaction was created on or reported to the Approved Market Operator where:

(a) the Cash Market Transaction is a forward delivery transaction (in which case the Cash Market Transaction must be settled on the agreed forward date); ~~or~~

(b) ASX Clear classifies the Cash Market Transaction as "deferred delivery" or "deferred settlement" (in which case the Cash Market Transaction must be settled on the day specified by ASX Clear); ~~.~~

(c) the Cash Market Transaction is reported to the Approved Market Operator with an "as at" date that is one Business Day prior to the date the transaction was reported to the Approved Market Operator (in which case, the Cash Market Transaction will be settled on the second Business Day following the "as at" date);

(d) the Cash Market Transaction is reported to the Approved Market Operator with an "as at" date that is more than one Business Day prior to the date the transaction was reported to the Approved Market Operator (in which case, the Cash Market Transaction must be settled on the first Business Day following the date the transaction was reported to the Approved Market Operator); or

(e) a market for dealing in a Financial Product which involves a different basis of quotation to the existing quotation in that Financial Product is established in accordance with the operating rules of the Approved Market Operator, and a Cash Market Transaction for the Financial Product is executed on a 'cum' benefit basis during a period when the existing quotation of the Financial Product is on the basis of 'ex' the benefit (in which case, the Cash Market Transaction must be settled on the first Business Day following the date that the transaction was created on or reported to the Approved Market Operator).

Introduced 27/06/11 Amended 07/03/16

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SECTION 6 COMMUNICATIONS WITH ASX CLEAR

PROCEDURE 6.2 TESTING REQUIREMENTS

ASX Clear may require a Participant to undertake the following testing:

Primary Technical Accreditation – CHESS

Accreditation must be successfully completed for all Participants' ~~EIS~~ software. The extent of the testing required is contained in the applicable ~~CHESS~~ Participant technical accreditation ~~Technical Accreditation~~ document available from ASX Clear.

All tests will be based on specifications and procedures defined in the ~~EIS and APG~~User Technical Documentation.

Connectivity testing – DCS

The connectivity test is an objectively successful status check of the Gateway and server undertaken by the Central Clearing Controller (CCC) as initiated by ASX Clear. Note that this does not require ASX Clear to physically attend the premises of the Participant.

Validation testing – DCS

Validation tests must be successfully completed by Participants using ASX Derivatives Clearing System OIS software. The extent of the testing required is contained in the applicable Derivatives Clearing System Participant Technical Accreditation document available from ASX Clear.

ASX Clear will notify Participants of any amendment or addition to these validation tests.

Introduced 11/03/04 Amended 21/06/05, 27/06/11

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SECTION 12 REGISTRATION, NOVATION, NETTING AND SETTLEMENT

PROCEDURE 12.1.1 MARKET TRANSACTIONS TO BE REGISTERED

Cash Market Transactions:

(a) Subject to paragraph (b), ASX Clear will accept for registration a Cash Market Transaction that is a reportable transaction under the operating rules of an Approved Market Operator that:

(i) results from the process of matching bids and offers in a trading platform of the Approved Market Operator; or

(ii) is recorded by a trading platform of the Approved Market Operator.

(b) ASX Clear will not accept for registration a Cash Market Transaction in a class of Financial Product to which the acceptable considerations for not clearing certain securities apply. The acceptable considerations are set out in the Open Access Principles for a licensed listing market seeking access to ASX Clear published by the Commission and Reserve Bank of Australia.

If the delivering PID and the receiving PID relate to the same legal entity, ASX Clear will~~, unless instructed otherwise in accordance with the Procedures,~~ register the Cash Market Transaction and notify the relevant Participant that the Cash Market Transaction has been registered for information only.

Amended 23/11/20

Derivatives Market Transactions:

~~**CONTRACTS WHICH WILL BE REGISTERED**~~

ASX Clear will accept for registration a Derivatives Market Transaction that comprises:

(a) an Options Market Contract; or

(b) a Futures Market Contract,

traded on a trading platform of ASX.

ASX Clear will notify Participants of any new, or amendments to, Derivatives Market Contracts that it will accept for registration. Notification will be by way of a Notice to Participants.

Introduced 11/03/04 Amended 28/11/05, 27/06/11, 07/06/13

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PROCEDURE 12.1.5 TIMING OF REGISTRATION

Cash Market Transactions:

Registration of a Cash Market Contract will occur immediately upon novation of the Cash Market Transaction under Rule 12.2.1, or in the case of an Offsetting Transaction Arrangement, registration of a transaction under the second leg of the Offsetting Transaction Arrangement will occur immediately upon the entry into of the Offsetting Transaction Arrangement.

Derivatives Market Transactions:

~~**TIME OF REGISTRATION OF MARKET CONTRACTS**~~

Unless ASX Clear notifies Participants of another time, registration of a Derivatives Market Transaction will occur when the Derivatives Market Contract has been properly designated to Accounts of **both** Participants in whose names the Derivatives CCP Contracts will be registered.

Introduced 11/03/04 Amended 28/04/14

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PROCEDURE 12.2.1 NOVATION – [DELETED]

~~Where the delivering PID and the receiving PID relate to the same legal entity, a Participant may instruct ASX Clear in writing and in a manner advised by ASX Clear from time to time, that it is not necessary to register a Cash Market Transaction and notify the Participant that it has been registered.~~

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PROCEDURE 12.6.1A NETTED OBLIGATION REPORT

For Rule 12.6.1A(b):

(a) unless otherwise notified by ASX Clear, ASX Clear will notify a Participant of its projected Novated Net Delivery Position in respect of each PID for each class of Financial Product before Start of Day on each Business Day; and

(b) the notification will include:

(i) the Participant's projected Novated Net Delivery Position:

a. for each class of Financial Product for the relevant PID;

b. in respect of each Business Day on which a Cash CCP Transaction in that class of Financial Product is due for settlement;

c. calculated as at the time specified in Rule 12.6.1A(b);

(ii) the Settlement Account to which the Novated Net Delivery Position relates;

(iii) the class and number of Financial Products to be delivered or received in relation to the Novated Net Delivery Position;

(iv) whether the relevant Novated Net Delivery Position would result in a net delivery obligation or a net receipt entitlement in relation to that class of Financial Products;

(v) the Settlement Date to which the relevant Novated Net Delivery Position relates;

(vi) the total number of Cash CCP Transactions that comprise the relevant Novated Net Delivery Position; and

(vii) the amount of money to be paid or received in relation to the relevant Novated Net Delivery Position,

in respect of each applicable Settlement Date.

Note: *For the purpose of paragraph (b)(i)a. in determining the relevant Novated Net Delivery Position in respect of a PID of a Participant for a class of Financial Products due to be delivered or received on a Business Day during an Ex-Period (as defined in the ASX Settlement Operating Rules), regard is to be had to whether the Financial Product is to be transferred with or without the relevant Entitlement.*

Pursuant to Rule 12.6.1A(d), where a Participant (or its Settlement Agent) operates multiple Settlement Accounts for the settlement of CCP Batch Instructions in respect of a PID of the Participant, and CCP Market Trade Batch Instructions in a class of Financial Products due for settlement on a Business Day relate to more than one of those Settlement Accounts, ASX Clear will calculate, or cause to be calculated, and notify a separate Novated Net Delivery Position in respect of each Settlement Account to which the CCP Market Trade Batch Instructions relate.

PROCEDURE 12.6.2 NOTIFICATION OF CASH CCP TRANSACTIONS TO APPROVED SETTLEMENT FACILITY

~~The time by which~~ ASX Clear will generate and forward a CCP Market Trade ~~Net~~ Batch Instruction~~s~~ in respect of each Cash CCP Transaction to the Approved Settlement Facility on a continuous basis as the Cash CCP Transaction arises ~~is by Start of Day on the Business Day before the Settlement Date~~.

The CCP Market Trade ~~Net~~ Batch Instruction will:

(a) specify:

(i) the class of Financial Products;

(ii) the ~~net~~ number of Financial Products of that class to be delivered to ASX Clear by the Participant or received from ASX Clear by the Participant ~~for each PID~~;

(iii) the net Settlement Amount to be paid to ASX Clear by the Participant or received from ASX Clear by the Participant ~~for each PID~~;

(iv) if the Participant is obliged to deliver Financial Products, the source ~~PID~~ HIN from which the Financial Products are to be delivered;

(v) if the Participant is entitled to receive Financial Products, the target ~~PID~~ HIN to which the Financial Products are to be delivered; and

(vi) the scheduled Settlement Date;

(b) include the PID of the delivering Participant or receiving Participant, as the case requires; and

(c) be designated as an on market transaction.

Note: For the purpose of determining the number of Financial Products in a class due to be delivered or received on a Business Day during an Ex-Period (as defined in the ASX Settlement Operating Rules), regard is to be had to whether the Financial Product is to be transferred with or without the relevant Entitlement.

Introduced 11/03/04 Amended 27/06/11, 08/08/13

PROCEDURE 12.6.2A OBLIGATIONS UNDER OFFSETTING TRANSACTION ARRANGEMENT RELATING TO FAILED CCP BATCH INSTRUCTION

The time by which ASX Clear will generate and forward a CCP Offsetting Transaction Arrangement Batch Instruction to the Approved Settlement Facility is during the Settlement Processing Phase on a Settlement Date.

The CCP Offsetting Transaction Arrangement Instruction will:

(a) specify:

(i) the class of Financial Products;

(ii) the net number of Financial Products of that class to be delivered to ASX Clear by the Participant or received from ASX Clear by the Participant for each PID;

(iii) the net Settlement Amount to be paid to ASX Clear by the Participant or received from ASX Clear by the Participant for each PID;

(iv) if the Participant is obliged to deliver Financial Products, the source HIN from which the Financial Products are to be delivered;

(v) if the Participant is entitled to receive Financial Products, the target HIN to which the Financial Products are to be delivered; and

(vi) the scheduled Settlement Date, being the next Settlement Date;

(b) include the PID of the delivering Participant or receiving Participant, as the case requires; and

(c) be designated as an on market transaction.

Note: Pursuant to Rule 12.6.2A(c)(iii), where a Participant (or its Settlement Agent) operates multiple Settlement Accounts for the settlement of CCP Batch Instructions in respect of a PID of the Participant, and the CCP Market Trade Batch Instructions in a class of Financial Products that are Failed on a Settlement Date relate to more than one of those Settlement Accounts, ASX Clear will send to the Approved Settlement Facility a separate

CCP Offsetting Transaction Arrangement Batch Instruction in respect of each Settlement Account to which the Failed CCP Market Trade Batch Instructions relate.

PROCEDURE 12.6.2B RESCHEDULING OF CCP MARKET TRADE BATCH TRANSACTIONS AS CCP RESCHEDULED INSTRUCTIONS

The time by which ASX Clear will generate and forward CCP Rescheduled Batch Instructions to the Approved Settlement Facility is during the Settlement Processing Phase on a Settlement Date, or in the case of a cancellation of Batch Settlement on a Business Day, on or about the time of notification by the Approved Settlement Facility to ASX Clear of the cancellation.

The CCP Rescheduled Batch Instruction will:

(a) specify:

(i) the class of Financial Products;

(ii) the net number of Financial Products of that class to be delivered to ASX Clear by the Participant or received from ASX Clear by the Participant for each PID;

(iii) the net Settlement Amount to be paid to ASX Clear by the Participant or received from ASX Clear by the Participant for each PID;

(iv) if the Participant is obliged to deliver Financial Products, the source HIN from which the Financial Products are to be delivered;

(v) if the Participant is entitled to receive Financial Products, the target HIN to which the Financial Products are to be delivered; and

(vi) the scheduled Settlement Date, being the next Settlement Date;

(b) include the PID of the delivering Participant or receiving Participant, as the case requires; and

(c) be designated as an on market transaction.

Note: Pursuant to Rule 12.6.2B(d), where a Participant (or its Settlement Agent) operates multiple Settlement Accounts for the settlement of CCP Batch Instructions in respect of a PID of the Participant, and the CCP Market Trade Batch Instructions in a class of Financial Products that are Failed or suspended on a Settlement Date or that are due for settlement on a Business Day when batch settlement is cancelled (as applicable) relate to more than one of those Settlement Accounts, ASX Clear will send to the Approved Settlement Facility a separate CCP Rescheduled Batch Instruction in respect of each Settlement Account to which those CCP Market Trade Batch Instructions relate.

PROCEDURE 12.7.1 REMOVAL BY ASX CLEAR OF A CASH CCP TRANSACTION FROM SETTLEMENT NOTIFICATION

ASX Clear may remove a Cash Market Transaction from settlement notification under this Rule provided it does so prior to the commencement of the Settlement Processing Phase on the Settlement Date~~netting for scheduled settlement~~.

Introduced 11/03/04

PROCEDURE 12.7.2 BUYER AND SELLER MAY REQUEST CASH MARKET TRANSACTION BE REMOVED FROM NOVATION AND SET OFF – [DELETED]

~~The Buyer and Seller must notify ASX Clear of their request to remove a Cash Market Transaction from novation and set off before netting for scheduled settlement, i.e. before End of Day on the second Business Day before the Settlement Date.~~

Introduced 11/03/04 Amended 27/06/11, 07/03/16

PROCEDURE 12.7.3 BUYER AND SELLER MAY REQUEST CASH CCP TRANSACTIONS BE EXCLUDED FROM SET OFF - [DELETED]

~~The Buyer and Seller must notify ASX Clear of their request to exclude a Cash Market Transaction from set off before End of Day on the second Business Day before the Settlement Date.~~

~~The Buyer and Seller must notify ASX Clear of their request to settle a Cash Market Transaction in Real Time Gross Settlement before End of Day on the second Business Day before the Settlement Date.~~

Introduced 11/03/04 Amended 27/06/11, 07/03/16

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PROCEDURE 12.7.4 ACTION BY ASX CLEAR WHERE BUYER AND SELLER REQUEST CASH CCP TRANSACTION BE EXCLUDED FROM SET OFF – [DELETED]

~~**Requests relating to CCP Gross Batch Instructions:**~~

~~The time by which ASX Clear will generate and forward CCP Gross Batch Instructions to the Approved Settlement Facility is by Start of Day on the Business Day before the Settlement Date of the Cash CCP Transaction.~~

~~**Requests relating to CCP RTGS Instructions:**~~

~~The time by which ASX Clear will generate and forward CCP RTGS Instructions to the Approved Settlement Facility is by Start of Day on the Business Day before the Settlement Date.~~

Introduced 11/03/04 Amended 27/06/11

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PROCEDURE 12.7.5 BUYER AND SELLER MAY CANCEL REQUEST - [DELETED]

~~The Buyer and Seller must notify ASX Clear of their cancellation of a request to:~~

~~(a) exclude the Cash CCP Transaction from novation and set off (under Rule 12.7.2),~~

~~(b) exclude the Cash CCP Transaction from set off (under Rule 12.7.3);~~

~~before End of Day on the second Business Day before the Settlement Date.~~

Introduced 11/03/04 Amended 27/06/11

PROCEDURE 12.7.7 REQUEST BY BUYER OR SELLER WHERE COUNTERPARTY NOT KNOWN – [DELETED]

~~A Clearing Participant must notify ASX Clear if it wishes to make a request under either Rule 12.7.2 or Rule 12.7.3, in the following manner:~~

~~By email or telephone to the Help Desk during the operating hours of 8.00 am (Sydney time) to 5.00 pm (Sydney time), prior to the netting process.~~

~~and must include the following information:~~

~~(a) the ASX security code~~

~~(b) the settlement amount~~

~~(c) the unit quantity~~

~~(d) the CHESS transaction id from the CHESSMT 164 (Notified Trade)~~

~~(e) the settlement date~~

Introduced 28/11/05

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SECTION 14 RISK MANAGEMENT

PROCEDURE 14.6.2 DEPOSIT OF EXCESS CASH

Currently ASX Clear only accepts deposits of Excess Cash in respect of Cash Market Accounts and Client Accounts in which Options Market Contracts are registered.

Cash Market Account

A Participant may maintain an Excess Cash balance in its Cash Market Account with ASX Clear if, prior to depositing Excess Cash with ASX Clear, the Participant notifies ASX Clear, in the manner specified by ASX Clear, of its~~lodges a~~ standing settlement instruction ~~by sending a 909 – *Excess Cash Standing Instruction Amendment Request* CHESS message. A standing settlement instruction~~ which must identify the maximum amount of Excess Cash the Participant intends to deposit in its Cash Market Account with ASX Clear. After the Participant receives confirmation from ASX Clear of the application of that standing settlement instruction ~~a 936 – *Effected Excess Cash Standing Instruction Amendment*~~, the standing settlement instruction will become effective for settlement on the next business day.

A Participant may amend an existing standing settlement instruction by ~~sending a 909 – *Excess Cash Standing Instruction Amendment Request* CHESS message to~~ notifying ASX Clear, in the manner

specified by ASX Clear. After the Participant receives confirmation from ASX Clear of the amendment ~~a 936 – *Effected Excess Cash Standing Instruction Amendment*~~, the standing settlement instruction will become effective for settlement on the next business day.

Client Accounts for Options Market Contracts

A Participant may maintain Excess Cash with ASX Clear for a Client Account in which Options Market Contracts are registered if the Participant has notified ASX Clear of a total cash amount that ASX Clear is to record in respect of that Client Account. Notification is to be provided by a Clearing Participant to ASX Clear using the method notified by ASX Clear from time to time.

Notification to ASX Clear in respect of a Client Account may be made at any time prior to 7.00pm, however, ASX Clear will only update its records when the cash amount is settled. The total cash amount notified in respect of a Client Account can be less than, equal to or more than Participant's Initial Margin and other margin obligations for the Client Account determined under Rule 14.5.1. However, such notification does not relieve the Participant of its obligation to provide ASX Clear with Cover for its Initial Margin and other margin obligations for the Client Account determined under Rule 14.5.1.

A notification provided by a Participant in respect of a Client Account remains in effect until changed by a further notice from the Participant.

A Participant may amend the total cash amount to be recorded by ASX Clear for a Client Account by:

(a) notifying ASX Clear at any time prior to 7.00pm of an increase in the total cash amount that ASX Clear is to credit to that Client Account; or

(b) complying with Procedure 14.6.6 in order to reduce the total cash amount credited by ASX Clear to that Client Account.

ASX Clear will determine the Excess Cash (if any) to be credited to a Client Account from time to time taking into account:

(a) the Initial Margin and other margin obligations of the Participant in respect of that Client Account;

(b) any Collateral provided in respect of that Client Account; and

(c) the total cash amount (if any) notified to ASX Clear by the Participant in respect of that Client Account.

If no total cash amount is notified by the Participant in respect of a Client Account, then ASX Clear will record nil Excess Cash in respect of that Client Account.

A notice of a total cash amount for a Client Account is not valid if it would result in the aggregate Cash Cover and Excess Cash balances of all Client Accounts of the Participant being greater than the cash deposited by the Participant with ASX Clear for all the Participant's Client Accounts.

Introduced 11/03/04 Amended 07/06/13, 30/11/15

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PROCEDURE 14.6.6 RETURN OF EXCESS CASH

Currently ASX Clear only accepts deposits of Excess Cash in respect of Cash Market Accounts and Client Accounts in which Options Market Contracts are registered.

Cash Market Account

A Participant may request the return of some or all Excess Cash credited to its Cash Market Account by ASX Clear by ~~sending a 909 – *Excess Cash Standing Instruction Amendment Request* CHESS message to~~ notifying ASX Clear of the request in the manner specified by ASX Clear. The Participant is required to notify~~lodge~~ the request on the business day before release of the Excess Cash is required. ASX Clear will undertake to return the Excess Cash to the Participant on the following business day in the normal daily scheduled Austraclear settlement.

Client Accounts for Options Market Contracts

A Participant may request the reduction of the total cash amount recorded by ASX Clear in respect of a Client Account in which Options Market Contracts are registered by notifying ASX Clear of the intended cash withdrawal value by 7.00pm on the business day before the cash is required to be released.

If the requested reduction in total cash amount is greater than the Excess Cash credited by ASX Clear to that Client Account, then the Participant must replace the Cash Cover with cash or Collateral before that cash amount will be released. Thereafter, the total cash amount recorded in respect of that Client Account will be the reduced total cash amount. However, such reduction in the total cash amount recorded does not relieve the Participant of its obligation to provide ASX Clear with Cover for the Initial Margin and other margin obligations for the Client Account determined under Rule 14.5.1.

Introduced 11/03/04 Amended 07/06/13, 30/11/15

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SECTION 24 TRANSITIONAL ARRANGEMENTS

PROCEDURE 24.1.2 COMMENCEMENT

For the purposes of Rule 24.1.2, the Rules in Section 24 becomes effective from the dates specified in the table below:

Rule	Effective Period
Rule 24.1.1	The period commencing on the date [6 months prior to the Old System Close Date *(insert earliest start date in this table)*] [and ending on the date which ASX Clear notifies Facility Users on which Section 24 ceases to be effective].
Rule 24.1.2	The period commencing on the date [6 months prior to the Old System Close Date *(insert earliest start date in this table)*] [and ending on the date which ASX Clear notifies Facility Users on which Section 24 ceases to be effective].

Rule 24.2.1	The period commencing on the date that is [2 Business Days prior to the Old System Close Date].
Rule 24.2.2	The period commencing on the date that is [2 Business Days prior to the Old System Close Date].
Rule 24.3.1	The period commencing on the date that is [1 Business Day prior to the Old System Close Date].
Rule 24.4.1	The period commencing on the date that is [2 Business Days prior to the Old System Close Date].
Rule 24.4.2	The period commencing on the date that is [2 Business Days prior to the Old System Close Date].

PROCEDURE 24.3.1 UNACTIONED OLD SYSTEM CLEARING MESSAGES AT END OF DAY ON OLD SYSTEM CLOSE DATE NOT MIGRATED

For the purposes of Rule 24.3.1(a)(iii), the following Messages are specified:

(a) none currently specified.

PROCEDURE 24.4.2 LINKED CCP BATCH INSTRUCTIONS

For the purpose of Rule 24.4.2(a), the types of Cash CCP Transactions are those that ASX Clear determines, at its discretion, to be ineligible for netting having regard to Financial Product eligibility and condition codes on the underlying Cash Market Transaction.

Note: CHESS currently applies netting eligibility criteria determined by:

- *Financial Product eligibility - where a Financial Product is marked 'ineligible' for complex corporate action event processing purposes, namely where the Financial Product is subject to a corporate action for which diary adjustments (i.e. redress mechanism for a settlement fail) are not supported by ASX Settlement.*

- *Condition codes on the trade – namely OR (Overseas Resident (Foreign to Foreign); P1 (Put through trade report $1M), P2 (Put through trade report $0.5M) and PR (Prompt Rebooking)*

This Procedure 24.4.2 does not apply to CCP Gross Batch Instructions in relation to Cash CCP Transactions with a Settlement Date that is less than two Business Days after the Cash CCP Transaction arises, namely Cash CCP Transactions arising from the exercise of option contracts for settlement on the following Business Day (also referred to as T+1 trades with an 'as at' date of T (being the date on which the exercise notice was allocated)).

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ANNEXURE 1 COLLATERAL PROCEDURES

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3. FINANCIAL PRODUCTS MOVEMENTS

3.1 Prerequisites to lodgement of Approved Financial Products

Client Accounts

Client Accounts may qualify to participate in the paperless lodgement scheme where:-

(a) the Account name in DCS matches the Registered Holder name in CHESS, the ASX Clear Participant is the ASX Settlement Participant that controls the Registered Holding and a completed original *Addendum to Derivatives Client Agreement Form* has been lodged with ASX Clear prior to 28 February 2005; or

(b) a completed *Registered Holder Collateral Cover Authorisation* form has been lodged for the Client Accounts with ASX Clear prior to 1 March 2019; or

(c) a Participant has lodged with ASX Clear a document in a form approved by ASX Clear, that identifies a Holder Identification Number (HIN) on the CHESS Subregister against that Client Account ("**Linking Information**").

Client Accounts for which these requirements have not been completed must lodge other forms of Cover, i.e. cash or bank guarantees.

With effect from 1 November 2011, where a Participant lodges a copy of the *Registered Holder Collateral Cover Authorisation* form, it must retain the original of the form and be able to produce it for ASX Clear on request for a period of 7 years from the date on which the Participant ceases to be the relevant client's Controlling Participant.

House Accounts

Prior to lodging Approved Financial Products on a House Account a completed *House Account HIN* form must be lodged with ASX Clear.

The *House Account HIN* form is included at Annexure 2.

House Accounts for which these requirements have not been completed must lodge other forms of Cover, i.e. cash or bank guarantees.

Cash Market Accounts

Prior to lodging Approved Financial Products on a Cash Market Account a completed *Cash Market Account HIN* form must be lodged with ASX Clear.

The *Cash Market Account HIN* form is included at Annexure 2.

Cash Market Accounts for which these requirements have not been completed must lodge cash as Cover.

Introduced 11/03/04 Amended 10/12/04, 20/05/05, 02/02/09, 01/11/11, 07/06/13, 08/02/17, 01/03/19

3.2 Lodgement of Approved Financial Products

ASX Clear will only accept lodgements over financial products which are CHESS sponsored and that meet the Collateral eligibility criteria.

a. Lodgement of Approved Financial Products to Cover Derivative Margin Obligations

Participants can arrange for an ASX Settlement participant to lodge Collateral electronically by sending a message requesting the lodgement of Collateral in accordance with the User Technical Documentation. ~~CHESS *027- Options Cover Creation Request* message to CHESS.~~ CHESS then forwards this message to ASX Clear in accordance with the User Technical Documentation~~as a *610 - Options Cover Notification* CHESS message~~.

~~If ASX Clear rejects the lodgement, the CHESS participant will receive from CHESS an *030 - Reduced Options Cover* CHESS message.~~ If ASX Clear accepts the lodgement, both the ASX Settlement participant and the Participant who has the Derivative margin obligation (where such Participant is different to the ASX Settlement participant) will receive notification from CHESS of the acceptance by ASX Clear of the lodgement of Collateral in accordance with the User Technical Documentation.

If ASX Clear rejects the lodgement, the ASX Settlement participant will receive notification from CHESS of the rejection in accordance with the User Technical Documentation.

Once it has been processed by ASX Clear, the Participant will be sent confirmation via DCS.

b. Lodgement of Approved Financial Products to Cover Cash Market Margin Obligations

Participants can arrange for an ASX Settlement p~~P~~articipant to lodge Collateral electronically by sending a message requesting the lodgement of Collateral in accordance with the User Technical Documentation~~an *871 – Margin Cover Creation request* CHESS message~~. CHESS then forwards this message to ASX Clear in accordance with the User Technical Documentation.

~~Once the request has been processed, the Participant will receive an *876 – Accepted Margin Cover Creation* CHESS message.~~ If ASX Clear accepts the lodgement, the ASX Settlement participant will receive notification from CHESS of the acceptance by ASX Clear of the lodgement of Collateral in accordance with the User Technical Documentation.

If ASX Clear rejects the lodgement, the ASX Settlement participant will receive notification from CHESS of the rejection in accordance with the User Technical Documentation. ~~If the request is rejected, the Participant will receive an *878 – Reduced Margin Cover* CHESS message.~~

Introduced 11/03/04 Amended 20/05/05, 02/02/09, 07/06/13

3.3 Lodgement of Approved Financial Products as Specific Cover

Specific Cover lodgements may be established at the Financial Product level within an Account or at the Account level as follows:

a. Financial Product Level

A Participant may classify any Financial Product level within an Account as specific Cover.

ASX Clear will only accept lodgements of Financial Products which are CHESS sponsored. Participants can arrange for an ASX Settlement participant to lodge Collateral electronically by sending a message in accordance with the User Technical Documentation which specifies the specific Cover to be lodged~~CHESS *027 - Options Cover Creation Request* message to CHESS specifying specific Cover lodgement~~. CHESS then forwards this message to ASX Clear in accordance with the User Technical Documentation~~as a *610 - Options Cover Notification* CHESS message~~.

~~If ASX Clear rejects the lodgement, the ASX Settlement Participant will receive from CHESS an *030 - Reduced Options Cover* CHESS message.~~ If ASX Clear accepts the lodgement, both the ASX Settlement participant and the Participant who has the margin obligation (where such Participant is different to the ASX Settlement participant) will receive notification from CHESS of the acceptance by ASX Clear of the lodgement of Collateral as specific Cover in accordance with the User Technical Documentation.

If ASX Clear rejects the lodgement, the ASX Settlement participant will receive notification from CHESS of the rejection in accordance with the User Technical Documentation.

Once it has been processed by ASX Clear, the Participant will be sent confirmation via DCS.

b. Account Level

A Participant may classify any Account as specific Cover.

When an Account has been classified as specific Cover, any future Financial Product lodgements in the Account will be automatically classified as specific Cover and will only be applied against written Call Option positions with the same underlying Financial Products lodged in the Account (see 2.2.1(ii)).

However, if a Participant requires existing Financial Product lodgements in a specific Cover Account to be classified as specific Cover, the Participant must submit a request to ASX Clear via email to clearing@asx.com.au ~~deriv.clearing@asx.com.au~~.

Introduced 02/02/09 Amended 07/06/13

3.4 Withdrawal of Approved Financial Products or Cash Lodged as Cover Against Margin Obligations

In the event that a Participant wishes to exchange Collateral or replace one form of Cover (Collateral or Cash Cover) with another form of Cover in respect of margin obligations, the replacement Cover must be received by ASX Clear before ASX Clear will

release the Cover to be exchanged or replaced (as the case may be). Three alternative approaches are outlined below.

a. 'Exchanging' C~~c~~ollateral

Collateral may be replaced by other Collateral at any time between 8.00 am and 5.00 pm on any Business Day. Where a Participant wishes to replace Collateral with other Collateral, ASX Clear will release the Collateral that is to be replaced upon receipt of the replacement Collateral.

b. Replacement of Collateral with Cash Cover

Where a Participant wishes to replace Collateral with Cash Cover, ASX Clear will release the Collateral that is to be replaced upon receipt of the replacement Cash Cover. There is no mechanism available to effect the replacement of Collateral with Cash Cover intra-business day. Participants are required to transmit withdrawal requests by 5.00 pm on the business day before release of the Collateral is required. ASX Clear will remove the Collateral from the account(s) and release it back to the Participant after the scheduled (CHESS or Austraclear) settlement *has completed* on the required day of release.

c. Replacement of Cash Cover with Collateral

Where a Participant wishes to replace Cash Cover with Collateral, ASX Clear will release the Cash Cover that is to be replaced following receipt of the replacement Collateral. There is no mechanism available to effect the replacement of Cash Cover with Collateral Cover intra-business day. Participants will be required to lodge the replacement Collateral with ASX Clear by 5.00 pm on the business day before the Cash Cover is required to be released. ASX Clear will undertake the resulting payment to the Clearing Participant on the following day in the normal daily scheduled CHESS/ Austraclear settlement.

It is important that Participants ensure these timings are taken into account in planning all movements of Cover and that the monitoring tools available in collateral management are utilised.

~~In all cases,~~ Participants are required to contact Clearing Operations~~and Settlements~~ (phone 1800 ~~814~~ 240 ~~051~~033, email clearing@asx.com.au~~deriv.clearing@asx.com.au~~) to request the exchange of Collateral referred to in Paragraph 3.4a above ~~replacement of Cover~~.

Amended 16/07/07, 02/02/09, 07/06/13

3.5 Withdrawal of Approved Financial Products Not Covering Margin Obligations

ASX Clear will attempt to process Collateral withdrawals by the following times:

for withdrawal requests received by ASX Clear by 9.00 am (Sydney time) - by 10.00 am on that day.

for withdrawal requests received by ASX Clear by 5.00 pm (Sydney time) - on the same day.

for withdrawal requests received by ASX Clear after 5.00 pm (Sydney time) - by 10.00 am the next Business Day.

The time of receipt of a withdrawal request is the time when the CHESS message is received by ASX Clear.

Amended 02/02/09

3.6 Withdrawal of CHESS Holdings

Total Withdrawal

The Participant must arrange for the relevant ASX Settlement participant to transmit a message requesting the withdrawal of Derivatives Collateral in accordance with the User Technical Documentation~~CHESS *029 - Options Cover Removal Request* message~~. ASX Clear will receive a message from CHESS notifying it of the request for withdrawal of Derivatives Collateral in accordance with the User Technical Documentation. ~~which is received by ASX Clear from CHESS as a *612 – Notification of Removal of Options Cover* CHESS message.~~

For the withdrawal of Collateral covering a margin obligation in respect of a Cash Market Account, the ASX Settlement ~~P~~participant must send a message requesting the withdrawal of Collateral in accordance with the User Technical Documentation. ~~an *877 – Margin Cover Removal Request* CHESS message.~~ ASX Clear will receive a message from CHESS notifying it of the request for withdrawal of Collateral in respect of a Cash Market Account in accordance with the User Technical Documentation.

Partial withdrawals

For partial withdrawals, the ~~029/612 CHESS~~ message must identify the number of financial products to be withdrawn.

For partial withdrawals of Collateral covering a margin obligation in respect of a Cash Market Account, the ASX Settlement ~~P~~participant must send a ~~an 877 CHESS~~ message identifying the number of financial products to be withdrawn in accordance with the User Technical Documentation.

Rejection of Withdrawal

Incomplete or incorrect Derivatives Collateral ~~Options Cover R~~removal r~~R~~equests will be rejected. ASX Clear will send a rejection message ~~CHESS *605 - Options Cover Removal Rejection message*~~ to CHESS and CHESS will send a rejection message ~~an *078 - Rejected Options Cover Removal CHESS message*~~ to the ASX Settlement ~~CHESS~~ participant in accordance with the User Technical Documentation.

Incomplete or incorrect Cash Market Margin Cover r~~R~~emoval r~~R~~equests will be rejected. ASX Clear will send a rejection message to CHESS and CHESS will send a rejection message to the ASX Settlement participant in accordance with the User Technical Documentation ~~*956 – Rejected Margin Cover Removal Request* CHESS message~~.

Third Party Withdrawals

For withdrawals where the ASX Settlement p~~P~~articipant is different to the ASX Clear Participant, the ASX Clear Participant will receive a message in accordance with the User Technical Documentation ~~CHESS *168 – CP Collateral Removal Authorisation Request message*~~ following a message sent to request the withdrawal of Derivatives Collateral ~~in~~

~~response to the CHESS 029 message~~. The ASX Clear Participant must then respond with an authorisation or rejection message in accordance with the User Technical Documentation ~~CHESS *103 – CP Collateral Removal Authorisation message*~~, which will trigger ~~the~~ either the withdrawal message to ASX Clear or the withdrawal rejection message to the ASX Settlement participant in accordance with the User Technical Documentation~~CHESS 612 message to ASX Clear, or a CHESS *109 – CP Collateral Removal Rejection message*~~. The ASX Clear Participant must respond to these messages within 2 business days of receipt.

Third Party withdrawals are not currently permitted on Financial Products lodged to satisfy margin obligations on a Participant's Cash Market Account.

Introduced 11/03/04 Amended 10/12/04, 02/02/09, 07/06/13

3.7 Transfers of Collateral Lodgements

Participant to Participant Transfers

ASX Clear will only transfer Collateral from one Participant (transferring) to another Participant (receiving) after the receiving Participant has sent a message requesting a change of controlling participant and the transferring Participant has sent the relevant authorisation message (in accordance with the User Technical Documentation) ~~has sent their 245 CHESS message - *Change Controlling Participant Request* and the transferring Participant has sent their 251 CHESS message - *Change Controlling Participant Authorisation*~~ and both messages have been matched in CHESS's overnight processing.

Both the transferring and receiving Participants must send a ~~facsimile of~~ *Transfer of Collateral between Participants* form with the appropriate sections completed. Once the HINs have been transferred on CHESS, ASX Clear will transfer the Collateral to the receiving Participant provided the *Transfer of Collateral between Participants* form is completed appropriately. Collateral lodgements will not be transferred to the receiving Participant until the above information has been received.

Once a transfer of Collateral has been processed by ASX Clear, the Participant will be sent confirmation of this via DCS.

Account to Account Transfers (Within a Participant)

If a Participant wishes to transfer Collateral lodged in respect of an Account to another Account of that Participant, the Participant must send a facsimile or letter on their standard letterhead containing the following information:

A list of the lodgements to be transferred and their existing Account numbers;

The names of the Account(s) from which the lodgement is to be transferred;

The numbers and names of the Account(s) to which the lodgement is to be transferred.

The new account names must be identical, otherwise standard withdrawals and lodgements must be processed.

Amended 16/07/07, 02/02/09, 01/03/19

3.8 Lodgement in Favour of Futures Only Participant

The ASX Settlement participant who has control of the HIN must send the lodgement and withdrawal CHESS messages that show the Futures Participant No. and Account No. in the appropriate fields.

The Futures Participant must send the lodgement/withdrawal forms with the corresponding Participant and Account information. Lodgement forms must be fully completed showing the Account no., PID, HIN, client name and registered holder name.

Clients' securities are not acceptable as lodgement in favour of an Omnibus Account.

Amended 16/07/07, 02/02/09

3.9 Reports on Lodgements of Approved Financial Products as Collateral

For ASX Settlement Participants that are not ASX Clear Participants, printed reports are available from ASX Clear on request showing details of their Collateral lodgements. These include reports showing all Collateral lodged, or Collateral lodged in respect of the Accounts of specified clients (with each client on a separate page).

ASX Clear may charge for this service depending on the frequency and size of the reports.

Amended 16/07/07, 02/02/09

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Attachment I: Combined Rule Amendments - ASXORs

ASX OPERATING RULES

…

SECTION 3 TRADING RULES

…

SETTLEMENT

Time for settlement

[3600] Trading Participants must ensure that each Cash Market Transaction to which they are a party is settled on the second Business Day following the date that the transaction was created on or reported to the Market, unless otherwise permitted in the Procedures.

Amended 07/03/16

ASX OPERATING RULES PROCEDURES

….

CASH MARKET PRODUCTS

Quotation

Procedure 2110

ASX will adjust the basis of quotation for Cash Market Products to reflect corporate actions upon the instruments and advise the market of such changes on the morning of the day that the corporate action takes effect or as soon as relevant information is available thereafter. These adjustments will be made visible to the market through the Trading Platform. ASX may record no more than three bases of quotation for each Cash Market Product.

….

REPORTING

Procedure 3500

….

"OR" condition code – Reporting of foreign to foreign transactions

The purpose of foreign to foreign transactions is to ensure trades can occur in a security with foreign ownership limits, eg Telstra, without these limits being breached.

A foreign to foreign transaction is:

1. A transaction between two Foreign Persons on the basis that settlement of the transaction will be effected pursuant to the ASX Settlement Operating Rules applicable to FOR Financial Products, i.e. the trade will be excluded from settlement netting so that ownership is guaranteed to pass from one foreign owner to another; and

2. In FOR Financial Products being ASX listed securities which:

   (a) are subject to aggregate foreign ownership restrictions;

   (b) have been included in Schedule 1 of the ASX Settlement Operating Rules as FOR Financial Products; and

   (c) are held and recorded in a CHESS holding with a residency indicator of foreign (as identified in the User Technical Documentation, as that term is defined in the ASX Settlement Operating Rules)~~F~~.

....

SETTLEMENT

Procedure 3600

For the purposes of Rule [3600], a Cash Market Transaction may be settled on a day other than the second Business Day following the date that the transaction was created on or reported to the Market, where:

(a) the Cash Market Transaction is a Forward Delivery Transaction (in which case, the Cash Market Transaction must be settled on the agreed forward date); ~~or~~

(b) ASX classifies the Cash Market Transaction as "deferred delivery" or "deferred settlement" (in which case, the Cash Market Transaction must be settled on the day specified by ASX);

(c) the Cash Market Transaction is reported to the Market with an “as at” date that is one Business Day prior to the date the transaction was reported to the Market (in which case, the Cash Market Transaction must be settled on the second Business Day following the “as at” date”);

(d) the Cash Market Transaction is reported to the Market with an “as at” date that is more than one Business Day prior to the date the transaction was reported to the Market (in which case, the Cash Market Transaction must be settled on the first Business Day following the date the transaction was reported to the Market); or

(e) a market for dealing in a Cash Market Product is established in accordance with Rule [2111] and a Cash Market Transaction for the Cash Market Product is executed on a ‘cum’ benefit basis during a period when the existing quotation of the Cash Market Product is on the basis of ‘ex’ the benefit (in which case, the Cash Market Transaction must be settled on the first Business Day following the date that the transaction was created on or reported to the Market).

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ASX ENFORCEMENT AND APPEALS RULEBOOK

SECTION 1 SCOPE OF RULEBOOK

...

1.12 DEFINITIONS

1.12.1 Definitions

In these Rules and the Procedures, unless the context otherwise requires:

...

"**RTGS Payments Provider**" has the same meaning it has in the ASX Settlement Operating Rules;

...

SECTION 3 APPEALS

...

3.1.2 ASX Settlement Operating Rule appeals

(a) A Participant, Issuer or Other Facility User if dissatisfied with a decision of ASX under Section 2 of this Rulebook to issue an Enforcement Notice or any sanction imposed in the Enforcement Notice;

(b) An applicant against a decision of ASX to reject its application to become a Participant under ASX Settlement Operating Rule 4.14.3;

(c) An Issuer if dissatisfied with a decision of ASX to revoke approval of a class of the Issuer's Financial Products under ASX Settlement Operating Rule 8.4.1(b);

(d) A Settlement Participant or an affected person if dissatisfied with the decision of ASX under ASX Settlement Operating Rule 10.4 to:

(i) not admit a class of Batch Instruction into DvP Batch Settlement; or

(ii) remove a class of Batch Instruction from Batch Settlement or DvP Batch Settlement,

(e) [deleted]~~A person who has applied for admission of the relevant Approved Financial Products or a Participant if dissatisfied with a decision of ASX under ASX Settlement Operating Rule 11.1 to:~~

~~(i) not admit a class of Instructions into Real Time Gross Settlement; or~~

~~(ii) remove a class of Instructions from Real Time Gross Settlement,~~

(f) An Issuer if dissatisfied with the decision of ASX to revoke approval of the Issuer's Financial Products under ASX Settlement Operating Rule 12.17.4;

(g) A non-compliant Participant if dissatisfied with a decision of ASX under ASX Settlement Operating Rule 12.19.1 unless:

(i) the non-compliance is in respect of a prohibition or restriction imposed by a State Revenue Authority against the Participant paying stamp duty by lodgement of a periodic return;

(ii) in the case of a General Settlement Participant, the Settlement Participant no longer complies with the capacity requirements specified in ASX Settlement Operating Rule 4.10;

(iii) in the case of a Settlement Participant which is a Foreign Clearing House:

(a) the Settlement Participant no longer complies with the requirement to be appropriately authorised to provide clearing services in the foreign country in which its principal place of business is located; or

(b) any necessary regulatory approval granted to the Settlement Participant to allow the Settlement Participant to provide services as a Participant have been withdrawn,

(h) A Facility User if dissatisfied with a decision of ASX to suspend processing of Messages or classes of messages under ASX Settlement Operating Rule 16.3.1(e);~~.~~

(i) An RTGS Payments Provider if dissatisfied with a decision of ASX to suspend, impose conditions on or terminate its participation in Real Time Gross Settlement under ASX Settlement Operating Rule 11.8.6.

Amended 01/08/10, 25/05/15

...

SECTION 4 ASX ANNOUNCEMENT AND IMPOSITION OF PENALTY

4.1 ASX ANNOUNCEMENT

4.1.1 Announcement

Without limitation to any announcement or publication which ASX is permitted to make under the relevant ASX Operating Rules, subject to Rules 3.3 and 3.4:

(a) ASX may make public, in the form and manner ASX considers appropriate having regard to Rule 1.5.1, any of the following matters:

(i) enforcement action (including pursuant to Rule 2.4) against a Participant, Issuer or Other Facility User, including the exercise by ASX of any of its powers under Rules 2.2.1, 2.2.2 or 2.2.2A and an explanation of, or reasons for, such action;

(ii) the suspension or termination of a Participant's or an RTGS Payments Provider's admission, including any explanation of, or reasons for, such suspension or termination;

(iii) any other matters set out in the Procedures.

In the case of enforcement action against a Participant, Issuer or Other Facility User or the suspension or termination of a Participant's or RTGS Payments Provider's admission which is the subject of an appeal, paragraph (b) applies.

(b) an Appeal Tribunal may direct ASX to make public, in the form and manner ASX considers appropriate having regard to Rule 1.5.1, any of the following matters:

(i) enforcement action against a Participant, Issuer or Other Facility User which has been the subject of an appeal (and has not been entirely set aside), including the exercise by ASX of any of its powers under Rules 2.2.1, 2.2.2 or 2.2.2A, the affirmation or variation by an Appeal Tribunal of such exercise of powers and an explanation of, or reasons for, such action by ASX or determination by the Appeal Tribunal;

(ii) the suspension or termination of a Participant's admission as a Participant or the suspension or termination of an RTGS Payments Provider's admission as an RTGS Payments Provider which has been the subject of an appeal, including an explanation of, or reasons for, such suspension or termination by ASX or determination by the Appeal Tribunal;

(iii) any other matters set out in the Procedures.

(c) Unless ASX or an Appeal Tribunal (as the case may be) determines otherwise, an announcement or publication made under Rule 4.1.1(a) or 4.1.1(b) will include:

(i) the name of the Participant, Issuer, ~~or~~ Other Facility User or RTGS Payments Provider (as applicable), except in the circumstances set out in the Procedures; and

(ii) any other information which ASX or the Appeal Tribunal (as the case may be) considers relevant to the matters dealt with in the announcement or publication.

4.1.2 No action for disclosure

A Participant, Issuer, ~~or~~ Other Facility User or RTGS Payments Provider must not take (and must procure that its Employees do not take) any action or proceeding (including without limitation an action for damages) against ASX, any officer, employee or agent of ASX, any member of an Appeal Tribunal or any other person acting under the authority of any of the above, for publishing or circulating any announcement, or which would stop any person from publishing or circulating any announcement under Rule 4.1.1 (or under any other relevant Operating Rule which permits such announcement or publication) or making any record in the register under Rule 4.1.3. Any person against whom an action or proceeding is taken in breach of this Rule 4.1.2 may rely on this Rule 4.1.2 as a defence to that action or proceeding.

Amended 01/08/10, 25/05/15

4.1.3 Register of banned individuals

ASX will enter the name of a person in respect of whom an order is made under Rule 2.2.1(d)(i) on a register made available to all Participants.

Amended 01/08/10, 25/05/15

...

ASX ENFORCEMENT AND APPEALS RULEBOOK
PROCEDURES

SECTION 3 APPEALS

PROCEDURE 3.1 DECISIONS THAT MAY BE APPEALED

Each notice of appeal ("Appeal Notice") must identify the decision against which the appeal is made and set out the grounds of appeal. For the purposes of Rule 3.1, any Appeal Notice to be lodged shall be in the format specified in the table below and:

(a) addressed to the chairperson of the Appeal Tribunal Panel at the following address:

The Chairperson
c/o Legal Counsel to the Appeal Tribunal
Exchange Centre
20 Bridge Street,
SYDNEY NSW 2000
e-mail: Tribunals@asx.com.au
Fax: 02 9227 0917

(b) accompanied by a bank cheque or electronic funds transfer payable to ASX Operations Pty Limited for the appeal fee set out in the table below.

If payment is made by electronic funds transfer, the payment should be made to the following account:

Bank: National Australia Bank
Account Name: ASX Operations Pty Ltd
BSB: 082 057
A/C: 494728375
Swift Code (Overseas Customers): NATAAU3302S

and the applicant should email its remittance advice to ar@asx.com.au or fax it to (612) 9227-0553, describing the payment as "appeal fee" and including the name of the appellant and the amount paid.

In the case of an appeal under Rule 3.1.1(e) or Rule 3.1.5(c), the appeal fee must be paid to ASX Operations Pty Limited by bank cheque or electronic funds transfer no later than 1 Trading Day from the lodgement of the Appeal Notice (irrespective of the outcome of the appeal).

Type of Appeal	Form of Appeal Notice	Time to lodge Appeal Notice	Appeal Fees
3.1.1 ASX Operating Rules Appeals			
Rule 3.1.1 (a)	Written notice	No later than 20 Business Days from receipt of the Enforcement Notice.	$5000 GST exclusive
Rule 3.1.1(b)	Written notice	No later than 10 Business Days from receipt of notification of ASX's decision.	$5000 GST exclusive
Rule 3.1.1 (c)	Written notice	No later than 1 Trading Day from receipt of notification of ASX's decision.	$5000 GST exclusive
Rule 3.1.1(d)	Written notice	No later than 1 Trading Day from receipt of notification of ASX's decision.	$5000 GST exclusive
Rule 3.1.1(e)	Written notice	Within 5 minutes of notification of ASX's decision to cancel or not cancel the trade.	$5000 GST exclusive
3.1.2 ASX Settlement Operating Rule Appeals			
Rule 3.1.2(a)	Written notice	No later than 20 Business Days from receipt of the Enforcement Notice.	$5000 GST exclusive
Rules 3.1.2(b), (d), (f) – (i~~h~~)	Written notice	No later than 10 Business Days from receipt of notification of ASX's decision.	$5000 GST exclusive
Rule 3.1.2(c)	Written notice	No later than 10 Business Days from receipt of notification of ASX's decision.	$5000 GST exclusive
3.1.3 ASX Clear Operating Rule Appeals			
Rule 3.1.3 (a)	Written notice	No later than 20 Business Days from receipt of the Enforcement Notice.	$5000 GST exclusive
All appeals except for those referred to in Rule 3.1.3(a)	Written notice	No later than 10 Business Days from receipt of notification of ASX's decision.	$5000 GST exclusive

Type of Appeal	Form of Appeal Notice	Time to lodge Appeal Notice	Appeal Fees
3.1.4 ASX Listing Rule Appeals – [Deleted]			
3.1.5 ASX 24 Operating Rule Appeals			
Rule 3.1.5(a)	Written notice	No later than 20 Business Days from receipt of the Enforcement Notice.	$5000 GST exclusive
Rule 3.1.5(b)	Written notice	No later than 10 Business Days from receipt of notification of ASX's decision.	$5000 GST exclusive
Rule 3.1.5(c)	Written notice	Within 5 minutes of notification of ASX's decision to cancel or not cancel the trade.	$5000 GST exclusive
3.1.6 ASX Clear (Futures) Operating Rule Appeals			
Rule 3.1.6(a)	Written notice	No later than 20 Business Days from receipt of the Enforcement Notice.	$5000 GST exclusive
Rule 3.1.6(b)	Written notice	No later than 10 Business Days from receipt of notification of ASX's decision.	$5000 GST exclusive
Rule 3.1.6(c)	Written notice	No later than 10 Business Days from receipt of notification of ASX's decision.	$5000 GST exclusive
3.1.7 Austraclear Appeals			
Rule 3.1.7(a)	Written notice	No later than 20 Business Days from receipt of the Enforcement Notice.	$5000 GST exclusive
Rule 3.1.7(b) and (c)	Written notice	No later than 10 Business Days from receipt of notification of ASX's decision.	$5000 GST exclusive

Amended 01/08/10, 20/12/10, 25/05/15, 15/06/15, 24/12/15

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Attachment K: Diagram explaining account and holder structure in the User Technical Documentation and in the ASXSORs

Image 1: Account and holder structure presented in the Technical Documentation

Image 2: Account and holder structure as reflected in the ASXSORs[1]

Notes

[1] Terms defined in the ASXSORs are identified by " "
[2] System derived using each Holder's name
[3] The equivalent term to "Holder Type" under the Technical Documentation is "Account Type"
[4] The equivalent term to "Entity Type" under the Technical Documentation is "Holder Type"

CHESS Replacement: Tranche 3 and Combined Rule Amendments index

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4. ASX Enforcement and Appeals Rulebook and Procedures 37

How to use this Index

This index has been prepared to assist in identifying the basis of each rule amendment proposed in this Consultation Paper by referencing the relevant row(s) in Attachment A which summarises that amendment.

The index has been structured in rule order for ease of reference.

- The first column - "Amended rule" identifies each rule amendment included in Attachments C to I (whether as part of tranches 1, 2 or 3).
- The second column - "Attachment A Part 1 (Tranche 3 amendments)" identifies if that rule amendment is part of the tranche 3 rule amendments, and if so the relevant row(s) in Part 1 of Attachment A which summarises that rule amendment.
- The second column - "Attachment A Part 2 (Tranche 1 amendments)" identifies if that rule amendment is part of the tranche 1 rule amendments, and if so the relevant row(s) in Part 2 of Attachment A which summarises that rule amendment.
- The second column - "Attachment A Part 3 (Tranche 2 amendments)" identifies if that rule amendment is part of the tranche 2 rule amendments, and if so the relevant row(s) in Part 3 of Attachment A which summarises that rule amendment.

Stakeholders who wish to focus their review and feedback on the tranche 3 rule amendments can refer to the first two columns.

Stakeholders who wish to provide feedback across all the rule amendments for the new system as a consolidated rules package across the three tranches can refer to all columns.

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1. ASX Settlement Operating Rules and Procedures

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[1] * denotes a new Rule.

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Amended rule[1]	Attachment A Part 1 (Tranche 3 amendments) Summary row reference no.	Attachment A Part 2 (Tranche 1 amendments) Summary row reference no.	Attachment A Part 3 (Tranche 2 amendments) Summary row reference no.
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[2] This was draft Rule 8.16.9 in the Tranche 1 Consultation Paper.

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11.9.5			6
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11.12.3			7
11.12.4			7
11.12.5			7
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[3] This was Draft ASXSOR Procedure 8.16.9 in the Tranche 1 Consultation Paper.

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2. ASX Clear Operating Rules and Procedures

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[4] * denotes a new Rule.

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3. ASX Operating Rules and Procedures

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[5] * denotes a new Rule.

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[6] * denotes a new Rule.

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