

ASX Participant Application Form

How to Apply

This form should be used by entities seeking admission as a Participant in any one or more of the following:

- ASX Limited
- ASX Clear Pty Limited
- ASX Settlement Pty Limited
- Australian Securities Exchange Limited
- ASX Clear (Futures) Pty Limited

Prior to lodging a completed application for admission as a Participant, we recommend that applicants hold a confidential preliminary discussion with an ASX Customer Acquisition Account Manager about their application.

Applicants must complete all applicable statements and questions in this application.

To ensure the hyperlinks within the application function correctly – please ensure you ‘Enable Macros’ when prompted upon opening the document. The hyperlinks in this application need to be double-clicked to launch (unless otherwise stated).

This ASX Participant Application Form is available in the [Participant Application Kit](#) at www.asxonline.com.au.

This Application Form should be completed with direct reference to ‘A Guide to Becoming an ASX Group Participant’. The Guide contains the following information:

- Explanation of the different categories of trading, clearing and settlement Participants within the ASX Group
- Outline of the Participant application process and key contact points within ASX
- Information to help applicants accurately complete the ASX Participant Application Form
- Links to other relevant documents

The Guide to Becoming an ASX Participant is also available in the Participant Application Kit at: www.asxonline.com/Participants/Welcome

Contents

Part 1 – All Participant Types

Part 2 – ASX Market Participants and ASX 24 Trading Participants

Part 3 – ASX Clear / ASX Clear (Futures) Participants

Part 4 – ASX Settlement Participant s

Part 5 – Applicant Agreement

Part 1 – All Participant Types

No.	Requirement	Response
1.1 Applicant Details		(If Not Applicable, indicate N/A)
1.1.1	Company Name	
1.1.2	Registered Office Address	
1.1.3	Principal Place of Business	
1.1.4	Principal Contact: <ul style="list-style-type: none"> • Name • Phone number • Email address 	
1.1.5	Incorporation details: <ul style="list-style-type: none"> • Is the applicant incorporated in Australia? • If so, indicate ABN/ACN • If incorporated offshore, indicate place of incorporation 	Yes
1.1.6	Provide certified copy of Certificate of Registration or Certificate of Registration of foreign company (Annexure 1)	<input type="checkbox"/>
1.1.7	Are you applying in the capacity of a trustee under a trust?	Yes

Please refer to Participant Guide for additional requirements of foreign incorporated Participants ([ASX Operating Rule Procedure 1.002](#))

No.	Requirement	Response
1.2 Corporate Governance		
1.2.1	Director details: <ul style="list-style-type: none"> • Name • Email address 	
1.2.2	Company Secretary details: <ul style="list-style-type: none"> • Name • Email address 	
1.2.3	List the names of each entity that controls the applicant (as defined by Corporations Act – referenced in Guide) Indicate the number of shares allocated to each holding	
1.2.4	Provide a group structure chart (Annexure 2)	<input type="checkbox"/>



No.	Requirement	Response
1.2.5	Provide an organisation chart showing personnel and their reporting lines (Annexure 3)	<input type="checkbox"/>
1.2.6	Nominate the Senior Executive responsible for the compliance function <ul style="list-style-type: none"> • Name • Phone number • Email address 	
1.2.7	Indicate current AFSL status: <ul style="list-style-type: none"> • Existing AFSL • Request to vary existing AFSL • No AFSL required • New AFSL requested 	<input type="checkbox"/> Number: <input type="checkbox"/> Number: Date submitted: <input type="checkbox"/> Reason not required: <input type="checkbox"/> Date submitted: Purpose of request:
1.2.8	Provide a copy of the AFSL or AFSL application as applicable (Annexure 4)	<input type="checkbox"/>
1.2.9	For all participant types other than ASX Settlement Participants we request you provide a copy of your Professional Indemnity Certificate of Insurance (or equivalent) insurance policy (Annexure 5)	<input type="checkbox"/>
1.3 Authorised Signatories		
1.3.1	For ASX Clear Applicants - Submit list of signatories authorised to correspond with the exchange (refer ASX Clear Operating Rule 4.12.1 for minimum requirements) (Annexure 6)	



No.	Requirement	Response
1.3.2	<p>For ASX Clear (Futures) Applicants - If the applicant wishes to appoint authorised signatories to authorise NTA returns/Bank Participant Quarterly Capital Statements on behalf of directors, they will need to complete the authorised signatories form (Annexure 7)</p>	<input type="checkbox"/>
<p>1.4 Other ASX Group Participation</p>		
1.4.1	<p>Indicate if the entity making this application has an existing relationship with the ASX Group</p> <ul style="list-style-type: none"> • ASX • ASX Clear • ASX Settlement • ASX 24 • ASX Clear (Futures) • Austraclear • ASX Listed Entity • Related Body Corporate to an ASX Listed Entity 	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
<p>1.5 Other Registrations</p>		



No.	Requirement	Response
1.5.1	<p>Indicate if the entity making this application is licensed, registered, or subject to regulation in Australia or overseas as any of the following:</p> <ul style="list-style-type: none"> • Market Operator (including exchange, or regulated trading venue) <input type="checkbox"/> • Clearing or Settlement Facility <input type="checkbox"/> • Authorised Deposit-taking Institution (ADI) <input type="checkbox"/> • Name of Corporate Group if applicant is not the ADI holder • Margin Lending subsidiary of ADI <input type="checkbox"/> • Name of Corporate Group if applicant is not the ADI holder • Trustee Company <input type="checkbox"/> • Custodian <input type="checkbox"/> • Nominee <input type="checkbox"/> 	
1.5.2	<p>If any options are selected above, provide further information in relation to each option</p> <ul style="list-style-type: none"> • Country • Name of regulator • License or regulation type 	
1.6 Other Market Activities		
1.6.1	<p>List memberships of any other securities exchanges, Clearing and Settlement Facilities, trading venues or equivalent.</p>	
1.7 Principal Business Activities		
1.7.1	<p>Outline your principal business activities and Client Types</p>	
1.7.2	<p>Indicate your objectives for becoming a Participant</p>	
1.7.3	<p>Submit details of anticipated volumes by product category</p>	
1.7.4	<p>List all locations of Trading/Clearing/Settlement Operations outside of your principal place of business</p>	



No.	Requirement	Response
1.7.5	<p>Will any of your proposed Trading / Clearing/ Settlement operations be performed outside of Australia by the applicant or a third party (either related body corporate or unrelated third party service provider)?</p> <p>If yes please provide details outlined in the Guide to Becoming an ASX Participant (Section C)</p>	Yes
<p>1.8 ASX Capital Requirements (only relevant for ASX Clear or ASX Clear (Futures) applicants).</p> <p>Note: – existing participants should refer to ‘A Guide to Becoming an ASX Group Participant’ for instructions on whether this section needs to be completed.</p> <p>Note: - ASX Market Participants and ASX24 Trading Participants may have capital requirements under the ASIC Market Integrity Rules. Any enquiries in this regard should be referred to ASIC.</p>		
1.8.1	<p>Indicate applicable capital regime:</p> <ul style="list-style-type: none"> • Risk Based Capital Requirements (ASX Clear only) <input type="checkbox"/> • Net Tangible Assets (Non-Bank ADIs) <input type="checkbox"/> • Bank ADIs <input type="checkbox"/> 	
1.8.2	<p>Submit the last audited Income Statement and Balance Sheet of the applicant including every attachment required by law. If the applicant is unable to provide audited financial statements, please provide an Income Statement and Balance Sheet drawn up in accordance with the provisions of the Corporations Act (or equivalent foreign legislation) in so far as applicable, and signed by at least 2 directors of the applicant. (Annexure 8)</p>	<input type="checkbox"/>
1.8.3	<p>Auditor's Details</p> <ul style="list-style-type: none"> • Audit partner • Audit firm • Address • Phone • Email 	
1.8.4	<p>Has the auditor been advised of this application so that they may include this in their planning for the audit of the applicant?</p>	Yes



No.	Requirement	Response
1.8.5	Please advise the applicant's financial year end.	
1.8.6	Is the applicant intending to have Approved Subordinated Debt for the purposes of the ASX Clear / ASX Clear (Futures) Rules?	Yes
Risk based applicants only:		
1.8.7	Provide a full description of all current and proposed activities in the applicant legal entity – refer to guide for further details.	
1.8.8	If a third party clearer will be used, provide details of amount and nature of security deposit to be provided to the third party clearer (if any).	
1.8.9	Provide details of any guarantees provided by the applicant, including any cross guarantees that the applicant is a party to.	
1.8.10	Does the applicant use a related/associated service entity? If yes, <ul style="list-style-type: none"> • Provide the name of the service entity • Does the applicant have a written signed agreement with the service entity specifying both the type of amounts that will be recharged and the basis of the recharge of amounts (if yes, briefly outline the basis of the expense recharge, if no on what basis are the expenses paid by the service entity recharged to the applicant) • How frequently is a service charge accrued in the applicant's financial statements? 	Yes Yes
1.8.11	Is the applicant part of a consolidated tax group? If yes, provide: <ul style="list-style-type: none"> • The date it elected to become a consolidated tax group • The date it entered into a tax sharing agreement (if applicable) • The date it entered into a tax funding agreement (if applicable) • Any other information that may be relevant in assessing the applicant's financial position as a result of it being part of a consolidated group. 	Yes



No.	Requirement	Response
1.8.12	Provide an extract from your business continuity plan showing how the applicant will ensure continued compliance with ASX Clear Rule S1. (Annexure 9)	<input type="checkbox"/>
1.8.13	Are all principal positions marked to market and with what frequency? What price is used to mark positions to market each day (e.g. bid, offer, mid, etc)? Describe the policy in place to identify and deal with positions that are illiquid.	
Bank ADIs:		
1.8.14	Is the applicant: An Australian authorised deposit-taking institution (ADI) A foreign bank that is not a foreign ADI as defined under section 5 of the Banking Act 1959 A foreign bank that is also a foreign ADI as defined under section 5 of the Banking Act 1959 Other (Please Specify)	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
1.8.15	ASX Clear applicants of the type identified in 1.8.14 must apply to ASX Capital Monitoring for an exemption under ASX Clear Rule 5.2	<input type="checkbox"/>
1.8.16	Please provide your latest Tier 1 Capital figure: <ul style="list-style-type: none"> • Tier 1 capital (amount and currency) • As at date • Basis of preparation 	Single entity





Part 2 – ASX Market Participants and ASX 24 Trading Participants

No.	Requirement	Response
2.1 Participant Type/Products		
2.1.1	<p>ASX Types:</p> <p>Market Participant</p> <ul style="list-style-type: none"> • Cash Market • Options • Futures <p>Principal Trader</p> <ul style="list-style-type: none"> • Cash Market • Options • Futures 	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
2.1.2	ASX 24 Types:	Trading Participant
2.1.3	<p>Proposed client types:</p> <p>Does the applicant intend to deal on behalf of clients located offshore?</p> <p>If Yes, indicate countries in which clients are resident. (Refer to Participant Guide for additional requirements if trading for US, Hong Kong or Singapore based clients)</p> <p>If the company has obtained relief from Part 30.10 of the CFTC Regulations, please advise which of the Exchanges determined under ASX 24 Rule 1800 it intends to deal on behalf of US Customers.</p>	<p>Retail</p> <p>Yes</p>
2.1.4	If Principal Trader, indicate investor type: Sophisticated or Professional (see guide for definitions)	Professional
2.1.5	<p>If Principal Trader, indicate experience:</p> <ul style="list-style-type: none"> • Minimum 5 years previous experience as senior trader; or • Currently actively trading elsewhere <p>Provide evidence supporting selection above.</p>	<input type="checkbox"/> <input type="checkbox"/>



No.	Requirement	Response
2.1.6	<p>Please indicate if interested in the following Market-Maker schemes;</p> <p>Exchange Traded Options (ETO) Market-Maker</p> <p>Exchange Traded Funds/Commodities (ETF/ETC) Market-Maker</p>	<p><input type="checkbox"/></p> <p><input type="checkbox"/></p>
2.2 Trade Facilities		
2.2.1	<p>ASX:</p> <ul style="list-style-type: none"> • VolumeMatch (please refer to ASX Website for attestation (Annexure 10)) • PureMatch 	<p><input type="checkbox"/></p> <p><input type="checkbox"/></p>
2.3 Access Model		
2.3.1	<p>Indicate proposed Market Access Model (refer to Market Access Models for additional information)</p> <p><u>Distributed Access</u></p> <p>ASX Trade users: please submit an ASX Trade Access Order Form + Schedule 1 and ASX Trade Infrastructure Request Form (Annexure 11 and 12)</p> <p>ASX Trade 24 users: please submit a ASX Trade 24 Infrastructure Request Form (Annexure 13)</p> <p><u>ASX Australian Liquidity Centre</u> (Due Q4 2011)</p> <p>Please submit ASX Trade Addendum for Co-Location (Annexure 14)</p>	<p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p>



Part 3 – ASX Clear / ASX Clear (Futures) Participants

No.	Requirement	Response
3.1 Participant Type		
3.1.1	ASX Clear	General
3.1.2	ASX Clear (Futures)	House Only
3.1.3	If Client clearing - submit sample Client agreement proposed (Annexure 24)	<input type="checkbox"/>
3.1.4	ASX Clear only: If third party clearing - submit sample clearing agreement and list potential participants (Annexure 25)	<input type="checkbox"/>
3.1.5	If clearing for an ASX Participant that uses more than one clearing participant for a particular product category - the 1TP/2CP attestation (see ASX Clear Rules Procedures – Annexure 3.2.2) is required to be submitted (Annexure 26)	<input type="checkbox"/>
3.1.6	If you intend to clear for more than one market, please complete Trade Acceptance Service attestation (Annexure 27)	<input type="checkbox"/>
3.2 Products		
3.2.1	ASX Clear: <ul style="list-style-type: none"> • Cash Markets (Equities) • Exchange Traded Options (ETOs) • ASX Futures 	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
3.2.2	ASX Clear: If clearing ETO's or ASX Futures, please submit executed DCS Access Agreement (Annexure 28)	
3.2.3	ASX Clear (Futures): <ul style="list-style-type: none"> • Futures and Options Contracts • Contracts for Difference (CFDs) 	<input type="checkbox"/> <input type="checkbox"/>
3.3 Nominee Companies		



No.	Requirement	Response
3.3.1	For ASX Clear Only – Details of Nominee Companies registered by applicant in which client assets will be held. Evidence that Nominee Companies are wholly, legally and beneficially owned by applicant. (Annexure 29)	<input type="checkbox"/>
3.4 Compliance Requirements		
3.4.1	For ASX Clear (Futures) only Provide details of your Supervisory, Risk and Compliance framework. See Application Guide for details regarding scope and details required. (Annexure 30)	
3.4.2	For ASX Clear only – Provide a Management Plan detailing your Supervisory, Risk and Compliance framework See Application Guide for details regarding scope and details required in Compliance Management Plan (Annexure 31)	<input type="checkbox"/>
3.4.3	For ASX Clear only – Please execute and provide a RE Notification and Undertaking form from each proposed Responsible Executive of the applicant. (Annexure 32)	<input type="checkbox"/>
3.4.4	Submit Intraday call list document outlining appropriate Management contacts (Annexure 33)	<input type="checkbox"/>
3.5 Settlement Arrangements		
3.5.1	Austraclear Settlement details Austraclear Settlement Application (Annexure 34)	<input type="checkbox"/>
3.5.2	Contact Details Form Clearing Participant Contact Details Form (Annexure 35)	<input type="checkbox"/>
3.5.3	ASX Clear (Futures) only: Risk Management Survey (Annexure 36) Cash Settlement with ASX Clear Futures via Austraclear (Annexure 37)	<input type="checkbox"/> <input type="checkbox"/>



No.	Requirement	Response
3.6 Business Continuity Arrangements		
3.6.1	Complete Business Continuity Self-Assessment form in relation to your business continuity arrangements (Annexure 38)	<input type="checkbox"/>



Part 4 - ASX Settlement Participant

No.	Requirement	Response
4.1 Participant Type		
4.1.1	Select the appropriate Participant type	General Settlement
4.2 Performance Bonds		
4.2.1	<p>If accessing Batch Settlement (as an ASX Settlement – General or Product Issuer Participant), and if not:</p> <ul style="list-style-type: none"> • prudentially supervised • a CS Facility, or • acting only as a Participant Bidder <p>Refer to ASX Settlement Operating Rule 4.9 and please submit Settlement Bond (Proforma) (Annexure 39)</p>	<input type="checkbox"/>
4.2.2	<p>If applying as an Product Issuer Settlement Participant, and intending to act on behalf of Product Issuers, please complete Appendix W1 (Annexure 40)</p>	Yes
4.2.3	<p>If intending to Sponsor Clients and not subject to an approved compensation arrangement (i.e. NGF), please submit Sponsorship Bond (Proforma) (Annexure 41)</p>	<input type="checkbox"/>
4.3 Operational Documentation		



No.	Requirement	Response
4.5.1	<p>If solely applying as a Settlement Participant please (but not a PISP) Provide a Management Plan detailing your Supervisory, Risk and Compliance framework.</p> <p>In addition please provide detailed procedures covering (where applicable):</p> <ul style="list-style-type: none"> • Batch Settlement; • Sponsorship Agreements; • Automatic Close-Out Obligations; and • Reporting of Securities Lending activity <p>If applying as both a Clearing and Settlement Participant then only the one Management Plan covering both the Clearing and Settlement activities is required. (Annexure 45)</p>	<input type="checkbox"/>

Part 5 – Applicant Agreement

5.1 Disclosure Statement

This application form may be used to apply to be a Participant of any or all members of ASX Group (as the case may be). If you are using this application to apply to be a Participant of only one or two entities of the ASX Group and subsequently seek to apply to be a Participant of another ASX Group entity, the information you have provided in relation to this application may be used in respect of any subsequent application and you may be required to verify that the information is still correct. You may also be required to provide additional information, depending on the circumstances. However until such application is made, your information will not be provided to another ASX Group entity, unless it is authorised in accordance with the relevant Rules or Corporations Act or is appropriate disclosure.

5.2 Privacy Statement

As part of this application, you are required to submit personal information about those who have control or substantial control of the applicant. This information is required to assess whether the applicant will satisfy obligations pursuant to the relevant Operating Rules. If your information is to be used for a purpose other than an Appropriate Disclosure, the relevant person's consent will be obtained as provided under the Privacy Act 1988 (Cth).

This information may be disclosed in the following manner, each known as an 'Appropriate Disclosure':

- (i) to any person where that disclosure is permitted by, and made in accordance with, the relevant Rules;
- (iii) where that disclosure is required to comply with any legal, statutory or regulatory requirement.

Your personal information will be held securely and will be kept only for as long as necessary, as required under the relevant Rules. An authorised person of the Participant is able to access this personal information, make enquiries and request any corrections, by contacting: ASX Equity Markets by email: participants@asx.com.au

You acknowledge that you have obtained consent from any relevant third parties whose personal information may be required for the purposes of this application or participation on ASX.



5.3 Applicant's Acknowledgement

Name of organisation (The applicant):

ABN, ARBN or ARSN:

Part A: All Applicants

- (a) acknowledges that this application is upon the terms of, and subject to the ASX Operating Rules, ASX 24 Operating Rules, ASX Clear Operating Rules, ASX Clear (Futures) Operating Rules, ASX Settlement Operating Rules (as the case may be) (the "Rules") as varied from time to time (and terms used below which are defined in the relevant Rules or this application form have the same meaning in this Part 1);
- (b) represents and warrants to ASX Limited, Australian Securities Exchange Limited, ASX Clear Pty Limited, ASX Clear (Futures) Pty Limited, ASX Settlement Pty Limited (as the case may be) that the information the applicant has provided or will provide to ASX, ASX Clear, ASX Clear (Futures), and/or ASX Settle, which includes any annexure, (as the case may be) in connection with this application is true and correct;
- (c) acknowledges that ASX, Australian Securities Exchange Limited, ASX Clear, ASX Clear (Futures), and/or ASX Settlement (as the case may be) relies on the information provided in considering this application and acknowledges that any wilful omission or misstatement on a material point in or in connection with this application may lead to rejection of the application or, if the application is approved, subsequent cessation of the applicant's status as a Participant;
- (d) indemnifies ASX, Australian Securities Exchange Limited, ASX Clear, ASX Clear (Futures), and/or ASX Settlement (as the case may be) and its related bodies corporate and their respective Employees to the fullest extent permitted by law in respect of any claim, action or expense arising from, or connected with, any breach of this agreement by the applicant or resulting from reliance on the information contained in this application;
- (e) consents to ASX, Australian Securities Exchange Limited, ASX Clear, ASX Clear (Futures), and/or ASX Settlement (as the case may be) obtaining any additional information it considers relevant to this Applicant or application (including personal, credit, credit worthiness or other information) from an investigative agency, a credit agency, or any other source as permitted by law in Australia or elsewhere and acknowledges that this application authorises such a source to release information to the relevant ASX Group Entity and its related bodies corporate;
- (f) represents and warrants that the applicant is aware of and understands the relevant Rules at the date of this application and the applicant is aware of and understands the provisions of the Corporations Act and the ASIC Market Integrity Rules as they relate to the business of the applicant as an ASX, Australian Securities Exchange Limited, ASX Clear, ASX Clear (Futures), and/or ASX Settlement Participant (as the case may be);
- (g) undertakes to ASX, Australian Securities Exchange Limited, ASX Clear, ASX Clear (Futures), and/or ASX Settlement (as the case may be) to comply with the relevant Rules that are in force from time to time, even if the status of the participant is suspended;
- (h) agrees that ASX, Australian Securities Exchange Limited, ASX Clear, ASX Clear (Futures), and/or ASX Settlement (as the case may be) may make available to the relevant Appeals Tribunal the reasons for its decision in the event that ASX, Australian Securities Exchange Limited, ASX Clear, ASX Clear (Futures), and/or ASX Settlement (as the case may be) rejects this application, or approves this application and subsequently action is taken against the applicant in respect of which there is a right of appeal Appeals Tribunal and it authorises the Appeals Tribunal to make available to the ASX, Australian Securities Exchange Limited, ASX Clear, ASX Clear (Futures), and/or ASX Settlement board (as the case may be) and to the Australian Securities and Investments Commission ('ASIC') the reasons for its decision if it

rejects such an appeal;

- (i) agrees to obtain any necessary licence(s), or otherwise relief, from ASIC and to provide a copy to ASX, Australian Securities Exchange Limited, ASX Clear, ASX Clear (Futures), and/or ASX Settlement (as the case may be) prior to the commencement of trading activities and no later than 3 months after ASX, Australian Securities Exchange Limited, ASX Clear, ASX Clear (Futures), and/or ASX Settlement (as the case may be) accepts this application, if a copy is not attached to this application;
- (j) represents and warrants to ASX, Australian Securities Exchange Limited, ASX Clear, ASX Clear (Futures), and/or ASX Settlement (as the case may be) that the applicant has no reason to believe that any Employee or other person who is or will be involved in the business of the applicant in connection with the ASX, Australian Securities Exchange Limited, ASX Clear, ASX Clear (Futures), and/or ASX Settlement (as the case may be), or any person who has control or substantial control of the applicant, is not of good fame and character and high business integrity, having regards to the relevant Rules;
- (k) represents and warrants to ASX, Australian Securities Exchange Limited, ASX Clear, ASX Clear (Futures), and/or ASX Settlement (as the case may be) that the applicant is of high business integrity in accordance with the relevant Rules and Procedures;
- (l) acknowledges that this deed of undertaking applies only in respect of the ASX Group entity noted in Part 2. If subsequent application is made to another ASX Group entity, this undertaking and acknowledgement is made in favour of that ASX Group entity from the date of the subsequent notification;
- (m) represents and warrants to ASX, Australian Securities Exchange Limited, ASX Clear, ASX Clear (Futures), and/or ASX Settlement (as the case may be) that it is not aware of anything that may impact on its ability to comply, as applicable, with its obligations:
 - As a financial services licensee; and/or
 - As a foreign Participant under the rules and regulations of its home jurisdiction
- (n) undertakes to comply with terms and conditions as notified by ASX, Australian Securities Exchange Limited, ASX Clear, ASX Clear (Futures), and/or ASX Settlement (as the case may be) from time to time.

Part B: All Applicants except ASX Participants, Australian Securities Exchange Limited Participants and ASX Settlement Participants

- (o) represents and warrants to ASX Clear and/or ASX Clear (Futures), (as the case may be) that after due enquiry and to the best of its knowledge and belief, no events have occurred since the date the Income Statement and Balance Sheet (provided as Annexure 7) were prepared that are in its opinion:
 - likely to result in a significant deterioration in the financial stability of the applicant,
 - there are reasonable grounds to believe the applicant will be able to meet its obligations as and when they fall due; and
 - no material liabilities of a contingent nature have arisen, including those arising by reason of a guarantee or cross guarantee given by the applicant.

Part C: ASX Clear, ASX Clear (Futures), ASX Settlement Pty Limited Applicants

- (p) represents and warrants to ASX Clear, ASX Clear (Futures), and/or ASX Settlement (as the case may be) that the applicant has developed processes and procedures that are reasonably designed and that when implemented will function, so as to achieve compliance by the applicant with the applicable Rules; and
- (q) represents and warrants to ASX Clear, ASX Clear (Futures), and/or ASX Settlement (as the case may be) that the applicant will continue to maintain such compliance measures that are appropriate for it to comply with its obligations under the applicable Rules.

Part D: ASX Clear Pty Limited Applicants

- (r) Represents and warrants to ASX Clear Pty Limited that it has provided full details of any arrangement where any part of its proposed business as a Clearing Participant (including, without limitation, any personnel and Gateway or other appropriate means of communicating Clearing Messages) will be located outside Australia (the "Overseas Activity"). And that the applicant has obtained all necessary regulatory approvals from any relevant governmental agency or regulatory authority in Australia, and in their home jurisdiction, concerning the supervision of the Overseas activity including, without limitation, Overseas Activity of a type which would result in the Exchange, without the prior written consent of the Exchange, becoming subject to the jurisdiction of any relevant governmental agency or authority outside Australia.

Part E: ASX Clear (Futures) Pty Limited Applicants

- (s) Undertakes, subject to ASX Clear (Futures) Operating Rule 4.11(b), to be bound by the ASX Clear (Futures) Operating Rules in its dealings with ASX Clear (Futures) and with each other Clearing Participant and each Clearing Participant agrees that the provisions of those Rules shall be binding on the Clearing Participant as between the Clearing Participant and ASX Clear (Futures) and as between the Clearing Participant and every other Clearing Participant. Each Clearing Participant shall also comply in full with any undertaking given, or condition imposed by the ASX Clear (Futures) Operating Rules. Further, each Clearing Participant must comply with any condition imposed by ASX Clear (Futures) on the admission of a Participant.

Part F: ASX and/or Australian Securities Exchange Limited Applicants

- (t) consents to ASX and/or Australian Securities Exchange Limited (as the case may be) obtaining details about any refusal of an application for Market Participant and/or Trading Participant status (or equivalent status) on another exchange or market operator from the relevant exchange or market operator); and
- (u) Represents and warrants to ASX and/or Australian Securities Exchange Limited (as the case maybe) that it has provided full details of any arrangement where any part of its proposed business as a Market Participant and/or Trading Participant (including, without limitation, personnel, an Open Interface Device or a computer or other device connected to an Open Interface Device) will be located outside Australia (the "Overseas Activity"). And that the applicant has obtained all necessary regulatory approvals from any relevant governmental agency or regulatory authority in Australia, and in their home jurisdiction, concerning the supervision of the Overseas activity including, without limitation, Overseas Activity of a type which would result in the Exchange, without the prior written consent of the Exchange, becoming subject to the jurisdiction of any relevant governmental agency or authority outside Australia.
- (v) Represents and warrants to ASX and/or Australian Securities Exchange Limited (as the case maybe) that the applicant has provided details of any service level agreements, if the applicant is outsourcing functions to a third party, which are material to the applicant's compliance with the Rules.



Executed in accordance with section 127(1) of the Corporations Act.

Director

Director/Company Secretary

Name

Name

Date

Date

OR (if sole Director/Company Secretary)

Sole Director and Sole Company Secretary

Name

Date

OR (if signed by Power of Attorney)

Signed for and on behalf of

Applicant Name:

Applicant ACN
by:

Name of signatory

Signature of signatory

who is authorised by Power of Attorney

and who declares that he/she has at the time of
execution of this document no notice of its



revocation.

In the presence of:

Name of witness

Signature of witness

5.4 Direct Debit Form

EFT Payment Details

Please find below details for Admission Fee payment to be made direct into our bank account via Electronic Funds Transfer:

Account Name: ASX Operations Pty Ltd - Receipts
Bank: National Australia Bank
Branch: NAB House 255 George St, Sydney 2000
BSB: 082 057
Bank Account Number: 494 728 375
SWIFT number (overseas customers only): NATAAU3302S

To assist us in matching and processing your electronic account payment promptly, please ensure that when arranging the EFT:

1. Your company name is quoted in the 'Reference Field' of the electronic funds transfer.
2. You fax or email a remittance advice with details of the items being paid (e.g. customer number, invoice numbers and total amount of the electronic payment) to our Accounts Receivable Department (fax no: +61 (0)2 9227 0553, email: ar@asx.com.au) on or before the date you initiate the electronic payment.

Alternatively payment may be made via cheque payable to ASX Operations Pty Ltd.

ASX Contacts

For more information, please contact ASX Customer Acquisition at +61 (0)2 9227 0787 or Participants@asx.com.au

For Market Access/Operational assistance please contact ASX Participant Operations at +61 (0)2 9227 0956 or Participant.Operations@asx.com.au

Useful Websites

[ASX Public Website](http://www.asx.com.au)

<http://www.asx.com.au>

[ASXOnline](https://www.asxonline.com/participants/index.html)

<https://www.asxonline.com/participants/index.html>

Admission

Completed applications should be returned to the attention of ASX Customer Acquisition at:

ASX Limited
Level 5, Exchange Centre
20 Bridge Street
Sydney NSW 2000
Australia

Please also send soft copy of the Application and all supporting documentation to participants@asx.com.au





Checklist of Annexure

Part 1 – All Participant Types	✓
1. Certificate of Registration or Certificate of registration of foreign company	<input type="checkbox"/>
2. Group Structure Chart	<input type="checkbox"/>
3. Organisation Chart	<input type="checkbox"/>
4. AFSL or AFSL Application	<input type="checkbox"/>
5. Professional Indemnity Insurance Certificate	<input type="checkbox"/>
6. ASX Clear Authorised signatories	<input type="checkbox"/>
7. NTA Return Authorised signatories	<input type="checkbox"/>
8. Last Audited Income Statement and Balance Sheet	<input type="checkbox"/>
9. Business continuity extract	<input type="checkbox"/>
Part 2 – ASX/ASX 24 Trading Participants	
10. VolumeMatch attestation	<input type="checkbox"/>
11. ASX Trade Access order Form + Schedule 1	<input type="checkbox"/>
12. ASX Trade Infrastructure Request Form	<input type="checkbox"/>
13. ASX Trade 24 Infrastructure Request Form	<input type="checkbox"/>
14. ASX Trade Agreement Addendum for Co-location	<input type="checkbox"/>
15. ASX Trader Workstation and Open Interface (OI) Request Form	<input type="checkbox"/>
16. DTR Registration Form(s)	<input type="checkbox"/>
17. Draft Clearing Agreement or Guarantee by Guarantor Form	<input type="checkbox"/>
18. 1TP / 2CP attestation	<input type="checkbox"/>
19. Director's Personal Information Form	<input type="checkbox"/>
20. Organisational Competency Attestation	<input type="checkbox"/>
21. Trading, clearing and settlement connectivity diagram	<input type="checkbox"/>
22. DBOR Questionnaire	<input type="checkbox"/>
23. ASX24 Client Agreement (Trading)	<input type="checkbox"/>
Part 3 – ASX Clear/ASX Clear (Futures) Participants	
24. Sample Client Agreement (Clearing)	<input type="checkbox"/>
25. Sample Clearing Agreement & list of participants	<input type="checkbox"/>
26. 1TP / 2CP attestation	<input type="checkbox"/>
27. Trade Acceptance Service Attestation	<input type="checkbox"/>
28. DCS Access Agreement	<input type="checkbox"/>
29. Evidence of Nominee Companies	<input type="checkbox"/>
30. ASX Clear (Futures) Supervisory/Risk Compliance Framework	<input type="checkbox"/>
31. ASX Clear Compliance Management Plan	<input type="checkbox"/>
32. Responsible Executive Notification and Undertaking	<input type="checkbox"/>
33. Intra-Day Contact List	<input type="checkbox"/>



34. Austraclear Settlement Application	<input type="checkbox"/>
35. Clearing Participant Contact Details Form	<input type="checkbox"/>
36. Risk Management Survey	<input type="checkbox"/>
37. Cash Settlement with ASX Clear (Futures) Clearing Form	<input type="checkbox"/>
38. Business Continuity Self-Certification Form	<input type="checkbox"/>
Part 4 – ASX Settlement Participant	
39. Settlement Bond	<input type="checkbox"/>
40. New External CHES User - PISP	<input type="checkbox"/>
41. Sponsorship Bond	<input type="checkbox"/>
42. New External CHES User	<input type="checkbox"/>
43. Request to create new payment facility	<input type="checkbox"/>
44. Business Continuity Self-Certification Form	<input type="checkbox"/>
45. Settlement Management Plan	<input type="checkbox"/>



A Guide to Becoming an ASX Participant

JANUARY 2012



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Table of Contents

A. Introduction	4
B. Information for all Applicants	5
Types of Participation.....	5
(i) ASX Market Participant.....	5
(ii) ASX Clearing Participant	7
(iii) ASX Settlement Participant.....	9
(iv) ASX 24 Trading Participant	11
(v) ASX Clearing Participant (Futures)	13
Fees and Charges for gaining access to ASX markets.....	14
The Application Process	14
ASX Process and likely timeframes	14
Information for Domestic Applicants	14
Information for Foreign Applicants	15
ASX Clearing Applicants – Overseas Activity	16
Establishing new operations	16
How do new trading Participants establish trading operations?.....	16
How do new ASX Clearing Participants (Futures) establish clearing operations?	17
How do new ASX Clearing Participants establish clearing operations?.....	17
How do new ASX Settlement Participants establish operations?	17
Primary level accreditation (for service providers only).....	18
Secondary level accreditation (connectivity)	18
ASX Information Services	19
C. The ASX Participant Application Form	20
Section 1: General Information – All Applicants	20
1.1 Applicant Details	20
1.2 Corporate Governance	20
1.3 Authorised Signatories.....	21
1.4 Other ASX Group Participations	22
1.5 Other Registrations	22
1.6 Other Market Activities.....	22
1.7 Principal Business Activities	22
1.8 Capital Requirements	24
Section 2: ASX Trade / ASX Trade 24 Trading Participants	29
2.1 Participant Type / Product.....	29
2.2 Trade Facilities	31
2.3 Access Model	31
2.4 Clearing and Settlement Arrangements.....	32
2.5 Compliance Requirements.....	32
Section 3: ASX Clearing Participants and ASX Clearing Participants (Futures)	35
3.1 Participant Type.....	35
3.2 Products.....	35
3.3 Nominee Companies	35
3.4 Compliance Requirements.....	36
3.5 Settlement Arrangements	37
3.6 Business Continuity Arrangements.....	37



Section 4: ASX Settlement Participants	40
4.1 Participant Type.....	40
4.2 Performance Bonds.....	40
4.3 Operational Documentation.....	40
4.4 Business Continuity Arrangements.....	41
Section 5: Applicant Agreement	44
5.1 Acknowledgement / Attestation.....	44
D. ASX Contacts	45

A. Introduction

ASX Limited (ASX) was created by the merger of the Australian Stock Exchange and the Sydney Futures Exchange in July 2006. The ASX Group is one of the world's top-10 listed exchange groups measured by market capitalisation.

ASX is a multi-asset class, vertically integrated exchange group. Its activities span primary and secondary market services, including capital formation and hedging, trading and price discovery (Australian Securities Exchange); central counterparty risk transfer (ASX Clearing Corporation); and securities settlement for both the equities and fixed income markets (ASX Settlement Corporation).

ASX offers a range of Participant membership categories that span its trading, clearing and settlement facilities. This guide is designed to help applicants understand the options available to them and to assist applicants complete the ASX Participant Application Form.

This guide should be read in conjunction with the ASX Participant Application Form. It contains the following information:

- explanation of the different categories of trading, clearing and settlement Participants within the ASX Group
- outline of the Participant application process and key contact points within ASX
- information to help applicants accurately complete the ASX Participant Application Form
- overview of additional requirements for Off-shore Participants
- links to other relevant documents

Participants enter into a binding contractual relationship with ASX. This relationship is recognised in the Corporations Act 2001 (Cth). Participants agree to be bound by the relevant ASX rules. ASX Market Participants and ASX 24 Trading Participants are also required, under Australian law and under contract with ASX, to comply with the Australian Securities and Investments Commission (ASIC) Market Integrity Rules.

For more information, please contact ASX Customer Management at +61 2 9227 0787 or Participants@asx.com.au

This Guide is available online in the 'Application Process' folder within the Participant Application Kit on ASXOnline: <https://www.asxonline.com/Participants/Welcome>

Following the transfer of the Market Integrity Rule to ASIC on 1st August 2010, ASX has taken the opportunity to re-brand some of its entities.

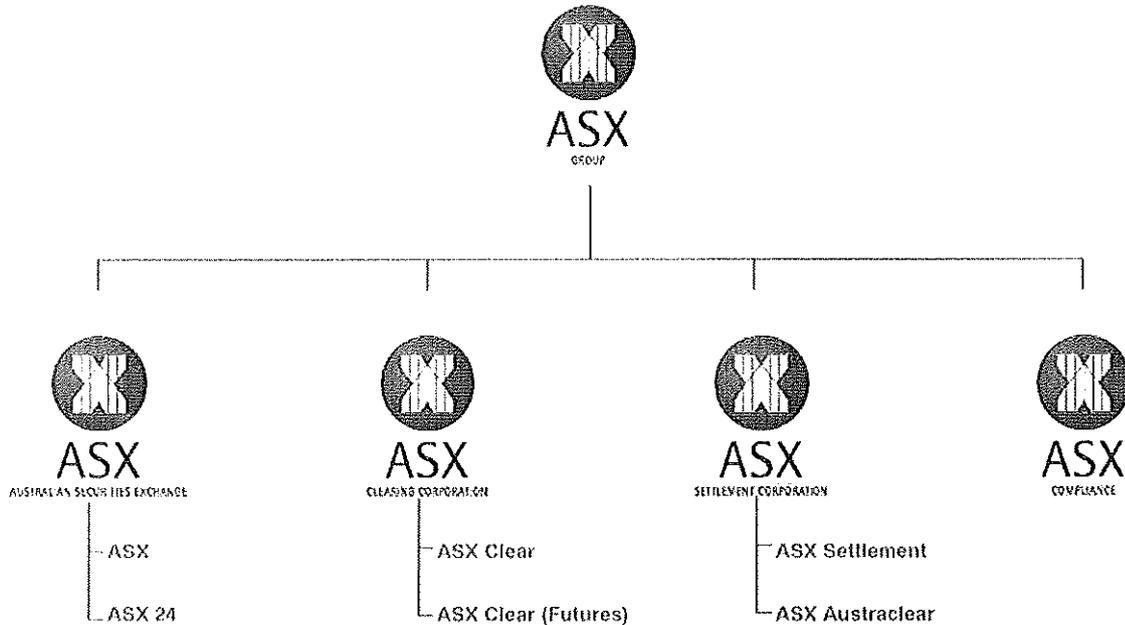
The table below shows the current and former branding of those entities within the ASX Group:

CURRENT ABBREVIATION	CURRENT NAME	FORMER NAME	FORMER ABBREVIATION
ASX	ASX Limited (ABN 98 008 624 691)	ASX Limited	ASX
ASX Clear	ASX Clear Pty Limited (ABN 48 001 314 503)	Australian Clearing House Pty Limited	ACH
ASX Settlement	ASX Settlement Pty Limited (ABN 49 008 504 532)	ASX Settlement & Transfer Corporation Pty Limited	ASTC
ASX 24	Australian Securities Exchange Limited (ABN 83 000 943 377)	Sydney Futures Exchange Limited	SFE
ASX Clear (Futures)	ASX Clear (Futures) Pty Limited (ABN 91 050 615 864)	SFE Clearing Corporation Pty Limited	SFECC

B. Information for all Applicants

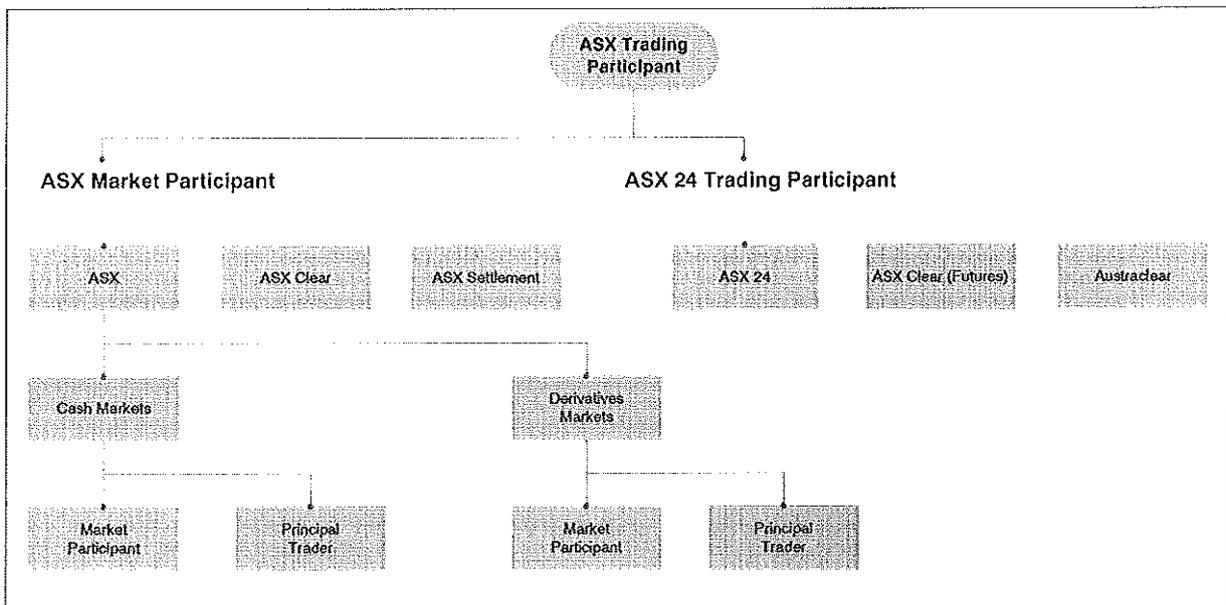
Types of Participation

This section describes the different ASX membership categories. For more information, please contact ASX Customer Management at +61 2 9227 0787 or Participants@asx.com.au



The ASX market provides for Trading, Clearing and Settlement participants to transact in such products as Equities, Exchange Traded Options and ASX Futures, while the ASX 24 market provides for Trading and Clearing participants to transact in exchange traded products such as Futures and Contracts for difference (CFD).

(i) ASX Market Participant



The ASX Market consists of a Cash Market and a Derivatives Market. Applicants can apply to become either a Market Participant or Market Participant (Principal Trader) on either of both of these markets.

Market Participants

Once approved as a Market Participant of ASX with Cash Market permissions and / or Derivatives Market permissions you will have direct access to both markets via a direct connection to the ASX Trading platforms, and can begin providing execution services to your own organisation and your clients as permitted under your Australian Financial Services Licence (AFSL).

If you do not intend to clear your own transactions, then you will have to appoint a Third Party Clearing provider (who is an ASX Clearing and ASX Settlement Participant) to clear them on your behalf. You must also enter into a Clearing Agreement with the Third Party provider and ensure an executed copy of the agreement has been lodged with ASX Compliance prior to commencing trading.

As a Market Participant you have no capital requirements under the ASX Operating Rules however, depending on your business model you may have capital requirements under the ASIC Market Integrity Rules. Any enquiries in this regard should be referred to ASIC.

Market Participant (Principal Traders)

Once approved as a Principal Trader of ASX with Cash Market permissions and / or Derivatives Market permissions you will have direct access to both markets via a direct connection to the ASX Trading platforms.

Principal Traders transact on their own account and do not provide execution services to clients.

If you do not intend to clear your own transactions, then you will be required to enter into an arrangement with a Third Party Clearing provider (who is an ASX Clear and ASX Settlement Participant) to clear and settle transactions on your behalf. You must also enter into a Clearing Agreement with the Third Party Clearing provider and ensure an executed copy of the agreement has been lodged with ASX Compliance prior to commencing trading.

Making Markets

If either a Market Participant or Principal Trader wishes to make markets in either Warrants or Derivatives they should contact ASX Customer Acquisitions to discuss the contracting terms and conditions.

Admission of ASX Market Participants

The admission requirements under ASX Operating Rules 1000, 1001, 1002 and 1003 state,

1000 For an applicant to be eligible for admission as a Market Participant (other than a Principal Trader) the applicant must:

- (a) lodge an application in the form prescribed by ASX as set out in the Procedures;
- (b) be a body corporate which is incorporated as a company or registered as a foreign company under the Corporations Act and not be applying in the capacity of a trustee under a trust;
- (c) hold an Australian financial services licence which authorises the applicant to carry on its business as a Market Participant (unless such a licence is not required by ASIC);
- (d) satisfy ASX that it is of high business integrity. In assessing whether an applicant is of high business integrity for the purposes of Rule 1000(d), but without limiting the discretion of ASX, ASX may have regard to the matters set out in the Procedures;

- (e) satisfy ASX, in the manner set out in the Procedures, that it has organisational competencies which are adequate for the performance of its obligations as a Market Participant under these Rules;
- (f) satisfy ASX in the manner set out in the Procedures, that it has organisational competencies sufficient to prevent any action or inaction which results in a market for a Product not being both fair and orderly;
- (g) satisfy ASX, in the manner set out in the Procedures, that it has organisational competencies sufficient to prevent any action or inaction which interferes with the operational efficiency or proper functioning of the Trading Platform;
- (h) warrant to ASX that it is in compliance with the management requirements set out in the ASIC Market Integrity Rules;
- (i) satisfy ASX that it has in place and will maintain adequate clearing arrangements in accordance with Rule 1003 and Schedule 1; and
- (j) if the applicant is applying to be admitted up to one year after the Effective Time (as defined in Section 8), satisfy ASX that it complies with the Capital Requirements (as defined in Section 8) (or any other requirements applicable in accordance with the conditions of any exemption from the Capital Requirements under Rules 8220 to 8226).

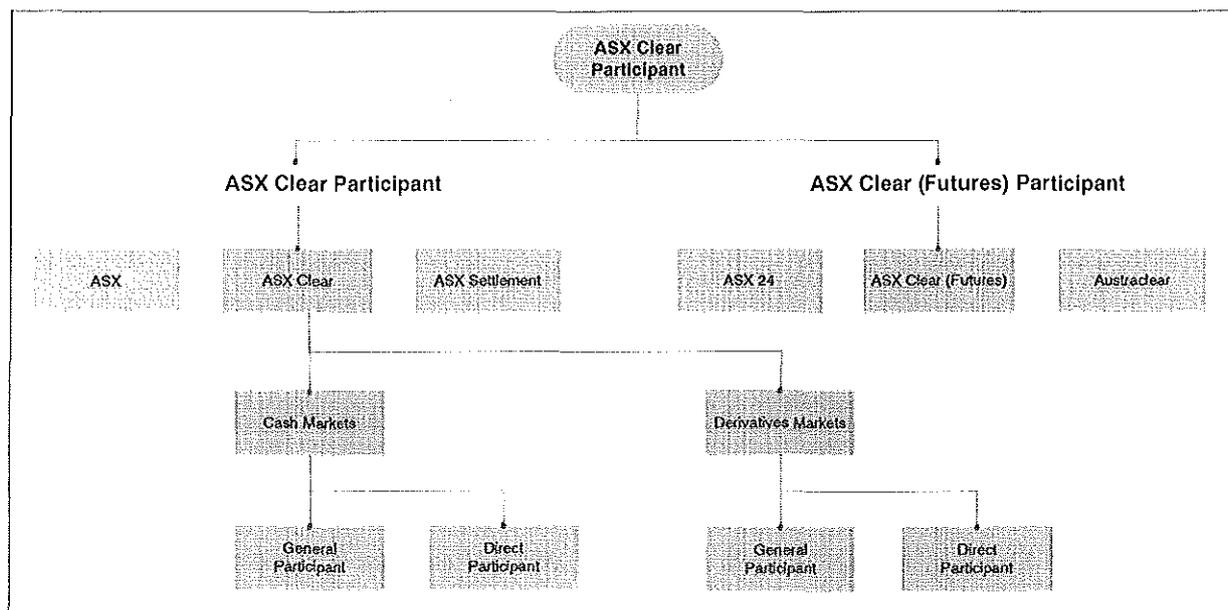
1001 A Principal Trader may only enter into transactions on its own behalf. For an applicant to be eligible for admission as a Market Participant which is a Principal Trader only the applicant must meet the requirements set out in Rule 1000 except that the applicant does not need to meet the requirements set out in Rule 1000(j).

If the applicant proposes to be registered as a Market Maker under Rule 3440 it must hold an Australian financial services licence which authorises it to carry on its business as a Market Participant.

1002 If an applicant is a body corporate incorporated or resident outside Australia, then ASX may impose additional requirements as specified in the Procedures.

1003 Rules in relation to clearing arrangements are set out in Schedule 1. All Trading Participants are required to comply with that Schedule and ASX has the powers specified in that Schedule.

(ii) ASX Clear Participant



Direct Participants

A Direct Participant of ASX Clear is a Clearing Participant that clears Cash CCP Transactions or Derivatives CCP Contracts for itself and its own Clients but not anyone else. Unless solely clearing ASX Futures, a Direct Participant must also be a General Participant of ASX Settlement.

As an ASX Clear Direct Participant you are responsible for the clearing process and bear the capital requirements for all transactions. You will need to have appropriate facilities and framework in place (including procedures and personnel) to adequately manage the counterparty risks that arise from the clearing function, together with adequate financial resources and systems to comply with ASX Clear Operating Rules.

General Participants

A General Participant of ASX Clear is a Clearing Participant that is a Third Party Clearer (TPC) that clears Cash CCP Transactions or Derivatives CCP Contracts for itself, its own Clients, Market Participants and their clients and other Participants and their clients.

Admission as a General Participant only entitles a Participant to clear transactions for someone else provided the Participant has entered into a Clearing Agreement and a copy has been submitted to ASX Clear.

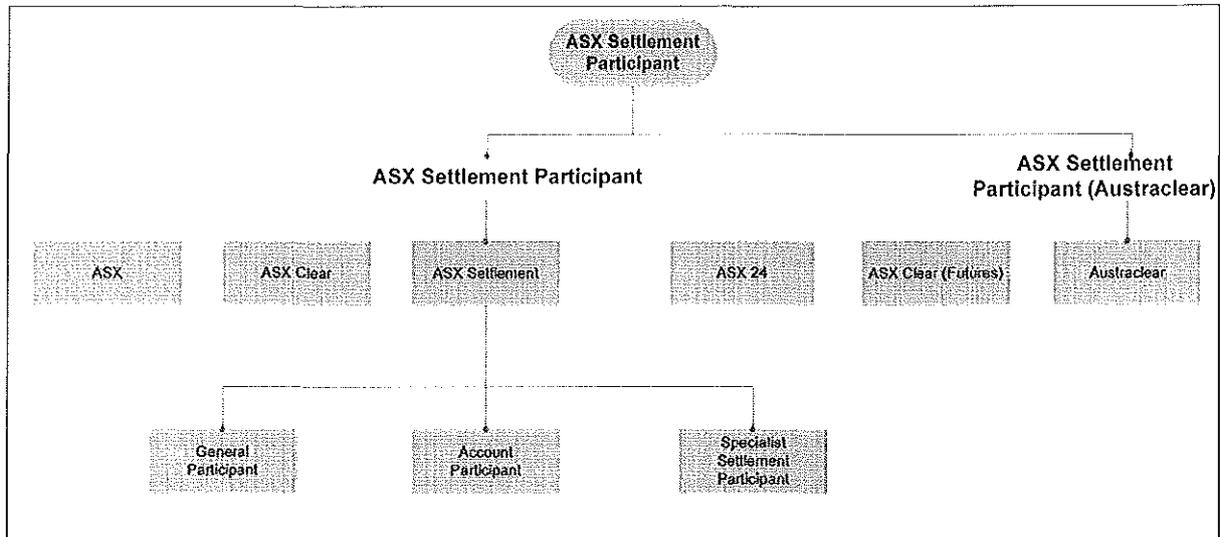
As an ASX Clear General Participant you are responsible for the clearing process and bear the capital requirements for all transactions. You will need to have appropriate Supervisory, Risk and Compliance framework in place (including procedures and personnel) to adequately manage the counterparty risks that arise from the clearing function, together with adequate financial resources and systems to comply with ASX Clear Operating Rules.

Admission of ASX Clear Participants

For an applicant to be eligible to be admitted as a Participant the applicant must:

- (a) be a body corporate incorporated under the Corporations Act or registered as a foreign company under the Corporations Act, and not be applying in its capacity as a trustee of any trust;
- (b) if the applicant is incorporated or resident outside Australia, comply with Rule 4.19.2;
- (c) hold an Australian financial services licence which authorises the applicant to carry on its business as a Participant;
- (d) satisfy ASX Clear that it meets the business integrity requirements of this Section;
- (e) satisfy ASX Clear that it meets the management requirements of this Section;
- (f) satisfy ASX Clear that it has facilities, procedures, personnel and financial resources which are adequate for the performance by the applicant of its obligations as a Participant under these Rules, including without limitation, meeting the technical and performance requirements of this Section;
- (g) comply with the business connection requirements of this Section;
- (h) satisfy ASX Clear that it complies with the capital regime requirements in Section 5;
- (i) have insurance in place which complies with the requirements of Rule 4.3;
- (j) if the applicant seeks to be authorised to clear Options Market Transactions but is not or does not seek to be authorised to clear Cash Market Transactions associated with those Options Market Transactions, appoint a Participant which is authorised to clear the Cash Market Transactions and enter into, and maintain, a Clearing Agreement with that other Participant;
- (k) if the applicant is not itself able to settle Cash Market Transactions in an Approved Settlement Facility, appoint a Settlement Participant and maintain a Settlement Agreement with that Settlement Participant; and
- (l) comply with any condition imposed under Rules 3.1.4, 22.7.3 or 23.7.3.

(iii) ASX Settlement Participant



General Participants

A General Participant of ASX Settlement is admitted for purposes including the holding, transfer and settlement in Batch Settlement of Approved Financial Products in the Settlement Facility.

A General ASX Settlement Participant may also act in the Settlement Facility as a settlement agent on behalf of an ASX Clear Participant. A General ASX Settlement Participant may also establish and maintain Participant Sponsored Holdings;

As a General Settlement Participant you will need to have appropriate Supervisory, Risk and Compliance framework in place (including procedures and personnel) to adequately manage the counterparty risks that arise from the settlement function, together with adequate resources and systems to comply with ASX Settlement Operating Rules.

Admission of a General Participant of ASX Settlement

For an applicant to be eligible to be admitted as a General Participant the applicant:

- (a) has applied for admission as a Participant in accordance with Rule 4.2.1;
- (b) is one of the following:
 - (i) the holder of an Australian financial services licence which authorises the applicant to carry on its business as a Participant;
 - (ii) a Market Operator;
 - (iii) a CS Facility;
 - (iv) a person regulated by APRA;
 - (v) a person regulated by an overseas regulatory authority approved by the Commission under section 911A(2)(h) of the Corporations Act;
 - (vi) a Trustee Company; or
 - (vii) a corporation that is a wholly owned subsidiary of an Australian bank and the whole business of which is providing nominee, custody and related services or margin lending services; and
- (c) unless otherwise determined by ASX Settlement:
 - (i) meets the technical and performance requirements of the Rules;

- (ii) meets the performance bond requirements of the Rules;
- (iii) meets the payment facility requirements of the Rules; and
- (iv) meets the business integrity requirements of the Rules.

Account Participants

An Account Participant is not a Settlement Participant. An Account Participant can 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

As an Account Participant you will need to have an appropriate management structure in place and have appropriate supervisory policies / procedures..

If you wish to change your ASX Settlement participation from "General" to "Account" then you will need to:

- (a) Resign your ASX General Settlement Participation in accordance with the ASX Settlement Operating Rules; and
- (b) Apply to become an ASX Account Settlement Participant.

For more information and to obtain a copy of the ASX Account Settlement Participant application form, please contact ASX Customer Management at +61 2 9227 0787 or Participants@asx.com.au

Admission of an Account Participant of ASX Settlement

For an applicant to be eligible to be admitted as an Account Participant the applicant:

- (a) is the holder of an Australian financial services licence which authorises the applicant to carry on its business as a Participant;
- (b) has applied for admission as a Participant in accordance with Rule 4.2.1;
- (c) meets the technical and performance requirements of the Rules;
- (d) meets the business integrity requirements of the Rules;
- (e) meets the performance bond requirements of the Rules; and
- (f) meets the management requirements of the Rules

Specialist Settlement Participants

A Specialist Settlement Participant of ASX Settlement is admitted for limited purposes including acting as Offeror in relation to a takeover scheme or for processing an Allocation Component in DvP Batch Settlement.

Admission of a Specialist Settlement Participant of ASX Settlement

ASX Settlement will admit a person as a Specialist Settlement Participant if ASX Settlement is satisfied that the person;

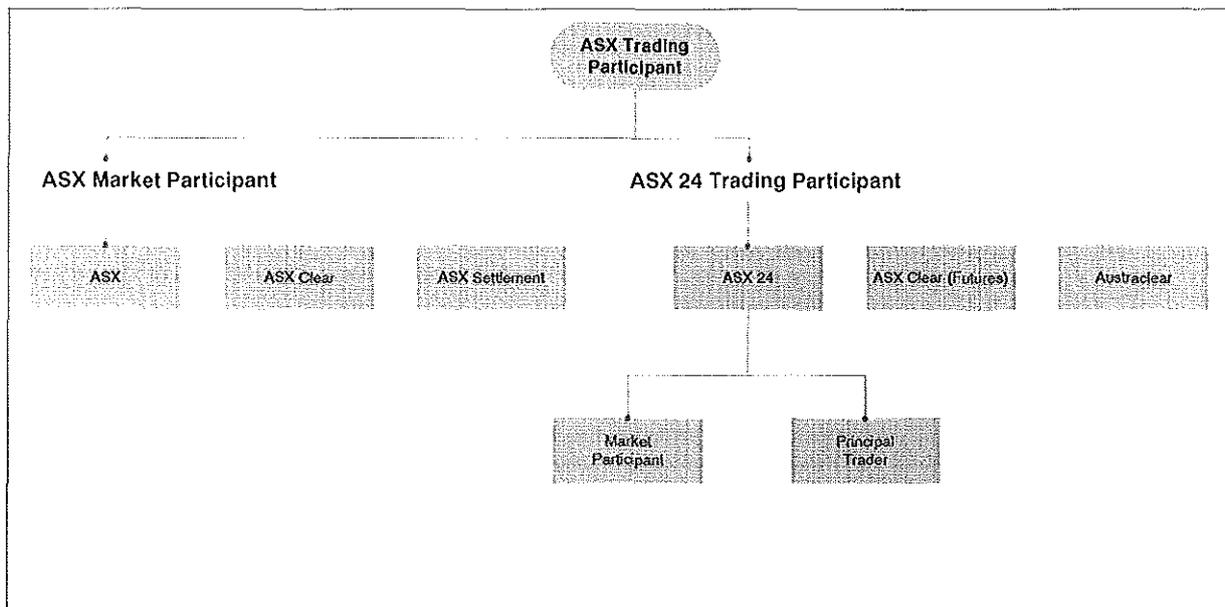
- (a) has applied for admission as a Participant in accordance with Rule 4.2.1;
- (b) meets the technical and performance requirements of the Rules;

- (c) meets the performance bond requirements of the Rules;
- (d) and its Principals meet the capacity requirements of the Rules;
- (e) meets the business integrity requirements of the Rules;
- (f) meets the local establishment requirements (subject to Rule 4.4.2) of the Rules; and
- (g) meets the payment facility requirements of the Rules.

Note: a person admitted as a Settlement Participant under this Rule 4.4.1 may not act as a Sponsoring Participant

If a Specialist Settlement Participant acts only as a Participant Bidder the requirement in ASX Settlement Rule 4.4.1(f) will not apply.

(iv) ASX 24 Trading Participant



Applicants can apply to become either a Market Participant (Trading Participant) or Market Participant (Principal Trader) on ASX 24.

Trading Participants

Once approved as a Trading Participant you will have direct access to the market via a direct connection, and can begin providing execution services to your own organisation and your clients as permitted under your Australian Financial Services Licence (AFSL).

If you do not intend to clear your own transactions, then you will have to appoint a Third Party Clearing provider (who is a ASX Clear (Futures) Participant) to clear them on your behalf. You must maintain adequate clearing arrangements, including, where relevant, a Clearing Guarantee from a Guarantor Clearing Participant, which must be lodged with the ASX.

As a Trading Participant you have no capital requirements under the ASX 24 Operating Rules - however, depending on your business model you may have capital requirements under the ASIC Market Integrity Rules. Any enquiries in this regard should be referred to ASIC.

Principal Traders

Once approved as a Principal Trader you will have direct access to the market via a direct connection to the ASX 24 Trading platform.

Principal Traders transact on their own account and do not provide execution services to clients.

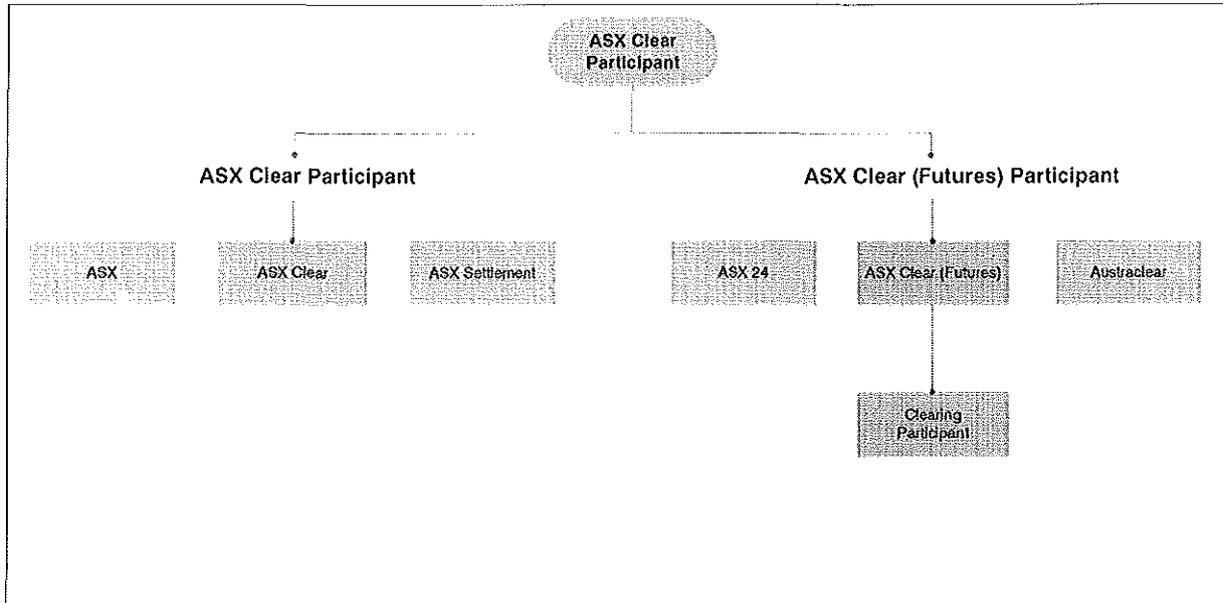
If you do not intend to clear your own transactions, then you will have to appoint a Third Party Clearing provider (who is a ASX Clear (Futures) Participant) to clear them on your behalf.

Admission of Trading Participants

The admission requirements under ASX 24 Operating Rules 1000, 1001 and 1002 state,

- 1000 For an applicant to be eligible for admission as a Trading Participant (other than a Principal Trader) the applicant must:
- (a) lodge an application in the form prescribed by the Exchange as set out in the Procedures;
 - (b) be a body corporate which is incorporated as a company or registered as a foreign company under the Corporations Act and not be applying in the capacity of a trustee under a trust;
 - (c) hold an Australian Financial Services Licence which authorises the applicant to carry on its business as a Trading Participant (unless such a licence is not required by ASIC);
 - (d) satisfy the Exchange that it is of high business integrity. In assessing whether an applicant is of high business integrity for the purposes of Rule 1000(d), but without limiting the discretion of the Exchange, the Exchange may have regard to the matters set out in the Procedures;
 - (e) satisfy the Exchange, in the manner set out in the Procedures, that it has organisational competencies which are adequate for the performance of its obligations as a Participant under these Rules;
 - (f) satisfy the Exchange in the manner set out in the Procedures, that it has organisational competencies sufficient to prevent any action or inaction which results in a market for a Product not being both fair and orderly;
 - (g) satisfy the Exchange, in the manner set out in the Procedures, that it has organisational competencies sufficient to not interfere with the efficiency, orderliness and proper functioning of the Trading Platform;
 - (h) warrant to the Exchange that it is in compliance with the management requirements set out in the ASIC Market Integrity Rules;
 - (i) satisfy the Exchange that it has in place and will maintain adequate clearing arrangements, including, where relevant, a Clearing Guarantee from a Guarantor Clearing Participant; and
 - (j) if the applicant is applying to be admitted up to one year after the Effective Time (as defined in Section 8), satisfy the Exchange that it complies with the Capital Requirements (as defined in Section 8) (or any other requirements applicable in accordance with the conditions of any exemption from the Capital Requirements under Rules 8400 to 8431).
- 1001 A Principal Trader may only enter into transactions on its own behalf. For an applicant to be eligible for admission as a Trading Participant which is a Principal Trader only the applicant must meet the requirements set out in Rule 1000 except that the application does not need to meet the requirements set out in Rule 1000(j) above.
- 1002 If an applicant is a body corporate incorporated or resident outside Australia, then the Exchange may impose additional requirements as specified in the Procedures.

(v) ASX Clear (Futures) Participant



ASX Clear (Futures) Participants

A Clearing Participant of ASX Clear (Futures) can clear Futures and CFDs for itself and its own Clients. It can also provide clearing services to non clearing ASX 24 Participants and Principal Traders.

A Clearing Participant must provide a 'Clearing Guarantee' for each non clearing ASX 24 Participant for whom they clear. A copy of this must be provided to ASX Clear (Futures).

As an ASX Clear (Futures) Participant you are responsible for the clearing process and must meet certain capital requirements. You will need to have appropriate facilities and framework in place (including procedures and personnel) to adequately manage the counterparty risks that arise from the clearing function, together with adequate financial resources and systems to comply with the ASX Clear (Futures) Operating Rules.

Admission of Clearing Participants

The admission requirements under ASX Clear (Futures) Operating Rules 4.2 state,

An applicant who wishes to be approved as a Clearing Participant shall lodge with the Board:

- (a) an application in the Prescribed form signed by the applicant;
- (b) such information concerning the applicant and supported by such evidence as the Board may prescribe
- (c) an undertaking by the applicant in the Prescribed form to abide by these Clearing Rules as amended from time to time, if the application is granted; and
- (d) an application fee of an amount determined from time to time in accordance with Clearing Rule 3.2.

Fees and Charges for gaining access to ASX markets

To access the current fees and charges please refer to the 'Schedules of Fees' available on the ASXOnline website at <https://www.asxonline.com/participants/index.html> under 'Library' and 'Information', in the 'Participants Application Kit'.

If your application to become an ASX Participant is not accepted, ASX will refund your application fee. However, if you withdraw your application, your fee will be refunded, less ASX's administration and processing costs, and any related infrastructure costs.

A direct debit form is the preferred method of payment and is attached to the ASX Participant Application Form. Alternatively, payment may be made via EFT or by cheque. Again, details are defined on the Application Form.

The Application Process

ASX Process and likely timeframes

The time taken to process an application will vary depending on the membership type requested and the applicant's circumstances. ASX will not commence processing an application until a complete Form (including all Annexures) has been received and accepted as complete.

In ASX's experience the most common reasons for delays are:

- incorrect information submitted
- ! errors in risk-based capital requirement calculations submitted
- ! involvement of off-shore regulators where an entity is based off-shore or trading on behalf of off-shore based clients

Applicants that are required by law to hold an AFSL or to modify an existing AFSL should contact ASIC early in the process in order to minimise possible delays in obtaining ASIC regulatory approval. Any timeframe estimates provided by ASX do **not** include the time that it takes an applicant to satisfy any ASIC or overseas regulator requirements, including the time taken to receive an Australian Financial Services Licence (AFSL) or to comply with ASIC Market Integrity Rules.

If you are applying as an ASX Market Participant or an ASX24 Market Participant it is important for you to engage with ASIC at the point your application is accepted by ASX. To contact ASIC's Market and Participant Supervision group you can phone 1300 029 454 and select Option 3 for Participant enquiries or matters. Alternatively, you can email the Market and Participant Team at market.participants@asic.gov.au.

Information for Domestic Applicants

Pre-lodgement discussions

Before you lodge an application, you are encouraged to discuss your application for admission as an ASX Participant with ASX Customer Management. The pre-lodgement discussion will clarify the admission requirements for a new ASX Participant, the application process and your ongoing requirements as a new ASX Participant, and will include an overview by the ASX Participant Compliance and Capital Monitoring units of the requirements of the ASX Operating Rules as applicable.

Application process

A new applicant is required to complete and submit the relevant application form for admission as a new ASX Participant. After discussions with ASX Customer Management, you can obtain application forms from the 'Participants Application Kit', found under 'Library' and 'Information', <https://www.asxonline.com/participants/index.html>. All Operating Rules are located at http://www.asx.com.au/supervision/rules_guidance/index.htm

All applications should be submitted to ASX Customer Management. ASX, including the ASX Compliance – Participants unit, will review your application to ensure it complies with the relevant ASX Rules. If your application complies with the Rules and meets all of the requirements, ASX Customer Management will prepare a submission in support of your application that is then forwarded to ASX management for consideration.

Successful applicants

Upon successfully gaining admission as an ASX Participant, you will receive a copy of the relevant ASX Operating Rules and a certificate of admission as an ASX Participant.

What if your application is rejected?

Before ASX can reject any application for admission as an ASX Participant you will be given an opportunity to provide further information or take steps to address the reasons for the rejection.

Information for Foreign Applicants

Where an applicant is not incorporated or resident in Australia, or where an applicant intends to trade on behalf of clients who are not resident in Australia, additional requirements for ASX and for the applicant may arise as a result of laws in overseas jurisdictions. ASX has in place arrangements with Hong Kong, Singapore, USA and UK market regulators to facilitate access to ASX markets. Due to the overseas laws, however, these arrangements may not cover all products or all off-shore client types. Please advise ASX Customer Management for further information.

ASX / ASX 24 Trading Applicants – Overseas Activity

If an applicant to be an ASX Market Participant or an ASX 24 Trading Participant is a body corporate incorporated or resident outside Australia, the Applicant must meet the requirements set out in the Procedures to the Operating Rules.

These include:

- (a) ASX must be satisfied that the body corporate (or a Related Body Corporate) currently conducts trading operations which are regulated by a foreign derivatives or securities exchange or foreign regulatory authority acceptable to ASX;
- (b) ASX may require the body corporate (or persons connected with the body corporate) to give an additional undertaking or undertakings governed by Australian law in respect of any matter which ASX considers reasonable including, without limitation, undertakings as to:
 - (i) the amount of resources and number of Employees to be located in Australia or, if operations are principally located outside Australia, any resources, disclosure or arrangements (including in relation to ASX of information) that are of the kind required by the Commission in respect of foreign providers of financial services to the maintenance of a fair and orderly market;
 - (ii) access by ASX to records required to be kept by the body corporate under these Rules;
 - (iii) foreign taxes that might be payable; and
 - (vi) the law governing the applicant's activities under the Rules and the applicant's submission to jurisdiction;
- (c) ASX may require the body corporate to provide a legal opinion, from independent lawyers acceptable to ASX, and paid for by the applicant, which deals with matters required by ASX and which is acceptable to ASX; and
- (d) ASX may require a performance bond in the form and substance acceptable to ASX.

Please contact ASX to obtain the precise list of conditions to be complied with and details of legal opinions to be obtained. This will vary depending on the jurisdiction.

ASX Clearing Applicants – Overseas Activity

Approvals in respect of overseas activity

An Applicant that proposes to locate any part of its business as a Participant (including, without limitation, any Gateway or other appropriate means of communicating Clearing Messages), or to locate any of its personnel engaged in its business as a Participant, outside Australia (the 'Overseas Activity') must:

- (a) provide prior written notification to ASX Clear including details of the proposed Overseas Activity;
- (b) obtain all necessary regulatory approvals from any relevant governmental agency or regulatory authority in Australia or elsewhere; and
- (c) comply with the directions of ASX Clear and any relevant governmental agency or regulatory authority in Australia concerning the supervision of the Overseas Activity.

Location of personnel in Australia

An Applicant must ensure, even if part of its business as a Participant or some of its personnel are located outside Australia, that it has sufficient personnel and other resources located in Australia so that the Participant and ASX Clear (and related bodies corporate of ASX Clear) can communicate with each other promptly and receive each other's responses quickly on a day-to-day operational basis and so that the Participant can comply with the Rules or a request of ASX Clear (or a Related Body Corporate of ASX Clear) promptly.

Establishing new operations

How do new trading Participants establish trading operations?

The main steps involved in establishing operations for a new ASX Market Participant or ASX 24 Trading Participant will vary depending on how you have organised your business and the type of operation you plan to run. ASX Participant Operations (participant.operations@asx.com.au) will coordinate all aspects of the establishment process.

You should also note these steps are not sequential and can be implemented concurrently to reduce the time required to establish your operations.

1. ASX Participant Operations will assist Participants in establishing appropriate market infrastructure in their offices and/or data centre facilities, and to gain access to the ASX trading system and ASX24 trading system.
2. ASX Information Services can provide various electronic signals containing Market information to new Participants. Market Information can also connect you to our Voicemail service. This is a public address service over which price-sensitive listed company announcements and Market Control information is provided.
3. You will need to establish a bank account for client funds with an Approved Deposit Taking Institution (ADI) (if applicable).
4. You will need to open mail, telephone, internet and email distribution channels in order to obtain access to ASX Online to maintain details and make changes to the ASX Participant database, to access the ASX Operating Rules, and receive other ASX information and directions.
5. If the participant is intending on using Automatic Order Processing it will be required to meet the requirements under the ASIC/ASX Market Integrity Rules. In this regard you should contact ASIC to discuss requirements. Details of the ASIC/ASX Market Integrity Rules can be found on the ASIC website: <http://www.asic.gov.au/asic/ASIC.NSF/byHeadline/Market%20integrity%20rules>

How do new ASX Clear (Futures) Participants establish clearing operations?

The main steps involved in establishing operations for a new ASX Clear (Futures) Participant will vary depending on how you have organised your business and the type of operation you plan to run. ASX Participant Operations will assist with the coordination of the establishment process.

You should also note these steps are not sequential and can be implemented concurrently to reduce the time required to establish your operations.

1. ASX Clear (Futures) will assist you in establishing direct electronic links to SECUR.
2. ASX Information Services can provide various electronic signals containing trading information to new Participants.
3. Open mail and email distribution channels and obtain access to ASXOnline to maintain details and changes of the ASX Clear (Futures) Participant and to access ASX Clear (Futures) Operating Rules and other ASX information.

How do new ASX Clearing Participants establish clearing operations?

The main steps involved in establishing operations for a new ASX Clear Participant will vary depending on how you have organised your business and the type of operation you plan to run. Participant Operations will assist with the coordination of the establishment process.

You should also note these steps are not sequential and can be implemented concurrently to reduce the time required to establish your operations.

1. Participant Operations will assist you in establishing direct electronic links to CHESS and DCS.
2. ASX Information Services can provide various electronic signals containing trading information to new Participants. Market Information can also connect you to our Voiceline service. This is a public address service over which price-sensitive listed company announcements and Market Control information is provided.
3. Open mail and email distribution channels and obtain access to ASXOnline to maintain details and changes of the ASX Clear Participant and to access ASX Clear Operating Rules and other ASX information.
4. Where a Clearing Participant intends to clear for more than one market they will also be required to attest that it has appropriate systems, procedures and controls to undertake clearing of trades from multiple trade execution platforms. An overview of the authorisation process for Clearing Participants to clear trades executed on multiple trading platforms is provided on the ASX Clearing and Settlement website at:

http://www.asx.com.au/documents/professionals/tas_detailed_application_and_attestation_procedure.pdf

How do new ASX Settlement Participants establish operations?

Software Service Providers

A new ASX Settlement Participant is required to acquire a system from an accredited software service provider for connectivity to CHESS. There are a number of accredited software service providers that are familiar with CHESS requirements and can assist in the development of systems for you.

ASX Participant Operations can provide you with a list of accredited providers and contacts.

Accreditation

A new applicant needs to obtain technical accreditation of their nominated system before commencing settlement operations. There are two levels of technical accreditation for CHES Users:

Primary level accreditation (for service providers only)

Primary level accreditation is required for new services and any in-house applications. Successful execution of a scripted test prepared by ASX Settlement using the interface application with CHES will lead to primary level accreditation.

Applicants using third party software applications which have already been accredited at this level will not be required to undertake this testing.

Secondary level accreditation (connectivity)

All CHES users (including those using in-house developed applications which have obtained primary level accreditation) will be required to undergo a connectivity test from the user's production environment to the CHES production environment. This secondary level accreditation test assesses the user's ability to communicate with CHES using its CHES interface application.

Performance Bonds

Applicants seeking admission as a General Settlement Participant, Account Participant or as a Specialist Settlement Participant may be required to provide a performance bond as required by the ASX Settlement Operating Rules.

There are two distinct types of bonds:

- 1) Settlement Bond – this bond covers the risk incurred as part of the DvP Settlement Batch. This bond protects ASX Settlement against contravention of the Rules by an ASX Settlement Participant. A bond of A\$500,000 is required by all Settlement Participants other than those entities that are prudentially supervised or act only as a Participant Bidder during a takeover bid.

A Settlement Participant will be prudentially supervised, and therefore exempted from the requirement to lodge a Settlement Bond, if it is required to comply with the operating rules of an Approved Market Operator or Approved Clearing Facility that relate to the risk based capital requirements, Net Tangible Asset capital requirements or Other capital regime. Thus, a Settlement Participant that is also an ASX Market Participant or an ASX Clear Participant will not need to lodge a Settlement Bond.

- 2) Sponsorship Bond – a separate bond of A\$500,000 which protects investors, issuers and ASX Settlement against the contravention of the Rules by ASX Settlement Participants. This bond does not apply to an ASX Settlement Participant who holds only 'Direct' HIN's.

A Sponsoring Participant that is subject to the compensation arrangements specified in the Procedures will not have to lodge a Sponsorship Bond. At this stage, the Procedures only specify the National Guarantee Fund arrangements.

Bonds must be issued in a format approved by ASX Settlement and issued by:

- a) an Australian bank;
- b) an insurance company registered with the Australian Securities and Investments Commission (ASIC) under the Life Insurance Act; or
- c) an insurance company authorised to carry on insurance under the Insurance Act.

An ASX Settlement Participant is not permitted to issue a performance bond on its own behalf. ASX Settlement may however accept a performance bond issued by a related company (other than a subsidiary) that is a separate legal entity. A copy of a pro-forma bond is available from Customer Acquisition.

Payment Facility

A General Settlement Participant and Specialist Settlement Participant must establish and maintain at all times at least one payment facility with an approved payment provider (generally a bank). A payment facility is a facility operated on

behalf of an ASX Settlement Participant by a payment provider for the purposes of paying and receiving payments in DvP settlement.

Account Participants are not required to establish a payment facility.

You will need to complete a '[Request to Create a New Payment Facility](#)' form for ASX Settlement to activate the payment facility. It is recommended that you make preliminary arrangements with your payment provider when you submit your application to participate in ASX Settlement. Your payment provider must sign and stamp the 'Request to Create a New Payment Facility' form.

To assist you in establishing payment facility arrangements, a list of financial institutions is available from ASX Participant Operations.

ASX Information Services

ASX Information Services provides a broad range of market data and other information containing ASX trading, company announcement and securities information. Please see the '[Market Information Product Overview](#)' or contact ASX Market Information for further details - email info@asx.com.au.

C. The ASX Participant Application Form

The remaining sections of this Guide provide information to help applicants complete the ASX Participant Application Form. References to question numbers below are to questions contained in the Application Form.

Section 1: General Information – All Applicants

This information is required to be completed by applicants for all Participant types.

1.1 Applicant Details

Please ensure that all details provided are current and that details provided in the Application Form match the details on any supporting documentation.

1.1.1	Company Name	State the full name of the legal entity applying to be an ASX Participant
1.1.2	Registered Office	Provide full address details, including country
1.1.3	Place of Business	Provide full address details, including country of your principal place of business
1.1.4	Principal Contact	Include the full name and contact details of the person responsible for liaising with ASX on behalf of the applicant
1.1.5	Incorporation Details	Detail where the legal entity applying to be an ASX Participant is incorporated
1.1.6	Certificate of Registration	Provide a certified copy of the Certificate of Registration
1.1.7	Not acting as Trustee of a Trust	Confirm that you are not acting in the capacity of a Trustee under a Trust

1.2 Corporate Governance

1.2.1	Director Details	Provide the full name for all directors of the legal entity applying to be an ASX Participant In respect of ASX Market Participants and ASX 24 Trading Participants, each director is required to complete a Director's Personal Information Form - Director's Information Form . This form is used to provide ASX with relevant information that an applicant is of high business integrity, as required by the ASX Operating Rules.
1.2.2	Company Secretary	Provide the name, address and contact details of the Company Secretary
1.2.3	Entity Details	Provide the names of each entity that controls the applicant (as defined by the Corporations Act) and indicate the number of shares allocated to each holding
1.2.4	Group Structure	Please provide a group structure chart that details the applicant's corporate ownership structure starting at the ultimate parent, dropping down to the immediate parent, the applicant, any subsidiaries (including nominee companies of the applicant) and any related / associated companies of the applicant.
1.2.5	Organisation Chart	Please provide an organisation chart showing personnel and their reporting lines. This would include: (a) personnel in charge of general management; (b) personnel in charge of the trading operations; (c) risk management staff; and

		(d) support staff, performing financial control, back office settlements, internal audit and compliance functions
1.2.6	Compliance Executive	Provide the name, address and contact details of the Senior Executive responsible for the Compliance function
1.2.7	Current AFSL Status	Provide details of your current AFSL licence including any variations required to fulfil your obligations as an ASX Participant
1.2.8	AFSL Application	Provide a copy of your existing AFSL licence. If you have to amend your licence then please provide a copy of the application that has been lodged with ASIC in support of the variation.
1.2.9	PI Insurance	Provide a copy of your Professional Indemnity Certificate of Insurance (or equivalent) insurance policy

1.3 Authorised Signatories

1.3.1	ASX Clear Applicants	<p>Under ASX Clear Operating Rule 4.12.1 a Participant must:</p> <p>(a) submit to ASX Clear, in the manner and form prescribed in the Procedures, details of persons who are authorised by the Participant to sign documentation in connection with the operation of its business as a Participant of ASX Clear. The list must specify the title and function of each of those persons in that business; and</p> <p>(b) promptly notify ASX Clear in writing if any of the persons whose names are submitted under this Rule 4.12.1 cease to be authorised by the Participant to sign the relevant documentation or if any new person is given that authority.</p> <p>Under ASX Clear Operating Rule 4.12.1 – Procedure</p> <p>A Participant must submit to ASX Clear a list of persons authorised by the Participant to sign documentation. The list must:</p> <ul style="list-style-type: none"> • be on Participant letterhead; • specify the title and function of each person; • show specimen signatures of any new authorised signatories; • show the date the authorised signatory was appointed. <p>A Participant must notify ASX Clear in writing if any authorised signatories cease to be authorised by the Participant or if any new persons are given that authority.</p>
1.3.2	ASX Clear (Futures) Applicants	<p>The authorised signatories form available at https://www.asxonline.com/intradoc-cgi/groups/public/documents/participantapplicationkitsfe/asx_027734.pdf is only required to be provided if the applicant wants to appoint <u>non-directors</u> as authorised signatories to be able to authorise NTA returns on behalf of the applicant's directors or, in the case of a bank ADI, to sign the Bank Participant Quarterly Capital Statements.</p> <p>Supporting documentation to verify that each person named has been duly authorised must be also be provided with the completed form. There is no set form for the supporting documentation – possible examples are power of attorney or extracts of Board minutes.</p> <p>Please note that this authorised signatories form is only in relation to NTA returns or Bank Participant Quarterly Capital Statements that will need to be submitted under the ASX Clear (Futures) Operating Rules.</p>

1.4 Other ASX Group Participations

1.4.1	Other Participations	<p>Applicants are asked to indicate if they have an existing relationship with the ASX Group, including as a listed entity. Please note the following name changes which took effect on 2 August 2010:</p> <ul style="list-style-type: none"> <input type="checkbox"/> ASX Clear was previously known as ACH <input type="checkbox"/> ASX Settlement was previously known as ASTC <input type="checkbox"/> ASX 24 was previously known as SFE <input type="checkbox"/> ASX Clear (Futures) was previously known as SFECC <p>For example, an applicant for ASX Market Participant membership, which has previously been admitted as an SFE Full Participant, should indicate that they have an existing relationship with ASX 24.</p>
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1.5 Other Registrations

1.5.1 1.5.2	Other Registrations	<p>In some instances ASX rules explicitly refer to an entity's regulatory status. The purpose of this question is for ASX to obtain relevant information about the extent to which an applicant is regulated elsewhere, and in what capacity, for the purposes of administering ASX rules.</p>
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1.6 Other Market Activities

1.6.1	Other Market Activities	<p>Applicants are asked to nominate memberships of other exchanges, trading venues, clearing or settlement facilities or the equivalent. An applicant is not required to provide information where the applicant has an indirect relationship with the venue or facility – i.e. an applicant is not required to list a trading venue where the applicant is not a member but executes trades on the venue as a client of a member.</p> <p>Equivalent venues include, but are not limited to, the following:</p> <ul style="list-style-type: none"> <input type="checkbox"/> multilateral trading facility (MTF) <input type="checkbox"/> alternative trading system (ATS) <input type="checkbox"/> electronic communication network (ECN)
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1.7 Principal Business Activities

1.7.1	Business Activities	<p>Please provide a brief description of your proposed business activities, including the types of products you intend to transact in and the types of clients to whom you intend to offer the products.</p>
1.7.2	Objectives	<p>Indicate your objectives for becoming a Participant e.g. to become a full service broker or to become a clearer for certain types of participants and products etc.</p>
1.7.3	Volume Predictions	<p>Indicate what volumes you are looking to achieve per product during the first 12 months</p>
1.7.4	Business Locations	<p>Document the information relating to your business locations including, but not limited, to the following:</p> <ul style="list-style-type: none"> <input type="checkbox"/> <i>Address of each business location;</i> <input type="checkbox"/> <i>The businesses operating within each location; and</i> <input type="checkbox"/> <i>The services and products offered in each location</i>



<p>1.7.5</p>	<p>Overseas Activity</p>	<p>Document the information relating to your proposed Trading / Clearing/ Settlement operations that will be performed outside of Australia either by the applicant or an outsourced provider (i.e. related body corporate or unrelated service company) including, but not limited to:</p> <ol style="list-style-type: none"> 1. Details of the proposed Overseas Activity as they relate to your business as a participant including the following: <ol style="list-style-type: none"> 1.1 The part of your business that relates to the business as a participant that is being located outside Australia i.e. an Open Interface Device or a computer or other device connected to an Open Interface Device; any personnel engaged in your business as a Trading Participant; etc. 1.2 The due diligence and approval process undertaken to identify, assess, manage and report on the risks associated with the proposed Overseas Activity including, but not limited to: <ul style="list-style-type: none"> ▪ Business case approved by the Board ▪ Vendor selection and determination process ▪ Due diligence review on proposed service provider ▪ Offshoring /outsourcing policy ▪ How the applicant has identified and addressed the risks associated with its obligations under the relevant ASX Operating Rules ▪ Details of monitoring arrangements to evaluate that the outsourced/offshore provider has sufficient capacity to meet the performance levels required by you to meet obligations under the relevant ASX Operating Rules; ▪ Audit arrangements i.e. frequency of independent review of outsourced/offshore provider; ▪ Business Continuity Management arrangements. 2. Details of any Service Agreements associated with the outsourced functions that are material to your compliance with the relevant ASX Operating Rules including, but not limited to: <ul style="list-style-type: none"> - A defined scope of the services to be provided and those excluded, with regard to ensuring compliance with relevant ASX Operating Rules; - Retention of records as required by the relevant ASX Operating Rules; - Guidelines to evaluate that the provider has sufficient capacity to meet the performance level required to meet the obligations of relevant ASX Operating Rules e.g. uptime, performance reporting, capacity; - Negotiated penalties for failure of services; - Compliance and Risk obligations (including audit requirements); - Escalation and Breach reporting to ASX; - Support requirements i.e. the ability for ASX to access premises and/or records of the Service Provider or any agency in connection
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		with proposed participant business; Notification terms or restrictions on delegations to other third parties for the performance of duties; Termination and "orderly rollout period" to ensure no impact to business as a Participant; Business Continuity Management arrangements.
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1.8 Capital Requirements

Section 1.8 of the application form is only applicable for ASX Clear or ASX Clear (Futures) applicants.

Section 1.8 of the application form does not need to be completed if:

- the applicant is currently an ASX Clear participant and is applying to become an ASX participant. In this case, please contact ASX Capital Monitoring to discuss any implications for your capital requirements.
 - the applicant is currently an ASX Clear participant and is applying to become an ASX Clear (Futures) participant. An applicant NTA return will need to be submitted. Please contact ASX Capital Monitoring to discuss this further.
- the applicant is currently an ASX Clear (Futures) participant and is applying to become an ASX Clear participant under the NTA Requirements.
 - the applicant is currently an ASX Clear participant seeking to extend the products for which it has clearing permission. In this case, please contact ASX Capital Monitoring to discuss any implications for your capital requirements.
 - the applicant is currently an ASX Clear Direct Participant seeking to change to a General Participant. In this case, please contact ASX Capital Monitoring to discuss any implications for your capital requirements.

For applicants that are required to complete section 1.8 of the application form, please note that in most cases this is just the initial material required to be provided. ASX Capital Monitoring will request the applicant to provide additional material as the authorisation process proceeds. This will include:

- For risk based applicants:
 - Demonstration of the applicant's ability to calculate liquid capital and all applicable risk requirements (once these have been agreed)
 - Applicant capital liquidity return authorised by 2 directors
 - Key Risks and Internal Systems Statement signed by 2 directors
 - ASX Clear Rule S1 procedures manual
- For NTA applicants:
 - Applicant NTA return authorised by 2 directors (or alternatively 2 authorised signatories for ASX Clear (Futures) applicants)
 - Key Risks and Internal Systems Statement signed by 2 directors (for ASX Clear applicants)
- For other capital regime applicants:
 - Key Risks and Internal Systems Statement signed by 2 directors or 2 Responsible Executives

For foreign applicants of ASX Clear, please note the following:



The rules relating to the calculation of FX position risk requirement are written with the assumption that the participant is Australian based and hence has AUD as its home currency. In recognition that a foreign participant's home currency is not AUD, ASX Capital Monitoring will grant a conditional waiver of the relevant rule enabling the participant to calculate FX PRR on all currencies other than their home currency.

If the applicant wants approval to use foreign accounting standards instead of Australian, ASX Capital Monitoring will need the applicant to provide an opinion from its auditors on the comparability of the foreign accounting standards to the Australian equivalents to the International Financial Reporting Standards (AIFRS) and confirmation that the adoption of the foreign accounting standards instead of the AIFRS would have no material impact on the participant's balance sheet, profit and loss statement and ASX Clear capital liquidity returns. If this is approved it will be subject to a number of conditions.

Pro Forma Auditors Report on Financial Information. The current pro forma in the ASX Clear Rules Procedures cannot be used as it has references to Australian auditing standards. A separate pro forma has been created for use by all foreign participants. This will be provided to the applicant by ASX Capital Monitoring.

Approved Subordinated Debt (ASD). If the applicant wants to use ASD:

If the applicant already has ASD with their home regulator, a copy of the subordinated debt documents with the foreign regulator need to be provided as a first step.

If the applicant does not already have ASD with their home regulator, ASX Capital Monitoring will provide the applicant with the necessary documents for its review and execution.

1.8.1	Capital Regime	<p>This question must be completed by all ASX Clear or ASX Clear (Futures) applicants.</p> <p>A maximum of two boxes can be ticked – one relating to ASX Clear participation and one relating to ASX Clear (Futures) participation. The capital regime/s should be discussed with ASX Capital Monitoring in the pre-application phase.</p> <p>Guidance on the available capital regimes for all ASX Clear and ASX Clear (Futures) participants can be found in the Capital Requirements Guidance document available at https://www.asxonline.com/intradoc/cgi/groups/participant_services/documents/manuals/asx018340.pdf.</p> <ul style="list-style-type: none"> <input type="checkbox"/> Risk Based Capital Requirements is mandatory for all ASX Clear applicants seeking permission to trade and/or clear cash market products or options. <input type="checkbox"/> Net Tangible Assets is mandatory for all ASX Clear (Futures) applicants but is also available to ASX Clear applicants that are seeking permission to clear ASX futures contracts only. <input type="checkbox"/> The Bank ADIs box is only available to applicants that are or will be bank authorised deposit-taking institutions (ADIs) as defined under section 5 of the Banking Act 1959. Please ensure you have reviewed the Capital Requirements Guidance document for eligibility criteria and reporting requirements (section 6 of the document for ASX Clear applicants and section 8 for ASX Clear (Futures) applicants).
1.8.2	Audited Financial Statements	Financial statements are required to assist ASX Capital Monitoring in assessing the applicant's financial position.
1.8.3	Auditor's Details	Please provide the details of the applicant's auditor including audit partner, audit firm, address, phone number and email address. This will be recorded in ASX's systems. Any changes to auditor details after admission will need to be updated by the participant via ASX Online. Participants are subject to audit requirements as set out in the Operating Rules.



1.8.4	Auditor Notification	This question is asked to highlight the need for applicants to advise their auditors of this application to facilitate audit planning.
1.8.5	Financial Year End	<p>This is required so that ASX Capital Monitoring is aware of the timing for each participant's annual reporting obligations.</p> <p>Annual reporting requirements for ASX Clear and ASX Clear (Futures) participants are set out in the Capital Requirements Guidance document available at https://www.asxonline.com/intradoc/cgi/groups/participant_services/documents/manuals/asx018340.pdf.</p>
1.8.6	Subordinated Debt	<p>The reason for asking this question is to assist in the assessment of the applicant's ability to comply with the relevant capital requirements and to ensure that the appropriate legal documentation can be provided to the applicant.</p> <p>Approved Subordinated Debt (ASD) is a defined term in the Operating Rules. ASD is:</p> <ul style="list-style-type: none"> □ included in a participant's Liquid Capital (for participants subject to the Risk Based Capital Requirements); or □ excluded from the sum of liabilities for the purposes of calculating Net Tangible Assets (for participants subject to the NTA Requirements). <p>The relevant ASX group entity will be a party to the ASD documentation.</p> <p>Guidance on the use of ASD under the ASX Clear Rules is set out in the Capital Requirements Guidance document available at https://www.asxonline.com/intradoc/cgi/groups/participant_services/documents/manuals/asx018340.pdf</p>
1.8.7	Activities	<p>Under the Risk Based Capital Requirements, each participant must have sufficient Liquid Capital (i.e. regulatory capital) to cover its Total Risk Requirement (TRR) (which is a measure of risk in the organisation). The calculation of TRR needs to capture risks arising from all activities undertaken in the participant legal entity. It is not just restricted to activity on the ASX or ASX 24 markets.</p> <p>In order for the applicant and ASX Capital Monitoring to agree the risk requirements that will be applicable, it is necessary for the applicant to provide a full description of all activities to be undertaken in the applicant legal entity. This would include, but is not limited to, the following details:</p> <ul style="list-style-type: none"> □ all products to be offered to clients (whether directly or through arrangements with other parties) regardless of whether these are traded on ASX/ASX 24, another exchange or OTC □ all products to be traded as principal regardless of whether these are traded on ASX/ASX 24, another exchange or OTC □ whether the applicant will be undertaking securities lending/borrowing, repo/reverse repo or free delivery transactions or offering margin lending and □ whether the applicant will have foreign currency denominated assets or liabilities on its balance sheet.
1.8.8	Third Party Clearer	The reason for asking this question is to assist in assessing the impact of the security deposit on the applicant's Liquid Capital. Security deposits provided to a third party clearer need to be treated as an Excluded Asset in accordance with the definitions in ASX Clear Rule S1 and hence deducted from Liquid Capital.

1.8.9	Guarantees	<p>ASX Clear Rule S1.2.6 deals with the provision of guarantees and indemnities by participants. Guidance on this rule can be found in the Capital Liquidity Handbook (refer Section 3, Tab B).</p> <p>The reason for asking this question is to assist in assessing the impact of the guarantees on the applicant's Liquid Capital. Guarantees under ASX Clear Rule S1.2.6(1)(c) need to be treated as an Excluded Liability and hence deducted from Liquid Capital.</p>
1.8.10	Related Service Entity	<p>The monthly capital returns that need to be submitted by participants are on a single entity basis and not on a consolidated group basis.</p> <p>An understanding of the use of a service entity will assist ASX Capital Monitoring in its ongoing review of the income statement included in a participant's monthly returns.</p>
1.8.11	Consolidated Tax Group	<p>Please refer to the guidance for ASX Clear Rule S1.2.6 in the Capital Liquidity Handbook (refer Section 3, Tab B) for information on consolidated tax groups.</p> <p>An understanding of the applicant's tax status will assist ASX Capital Monitoring in its ongoing review of the income statement included in a participant's monthly returns.</p>
1.8.12	Business Continuity	<p>For ASX Clear participants, please provide an extract from your business continuity plan detailing how the applicant will ensure continued compliance with ASX Clear Rule S1.</p>
1.8.13	Principal Positions	<p>This information is required in order to assist in assessing the applicant's ability to comply with ASX Clear Rule S1.2.8 regarding the valuation of financial instruments held as principal.</p>
1.8.14	Applicant Status	<p>Please select the type of entity that the applicant is. The available types of entity are:</p> <ul style="list-style-type: none"> <input type="checkbox"/> An Australian authorised deposit-taking institution regulated by the Australian Prudential Regulation Authority. <input type="checkbox"/> A foreign bank regulated under a capital regime which is consistent in all substantial respects with the Basel Capital Adequacy Framework that is not a foreign ADI as defined under section 5 of the Banking Act 1959. <input type="checkbox"/> A foreign bank regulated under a capital regime which is consistent in all substantial respects with the Basel Capital Adequacy Framework that is also a foreign ADI as defined under section 5 of the Banking Act 1959. <p>If 'other' is selected, please provide full details.</p>
1.8.15	Exemption Request (ASX Clear)	<p>This question is only applicable for ASX Clear applicants that are seeking permission to clear ASX futures only.</p> <p>Applicants must separately apply to ASX Capital Monitoring for an exemption under ASX Clear Rule 5.2.</p>
1.8.16	Tier 1 Capital	<p>Bank ADI applicants are required to disclose their latest quarterly Tier 1 Capital figure as calculated for their banking regulator. Please ensure you specify the amount, the currency and the date of calculation.</p> <p>This can be disclosed on a single entity basis or a consolidated group basis subject to the following:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Consolidated group data can only be provided if the consolidated group Tier 1 capital is over A\$5 billion. Australian incorporated banks should report their Level 2 Tier 1 capital (as defined by APRA under Prudential Standard APS 110). Foreign incorporated banks should report their

		<p>consolidated group Tier 1 capital in accordance with the requirements of their home banking regulator.</p> <p><input type="checkbox"/> Single entity Tier 1 capital is mandatory where consolidated group Tier 1 capital is A\$5 billion or less. Australian incorporated banks should report their Level 1 Tier 1 capital (as defined by APRA under Prudential Standard APS 110). Foreign incorporated banks should report the Tier 1 capital for the participant legal entity.</p>
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- ASX Market Participant Applicants – proceed to Section 2 of the application form.
- ASX 24 Trading Participant Applicants – proceed to Section 2 of the application form.
- ASX Clearing Participant Applicants – proceed to Section 3 of the application form.
- ASX Clearing Participant (Futures) Applicants – proceed to Section 3 of the application form.
- ASX Settlement Participant Applicants – proceed to Section 4 of the application form.



Section 2: ASX Trade / ASX Trade 24 Trading Participants

2.1 Participant Type / Product

2.1.1	ASX Types	Indicate whether you will be applying for ASX Participation as either a Market Participant or Principal Trader (refer section 2 for more details) and also the products you intend to transact in.
2.1.2	ASX 24 Types	Indicate whether you will be applying for ASX Participation as either a Trading Participant or Principal Trader (refer section 2 for more details).
2.1.3	Client Types	Indicate whether the applicant will be trading on behalf of retail, sophisticated or wholesale clients
	Offshore Clients	<p>If clients may be located in other off-shore locations other than U.S – please just indicate proposed locations – no further details are required at this time.</p> <p>Does the applicant intend to deal on behalf of clients located in the U.S?</p> <p>If yes, please provide details upon what basis is the company entitled to deal on behalf of US Customers (i.e. has the company been granted relief under Part 30.10 of the Commodity Futures Trading Commission (CFTC) regulations or is it registered as a Futures Commission Merchant (FCM) in the US? Please provide relevant evidence in relation to this part 2.1.2(b).</p> <p>If no, please provide copy of legal advice confirming relief not required or advise date by which the company intends to make application for relief under rule 30.10.</p> <p>If the company has obtained relief from Part 30.10 of the CFTC Regulations, please advise which of the Exchanges Determined under ASX 24 Rule 1800 it intends to deal on behalf of US Customers (Note that the company must ensure that the products it intends offering to US Customers are approved - there is no restriction on exchange traded futures over commodities, or options over those futures contracts, but the offer or sale of exchange traded futures or options on stock index and government debt products is not permitted unless specific approval has been given by the CFTC. A list of all such products approved by the CFTC is kept up to date by the CFTC on their website – see http://www.cftc.gov/opa/background/opa30.htm)</p>
2.1.4	Principal Trader	<p>ASX admission requirements state that an applicant for Principal Trader or at least one director of the applicant must meet the Corporations Act 2001 (Cth) definition of a professional investor or a sophisticated investor.</p> <p>A Sophisticated Investor (s708(8)) is a person who can demonstrate, by way of an accountant's certificate, that the person has net assets of at least \$2.5 million or a gross income for each of the last 2 financial years of at least \$250,000.</p> <p>A Professional Investor (s9) means a <u>person</u> in relation to whom one or more of the following paragraphs apply:</p> <p>(a) the <u>person</u> is a <u>financial services licensee</u>;</p> <p>(b) the <u>person</u> is a <u>body regulated by APRA</u>, other than a trustee of any of the following (within the meaning of the <u>Superannuation Industry (Supervision) Act 1993</u>):</p> <p>(i) a superannuation fund;</p>



		<p>(ii) an approved deposit fund; (iii) a pooled superannuation trust; (iv) a public sector superannuation scheme; (c) the <u>person</u> is a <u>body registered</u> under the <i>Financial Corporations Act 1974</i>; (d) the <u>person</u> is the trustee of: (i) a superannuation fund; or (ii) an approved deposit fund; or (iii) a pooled superannuation trust; or (iv) a public sector superannuation scheme; within the meaning of the <i>Superannuation Industry (Supervision) Act 1993</i> and the fund, trust or scheme has net <u>assets</u> of at least \$10 million; (e) the <u>person controls</u> at least \$10 million (including any <u>amount</u> held by an <u>associate</u> or under a trust that the <u>person</u> manages); (f) the <u>person</u> is a <u>listed entity</u>, or a <u>related body corporate</u> of a <u>listed entity</u>; (g) the <u>person</u> is an <u>exempt public authority</u>; (h) the <u>person</u> is a <u>body corporate</u>, or an unincorporated <u>body</u>, that: (i) carries on a business of <u>investment</u> in <u>financial products</u>, <u>interests</u> in land or other <u>investments</u>; and (ii) for those purposes, invests funds received (directly or indirectly) following an offer or invitation to the public, within the meaning of <u>section 82</u>, the terms of which <u>provided</u> for the funds subscribed to be invested for those purposes; (i) the <u>person</u> is a foreign <u>entity</u> that, if established or <u>incorporated in Australia</u>, would be covered by one of the preceding paragraphs.</p>
2.1.5	Principal Trader (Experience)	<p>As per ASX Operating Rule – Procedure 1000(e) In order to satisfy ASX that it has the organisational competencies which are adequate for the performance of its obligations as a Market Participant under these Rules an applicant as a Principal Trader only must provide to ASX:</p> <p>(a) a certification in the form prescribed by ASX from time to time (and signed by the directors and senior executive responsible for the compliance function of the applicant) that: (i) the applicant or at least one director of the applicant is a Professional Investor or Sophisticated Investor (as defined in the Corporations Act 2001); and (ii) the applicant is aware of and understands the obligations contained in the Rules.</p> <p>(b) proof that at least one director of the applicant: (i) possesses a minimum of five (5) years experience in a senior trading role, trading on ASX or a recognised exchange; or (ii) is currently actively trading on a recognised exchange in the capacity of Principal Trader (or equivalent status); and</p> <p>(c) details of any service agreements, if the applicant is outsourcing functions to a third party which are material to the applicant's compliance with the Rules; and</p> <p>(d) a statement by the directors of the applicant confirming that the applicant satisfies ASIC Market Integrity Rule 2.1.</p>
2.1.6	Market –Maker Schemes	<p>If proposing to Make-Markets on either Exchange Traded Options (ETOs) or ETF/ETC's, you will need to complete the relevant Agreement Contracts which will be made available to you upon Application. Full details of each scheme can be provided upon request.</p>



2.2 Trade Facilities

TradeMatch™ is an ultra-low latency, high capacity, trading platform that will provide a full functionality trade execution offering for all ASX-quoted securities. This is the default trading market on the ASX Trade platform (previously known as ITS).

2.2.1	Volume Match	<p>VolumeMatch® is an ASX trade execution facility that enables end-users to search for liquidity and execute large orders anonymously.</p> <p>Execution occurs at a predetermined VolumeMatch price, which is generated from recent pricing activity in ASX's main Central Limit Order Book (CLOB). Market Participants can enter buy and sell orders (above special size of A\$1,000,000) into the VolumeMatch Book and continuous matching at the predetermined price is conducted on a time priority basis.</p> <p>The predetermined execution price is periodically refreshed from the CLOB. The matching period runs for a fixed timeframe. Once a trade occurs in VolumeMatch®, the trade will be displayed in the trade history window with condition code VM (a crossed trade will be reported with condition code VMXT).</p> <p>A separate agreement and certification process may be required for participants to access the VolumeMatch® facility – View Volumematch ebooklet for further details.</p> <p>VolumeMatch Obligations are defined under the ASX Operating Rules in Rule 4200 and Procedure 4201</p>
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2.3 Access Model

2.3.1	Access Model	<p>Distributed Access means that the Gateway/router infrastructure is installed outside of the Exchange (your office, hosting facility etc)</p> <p>Co-location facility for both ASX Market and ASX 24 Trading Participants will be available Q4 2011. Co-location hosting allows Participants of the ASX to place their trading equipment and assigned ITS Gateway machines within the same physical data centre as the ASX's ITS primary matching engine.</p> <p>This enables high speed market data and trade execution with network latency at globally competitive levels of below one millisecond. Refer to the ASX ITS Co-location Hosting Solution document for further information. - Co location Hosting</p> <p>Each ASX Market must have at least one Designated Trading Representative (DTR) registered to act on the Participant's behalf. Qualified DTR's can both be recruited and then registered by the ASX Market Participant, or new DTR's may be trained by the ASX Market Participant. Each DTR must be registered by ASX (as prescribed by ASX Market Rules, Policies and Procedures)</p> <p>ITS can be accessed only through an ITS user ID and password issued by Market Control. These must remain confidential to the person that they are issued to. Upon registration, each DTR is issued with an ITS user ID. ITS user IDs are also issued to those firms that access ITS through the Open Interface</p>
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2.3.2	Trading Application	<p>You can access ITS either through ASX provided ITS Workstation software running on a PC or via another device connected to the ITS Open Interface.</p> <p>The Open Interface provides electronic access to trading on ITS and to market information. ASX Market Participants can use the Open Interface to link their own dealing systems directly to ITS in order to provide their clients with sophisticated order-routing capabilities.</p> <p>Participants may develop their own proprietary Open Interface compatible dealing system or buy one from a third party vendor</p>
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2.4 Clearing and Settlement Arrangements

2.4.1	Clearing	<p>Please indicate if you will be clearing your own transactions or using a third party clearer ('TPC').</p> <p>For ASX Market Participants who are using a TPC you are required to lodge a copy of your signed Clearing Agreement with the ASX.</p> <p>For ASX 24 Trading Participants who are using a TPC you are required to lodge a copy of the Clearing Guarantee with ASX.</p> <p>Please indicate if you intend to clear transactions for more than one market.</p>
2.4.2	Multiple Clearers	<p>If you are applying as an ASX Market Participant and you intend using more than one clearer e.g. you are going to clear some transactions yourself and use a TPC for the balance or you are dividing your clearing between two different clearers, then in accordance with ASX Clear Operating Rule 3.2.2 – Procedure you will need to ensure that your Clearer(s) lodge an attestation with ASX attesting that the Clearing Participant is aware of the increased risks in relation to a Trading Participant using multiple Clearing Participants.</p>

2.5 Compliance Requirements

2.5.1	Attestation	<p>An applicant must provide the following information to ASX in order to satisfy ASX that it is of high business integrity and that it has the organisational competencies which are adequate for the performance of its obligations as an ASX Market Participant / ASX 24 Trading Participant.</p> <p><u>Business Integrity</u></p> <ul style="list-style-type: none"> (a) any previous bankruptcy, insolvency, receivership, administration, or similar event; (b) any charges or convictions for any offences relating to dishonesty, fraud, financial markets-related conduct, or money laundering; (c) any fines, banning, suspension or other disciplinary measures for financial markets-related conduct; (d) any disciplinary action or adverse mention in a report made by, or at the request of, any government or governmental authority or agency, the Commission, ASX, an Approved Clearing Facility, an Approved Settlement Facility, and any other exchange, market operator or clearing and/or settlement facility; (e) any refusal of membership or revocation of membership of any financial markets-related, legal or accounting professional organisation or body; (f) any refusal of an application for Market Participant status (or equivalent status)
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		<p>on another exchange or market operator (with consent provided by the applicant for ASX to obtain details from the relevant exchange or market operator); and</p> <p>(g) consent for ASX to obtain information on the credit worthiness of the applicant.</p> <p><u>Organisational Competencies</u></p> <p>(a) a certification in the form prescribed by ASX from time to time (and signed by the directors and senior executive responsible for the compliance function of the applicant) that the applicant has developed processes and procedures that are reasonably designed and that when implemented will function, so as to achieve compliance by the applicant with the Rules. In providing this certification to ASX the applicant must be able to demonstrate to the satisfaction of ASX, at anytime, the basis on which the certification is provided, including the following:</p> <ul style="list-style-type: none"> (i) the applicant has the necessary regulatory approvals to trade on ASX, and that the applicant's AFSL (or other regulatory approval) enables it to trade the Products that it intends to trade on ASX; (ii) the applicant is aware of and understands the obligations contained in the Rules; (iii) the applicant has a compliance program designed in accordance with the Australian Standard AS3806:2006 Compliance Programs to regularly assess and monitor its performance against the Rules, readily identify issues and provide continual improvements to its compliance program as required; (iv) the applicant has, at an organisational level, determined the resource competencies (be they human or systems) required for the adequate performance of its obligations as a Market Participant and that the applicant has a program that monitors performance against these competencies; (v) the applicant has an initial and ongoing training program on the Rules (and any associated changes) for its Employees involved in its business as a Market Participant; (vi) the applicant has awareness, understanding and can evidence its infrastructure arrangements and infrastructure change management processes (including comprehensive testing programs) specific to its access to the Trading Platform and its business as a Market Participant; (vii) the applicant has appropriate security and access arrangements, controls and monitoring programs relating to its infrastructure arrangements specific to access its Open Interface to the ASX; (viii) the applicant has processes in place to ensure it can, provide evidence and produce supporting documentation relevant to the design, implementation and functioning of its compliance program; and <p>(b) details of any service agreements, if the applicant is outsourcing functions to a third party which are material to the applicant's compliance with the Rules</p> <p>Also ASX Market Participants also need to provide:</p> <p>(c) a statement by the directors of the applicant confirming that the applicant satisfies ASIC Market Integrity Rule 2.1.</p>
2.5.2	Infrastructure diagram	<p>Please provide an infrastructure diagram that shows:</p> <ul style="list-style-type: none"> (i) Connectivity between your Trading systems, the Exchange and your settlement systems; (ii) Detail the order flow vs. the execution flow; (iii) Identify which systems are Automated Trading systems; (iv) Identify which system are proprietary vs. those which are vendor systems;

		and (v) Include your business continuity systems where applicable.
2.5.3	Daily Beneficial Ownership Report (DBOR)	<p>ASX 24 Trading applicants are required to complete the DBOR questionnaire to enable ASX to understand how automated the process is for the production of the daily DBOR report. Where the applicant is outsourcing this activity they may need their clearers assistance to complete the form however the ASX 24 Trading Participant is required to lodge the form as it is under the obligation to comply even if it outsources the activity.</p> <p>If you are an ASX 24 applicant and do not deal for clients e.g. Principal Trader you may be entitled to apply for an exemption from having to lodge the DBOR report. A signed letter from a director of the applicant advising that they wish to apply for an exemption to ASX24 OR 3500 from the requirement to provide daily beneficial ownership reports and exceptional reports may be submitted with application.</p>
2.5.4	Client Agreement	For ASX24 Trading applicants please provide a copy of your Client Agreement

Section 3: ASX Clear Participants and ASX Clear (Futures) Participants

3.1 Participant Type

3.1.1	ASX Clear Participant	<p>Please indicate the type of ASX Clear participant you are applying to become.</p> <p>Direct Participants A Direct Participant is a Participant that clears Cash CCP Transactions or Derivatives CCP Contracts for itself and its own Clients but not anyone else.</p> <p>General Participants A General Participant is a Participant that is a third party clearer that clears Cash CCP Transactions or Derivatives CCP Contracts for itself, its own Clients, Market Participants and their clients and other Participants and their clients.</p> <p>Admission as a General Participant only entitles a Participant to clear transactions for someone else provided the Participant has entered into a Clearing Agreement or Client Agreement as required by these Rules</p>
3.1.2	ASX Clear (Futures) Participant	Please advise if you will be providing Third Party Clearing services to other Participants
3.1.3	Client Clearing	For applicants who will be providing Clearing Services to clients you are required to lodge a sample copy of your proposed Client agreement with ASX Clear.
3.1.4	Third Party Clearing	<p>For applicants who will be providing Clearing Services to ASX Market Participants you are required to lodge a copy of your signed Clearing Agreement with the ASX Clear.</p> <p>For applicants who will be providing Clearing Services to ASX 24 Trading Participants you are required to lodge a copy of the Clearing Guarantee with ASX Clear.</p> <p>Also please provide a list of potential customers (if known) for whom you intend to provide Clearing Services to in the first six months.</p>
3.1.5	Multiple Clearers	If you are going to be providing Clearing services to ASX Market Participants that use more than one Clearer, then in accordance with ASX Clear Operating Rule 3.2.2 – Procedure you will need to ensure that you lodge an attestation with ASX attesting that you are aware of the increased risks in relation to a Trading Participant using multiple Clearing Participants.

3.2 Products

3.2.1	ASX Clear	Indicate what products the applicant intends to clear.
3.2.2	ASX Clear (Futures)	Indicate what products the applicant intends to clear.

3.3 Nominee Companies

	Nominee Company	Please provide details of the Nominee Companies registered by the applicant in which client assets will be held, and evidence that the Nominees Companies are wholly, legally and beneficially owned by the applicant.
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3.4 Compliance Requirements

<p>3.4.1</p>	<p>Supervisory, Risk and Compliance framework</p>	<p>Provide a copy of your Supervisory Framework which defines the supervisory responsibilities, risk assessment and accountability for each of the key elements of the ASX Clear (Futures) framework, including but not limited to:</p> <ul style="list-style-type: none"> <input type="checkbox"/> New Clients <input type="checkbox"/> Position Management <ul style="list-style-type: none"> <input type="checkbox"/> Allocations <input type="checkbox"/> Reporting (DBOR's) <input type="checkbox"/> Back to back close outs <input type="checkbox"/> Transfers <input type="checkbox"/> Margining <input type="checkbox"/> Position Monitoring <ul style="list-style-type: none"> <input type="checkbox"/> Limits <input type="checkbox"/> Concentration <input type="checkbox"/> Expiry <input type="checkbox"/> Settlement <ul style="list-style-type: none"> <input type="checkbox"/> Physical Delivery process <input type="checkbox"/> Financials <ul style="list-style-type: none"> <input type="checkbox"/> Commitment <input type="checkbox"/> NTA <p>In addition please provide copies of the following procedures for review:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Margin processes; and <input type="checkbox"/> Delivery process around expiry <p>Note we may call to review additional procedure during the course of the application review process.</p>
<p>3.4.2</p>	<p>Management Plan</p>	<p>Please provide a copy of your Management Plan detailing your Supervisory, Risk and Compliance framework. This plan must include details of the applicants Management Structure, Risk Assessment, Allocation of Responsibilities and identify the people who will be Responsible Executives.</p> <p>In addition please provide copies of the following procedures for review:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Discharge of Net Clearing Obligations; and <input type="checkbox"/> Exchange Traded Options margining processes (if intending to trade ETO's) <p>Please be advised that we may call for additional information and/or procedures during the course of the application review process. For more information please refer to the ASX Clear Guidance 4 and 13 as well as the <u>Management Plan Summary</u> located in the Participants Kit located on the ASX website.</p>
<p>3.4.3</p>	<p>Responsible Executive Notification and Undertaking</p>	<p>Please execute and provide a <u>Responsible Executive Notification and Undertaking</u> form from each proposed Responsible Executive of the applicant.</p> <p>This form should be used by Participants who wish to notify ASX Clear Pty Limited ABN 48 001 314 503 (ASX Clear) of the appointment of a natural person as a Responsible Executive (the "Appointee") pursuant to the ASX Clear Operating Rules ("the Rules").</p>



3.4.4	Intra-day Contact List	<p>Please complete the Intra-day Contact List</p> <p><u>Intraday margin calls</u></p> <p>In the event of an intraday margin call, ASX will call the Operations contacts to arrange for the payment to be effected. If no operations contacts are available, Risk Management and Treasury will subsequently be called to alert the Clearing Participant of the intraday call and then Executives will be called.</p> <p><u>Changes to the intraday margin call contact list</u></p> <p>Given the importance of the intraday margin call process, Clearing Participants are requested to notify ASX Clear and ASX Clear (Futures) of changes to their intra-day margin call contact list.</p>
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3.5 Settlement Arrangements

3.5.1	EXIGO Settlement	Please complete the Application to make cash settlements with ASX Clear (Futures) Pty Limited using the Austraclear System form. This form is used by Clearing Participants for the settlement of ASX Clear (Futures) margins.
3.5.2	Contact Details	Please complete the Clearing Participant Contact Details Form to enable Clearing Risk Operations to contact the relevant people in relation to Intra-day Margin Calls and such matters.
3.5.3	ASX Clear (Futures)	Please complete the Risk Management Survey and Daily Cash Settlement Forms for Clearing Risk Operations.

3.6 Business Continuity Arrangements

3.6.1	Self Certification	<p>This section provides guidance to applicants in relation to matters that they should consider for inclusion in their Business Continuity Plans (BCP).</p> <p>This Guidance should be read in conjunction with the relevant Operating Rules.</p> <p>Participant Obligations</p> <p>The following are the minimum Business Continuity standards with which each Participant is expected to comply.</p> <p>Each Participant must address the below listed categories to the extent applicable and necessary. If any of the below listed categories is not applicable, the Participant's business continuity plan need not address the category. The Participant's business continuity plan, however, must document the rationale for not including such category in its plan. If a Participant relies on another entity for any one of the listed categories below or any critical system, the Participant's business continuity plan must address this relationship.</p> <p>Participants are required to have in place and maintain business continuity and technology recovery arrangements that are adequate to ensure the effective, timely and reliable recovery of their usual operations. Such arrangements, commensurate with the assessed criticality of the various systems and processes involved and with regards to the nature and extent of business carried on by the Participant, should include:</p>
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	<p>(a) Documented Business Continuity Plans (BCPs) Business continuity and technology recovery plans must be documented and be readily available at both primary and back up sites. Arrangements described should consider relevant incident scenarios (e.g. loss of systems, loss of site, etc.) and may include the following:</p> <ul style="list-style-type: none"> i. Clearly identified processes and systems which are key to market activities; ii. Impact assessment against critical processes and systems considering relevant incident scenarios; iii. Planned recovery time objectives for critical processes and systems; iv. Recovery Strategies for critical processes and systems; v. Data back up and recovery (hard copy and electronic); vi. Alternate communication methods, with clients, providers/suppliers and regulators; vii. Alternate physical location of employees (site requirements and location details); viii. Incident / Crisis management framework <p>(b) Plan Updates Each Participant must update its plan in the event of any material change to the Participants operations, structure, business or location. Each Participant must also conduct an annual review of its business continuity plan to determine whether any modifications are necessary in light of changes to the Participant's operations, structure, business or location.</p> <p>(c) Ownership of plan Participants must designate a member of senior management to approve the plan and he or she shall be responsible for conducting the required annual review. Furthermore, the status of business continuity arrangements should be periodically reported to the Participant's senior management and/or Board.</p> <p>d) Key Service Provider Service Level Agreements This refers to assessing a Participants dependency on key service providers in recovery strategies and recovery time objectives, and taking steps to ensure that key service providers are capable of supporting the Participant's key business activities, even in disruptions. Key service providers refer to third parties who are performing functions that are not normally carried out by the Participants internally, but are critical to your ability to carry on business operations.</p> <p>(e) Review and Testing Participants should conduct regular testing of their business continuity plans to ensure that transition to back-up systems and operational procedures are known by staff and are timely, reliable and address relevant scenarios. Additionally it is recommended that plans and testing are checked as a part of Participant's internal audit/compliance reviews. This regular testing should demonstrate that the Participant's BC arrangements are such that they have sufficient capacity with their back up arrangements to process the expected volumes and values of transactions with the required speed.</p> <p>(f) Technology requirements Participants should ensure that the key technology components are housed in a data centre providing physical access control, dedicated air conditioning, environmental controls, fire detection and suppression. They should also ensure that sufficient hardware, communications and power redundancy is considered for both the primary and back up sites.</p>
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		<p>To support any ASX Clearing or ASX Settlement application the applicants will be required to provide the ASX information regarding the confirmation of Business Continuity Plans (BCP) through the provision of a completed Business Continuity Self Assessment Form, including any supporting documents requested.</p>
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Section 4: ASX Settlement Participants

4.1 Participant Type

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:

4.1.1	Participant Type	<p><u>General</u> 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.</p> <p>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;</p> <p><u>Account</u> 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.</p> <p>An Account Participant may also establish and maintain Participant Sponsored Holdings</p> <p><u>Specialist Settlement</u> Being those persons who are admitted for limited purposes including acting as Offeror in relation to a takeover scheme or for processing an Allocation Component in DvP Batch Settlement.</p>
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4.2 Performance Bonds

4.2.1	Settlement Bond	<p>If accessing the CHES daily settlement batch (as an ASX Settlement – General Participant), and if not:</p> <ul style="list-style-type: none"> ▫ prudentially supervised; ▫ a CS Facility; or ▫ acting only as a Participant Bidder <p>You will need to submit a Settlement Bond. Please refer to Performance Bonds in section 2.3.4 – How do new ASX Settlement Participants establish Operations for further details.</p>
4.2.2	Sponsorship Bond	<p>If you intend to Sponsor Clients and are not subject to an approved compensation arrangement (NGF) you will need to submit a Sponsorship Bond. Please refer to Performance Bonds in section 2.3.4 – How do new ASX Settlement Participants establish Operations for further details.</p>

4.3 Operational Documentation

4.3.1	Operational Documentation	<p>The appendices defined below refer to the ASX Settlement (formerly <u>ASTC Procedure Guide</u>) that is available on ASXOnline for all ASX Settlement Participants</p>
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		<p>Appendix W – <u>New External CHESSE User</u> – This form is required to establish a new user in the CHESSE system</p> <p>Appendix P1 – <u>Request to create new payment facility</u> – used to associate a Participant in the CHESSE system to a Payment Provider.</p>
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4.4 Business Continuity Arrangements

<p>4.4.1</p>	<p>Self Certification</p>	<p>This section provides guidance to applicants in relation to matters that they should consider for inclusion in their Business Continuity Plans (BCP).</p> <p>This Guidance should be read in conjunction with the relevant Operating Rules.</p> <p>Participant Obligations The following are the minimum Business Continuity standards with which each Participant is expected to comply.</p> <p>Each Participant must address the below listed categories to the extent applicable and necessary. If any of the below listed categories is not applicable, the Participant's business continuity plan need not address the category. The Participant's business continuity plan, however, must document the rationale for not including such category in its plan. If a Participant relies on another entity for any one of the listed categories below or any critical system, the Participant's business continuity plan must address this relationship.</p> <p>Participants are required to have in place and maintain business continuity and technology recovery arrangements that are adequate to ensure the effective, timely and reliable recovery of their usual operations. Such arrangements, commensurate with the assessed criticality of the various systems and processes involved and with regards to the nature and extent of business carried on by the Participant, should include:</p> <p>(a) Documented Business Continuity Plans (BCPs) Business continuity and technology recovery plans must be documented and be readily available at both primary and back up sites. Arrangements described should consider relevant incident scenarios (e.g. loss of systems, loss of site, etc.) and may include the following:</p> <ul style="list-style-type: none"> ix. Clearly identified processes and systems which are key to market activities; x. Impact assessment against critical processes and systems considering relevant incident scenarios; xi. Planned recovery time objectives for critical processes and systems; xii. Recovery Strategies for critical processes and systems; xiii. Data back up and recovery (hard copy and electronic); xiv. Alternate communication methods, with clients, providers/suppliers and regulators; xv. Alternate physical location of employees (site requirements and location details); xvi. Incident / Crisis management framework <p>(b) Plan Updates Each Participant must update its plan in the event of any material change to the</p>
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		<p>Participants operations, structure, business or location. Each Participant must also conduct an annual review of its business continuity plan to determine whether any modifications are necessary in light of changes to the Participant's operations, structure, business or location.</p> <p>(c) Ownership of plan Participants must designate a member of senior management to approve the plan and he or she shall be responsible for conducting the required annual review. Furthermore, the status of business continuity arrangements should be periodically reported to the Participant's senior management and/or Board.</p> <p>d) Key Service Provider Service Level Agreements This refers to assessing a Participants dependency on key service providers in recovery strategies and recovery time objectives, and taking steps to ensure that key service providers are capable of supporting the Participant's key business activities, even in disruptions. Key service providers refer to third parties who are performing functions that are not normally carried out by the Participants internally, but are critical to your ability to carry on business operations.</p> <p>(e) Review and Testing Participants should conduct regular testing of their business continuity plans to ensure that transition to back-up systems and operational procedures are known by staff and are timely, reliable and address relevant scenarios. Additionally it is recommended that plans and testing are checked as a part of Participant's internal audit/compliance reviews. This regular testing should demonstrate that the Participant's BC arrangements are such that they have sufficient capacity with their back up arrangements to process the expected volumes and values of transactions with the required speed.</p> <p>(f) Technology requirements Participants should ensure that the key technology components are housed in a data centre providing physical access control, dedicated air conditioning, environmental controls, fire detection and suppression. They should also ensure that sufficient hardware, communications and power redundancy is considered for both the primary and back up sites.</p> <p>To support any ASX Clearing or ASX Settlement application the applicants will be required to provide the ASX information regarding the confirmation of Business Continuity Plans (BCP) through the provision of a completed Business Continuity Self Assessment Form, including any supporting documents requested.</p>
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4.5 Compliance Requirements

4.5.1	Procedures	<p>Please provide a copy of your Management Plan detailing your Supervisory, Risk and Compliance framework. This plan must include details of the applicants Management Structure, Risk Assessment, Allocation of Responsibilities and identify the people who will be Responsible Executives.</p> <p>In addition please provide copies of the following procedures for review:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Batch Settlement; <input type="checkbox"/> Sponsorship Agreements; <input type="checkbox"/> Automatic Close-Out Obligations; and <input type="checkbox"/> Reporting of Securities Lending activity
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		<p>Please be advised that we may call for additional information and/or procedures during the course of the application review process. For more information please refer to the <u>Management Plan Summary</u> located in the Participants Kit located on the ASX website.</p>
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Section 5: Applicant Agreement

5.1 Acknowledgement / Attestation

The attestation must be signed by:

- (1) two directors of the company; **or**
- (2) a director and a company secretary of the company; **or**
- (3) for a proprietary company that has a sole director who is also the sole company secretary - that director; **or**
- (4) for a company signing by power of attorney, a person authorised by a valid power of attorney document, and a witness.

If signing by power of attorney, ASX will require a copy of the power of attorney document.

If you have any questions about how to sign the attestation, please contact ASX Customer Management (see Part A for contact details).



D. ASX Contacts

For more information, please contact ASX Customer Management at +61 2 9227 0787 or Participants@asx.com.au

Useful Websites:

ASX Public Website <http://www.asx.com.au>
ASX Online <https://www.asxonline.com/participants/index.html>
ASIC <http://www.asic.gov.au>

FBOT APPENDIX E-6-1 – ASX 24 Enforcement Actions

Matter & Facts	Outcome
<p>BNP Paribas</p> <p>This referral concerns possible breaches of sections 1041A and/or 1041B of the <i>Corporations Act 2001</i> (Cth) by BNP.</p> <p>BNP may have manipulated up to 196 ASX Cash Market Products on 24 July 2009 by entering a large number of Bids during the pre-open phase prior to the Opening Single Price Auction which were not intended to trade and which created a false or misleading or artificial appearance with respect to the market for or price of those Cash Market Products. This may have caused the September SPI futures contract to be priced differently and created a profitable trading opportunity for BNP in the SPI which may not otherwise have existed.</p> <p>While these Bids for large volumes were in the ASX Cash Products Market, BNP sold September SPI futures contracts on SYCOM. BNP then removed a large portion of its Bids from the ASX Cash Products Market moments before each of the 5 stock groups was due to open. After BNP removed a large portion of its Bids, prices of the SPI futures contracts fell and BNP purchased SPI futures contracts at lower prices. It appears that many of the SPI futures contracts bought and sold by BNP did not form part of BNP's normal index arbitrage activity.</p>	<p>Outcome:</p> <p>Referred to ASIC on 8 October 2009. ASIC took no further action and notified ASX of outcome on 26 March 2010.</p>
<p>Barclays Capital</p> <p>This referral concerns possible breaches of sections 1041A and/or 1041B of the <i>Corporations Act</i> by Barclays Capital. Barclays Capital may have manipulated up to 200 ASX Cash Market Products on 13 October and 14 October 2009 by entering a large number of Bids and Offers during the pre-open phase prior to the Closing Single Price Auction. These Bids and Offers may have not have been intended to trade and may have created a false or misleading or artificial appearance with respect to the market for or price of those Cash Market Products. This may have caused the December SPI</p>	<p>Outcome:</p> <p>Referred to ASIC on 5 February 2010. ASIC took no further action and notified ASX of outcome on 10 June 2010.</p>

FBOT APPENDIX E-6-1 – ASX 24 Enforcement Actions

<p>Futures contract to be priced differently and created a profitable trading opportunity for Barclays Capital in the SPI which may not otherwise have existed.</p> <p>On 13 October 2009, Barclays Capital entered a large number of Bids during the CSPA pre-open session. While these Bids were in the ASX Cash Products Market, Barclays Capital sold December SPI futures contracts on SYCOM at slightly higher prices than the last traded price prior to the pre-open session. Barclays Capital then removed a large portion of its Bids from the ASX Cash Products Market in the last 30 seconds of the pre-open session. The difference in the futures pricing indicates that Barclays Capital may have benefited by \$8,250.</p> <p>On 14 October 2009, Barclays Capital entered a large number of Offers during the CSPA pre-open session. While these Offers were in the ASX Cash Products Market, Barclays Capital purchased December SPI Futures contracts on SYCOM at slightly lower prices than the last traded price prior to the pre-open session. Barclays Capital then removed a large portion of its Offers from the ASX Cash Products Market in the last 30 seconds of the pre-open session. Due to the lower prices, Barclays Capital may have benefited by \$31,882.</p>	
<p>Deutsche Bank AG</p> <p>This incident which occurred on 11 March 2010 was referred by the Exchange's Trading Operations to the Futures Supervision team. The matter arose following the incorrect release of multiple orders in the APHO market via an algorithmic system of Deutsche Bank AG (the Participant).</p> <p>In a letter dated 23 March 2010 the Participant provided the Exchange with a review of its self-investigation of the matter.</p>	<p>Outcome:</p> <p>Referred to ASIC on 9 April 2010. ASIC took no further action and notified ASX of outcome on 10 August 2011. ASX Disciplinary Tribunal fined Deutsche \$30,000 (plus GST) and published disciplinary circular. However disciplinary action was confined to a breach of SFE Operating Rule 3.1.5 (misleading acts regarding price).</p> <p>See disciplinary circular at: http://www.asx.com.au/supervision/pdf/asx_circular_277_11_deutsche_bank_ag.pdf.</p>

FTE Experience



	Participant Experience	Accounting & assurance	Regulatory experience	CPA	Education	ACI	1	A	A
							4	D	D
							6	A	A
							1	2	
Manager	37 yrs+ (operations)		8 yrs+ ASX			Member			
Principal Adviser			25 yrs+ ASX	X		Member			
Principal Adviser			25 yrs+ ASX	X		Member			
Principal Adviser	12 yrs+		12 yrs+ ASIC & ASX			CCP	X		
Principal Adviser		25 yrs+		X		Member			
#Snr Compliance Adviser	5 yrs+		ASIC		<input type="checkbox"/> BA Laws / BA Engineering <input type="checkbox"/> Fin Planning Diploma <input type="checkbox"/> Fin Diploma modules	Member			
#Compliance Adviser	20 yrs+ (operations)					Member			
#Compliance Adviser	16 yrs+ (operations)					Member		X	X
#Compliance Adviser		10 yrs+			<input type="checkbox"/> BA Commerce	Member			
#Compliance Adviser	3 yrs+ (Market maker)				<input type="checkbox"/> BA Laws / Commerce	Member			
#Compliance Adviser	5yrs+ (Operations)				<input type="checkbox"/> Fin Diploma modules	Member		X	X
Compliance Adviser	3 yrs+ (Derivatives)				<input type="checkbox"/> BA Law/ Economics <input type="checkbox"/> Grad Dip Legal Practice <input type="checkbox"/> Studying Master of Applied Finance	Member		X	
Compliance Adviser	8yrs+				<input type="checkbox"/> BA Economics	ACI Assoc			

new joiners since May 2010

ACI = Australasian Compliance Institute

ADA = Adviser Derivative Accreditation (Level 1/ Level 2)

FBOT APPENDIX G-4-1 – ASX 24 MONITORING ACTIVITIES

Frequency	Activity	Performed By
Daily	Administrative: DBORs - processing of DBORs incoming daily data from participants. DBORs data is required to be provided by ASX 24 Participants pursuant to ASX 24 Rule 3400.	Clearing & Settlement Operations
Daily	Administrative: Account Maintenance - new client or house accounts as submitted by Participants in the DBORs and are grouped together with similar accounts to reflect holdings at Corporate Group Level (Orion Maintenance) on an ad hoc basis This maintenance is performed for the purpose of determining for ASX 24 Rule 3400 whether the position limits requirements for the bond futures contracts are being met. ASX Compliance may run a report for the purposes of its compliance activities. Clearing Risk review during expiry process	Clearing & Settlement Operations
Daily	Monitoring real time trading - the systems and processes for monitoring aberrant orders or trades and through its Real Time Deal and Order Checker; referrals to Compliance; management and implementation of a transparent trade cancellation policy	Trading Operations
Daily	Communication with Trading Participants - on an 'as needs' basis. Particularly relating to order and trade management eg cancellations requested.	Trading Operations & Compliance
Daily	Communications with Clearing Participants - daily communications with Participants about processing their daily margin obligations.	Clearing & Settlement Operations
Daily	Communications with Clearing Participants - Compliance will interact with Clearing Participants on an as needs basis regarding compliance enquiries and as a result of the ad hoc risk based reviews which may be undertaken.	Compliance
Daily	Communication with Clearing Participants - on an as needs basis. Clearing Risk contact Clearing Participants in relation to limit utilisation and if there is a limit excess and additional margin call.	Clearing Risk
Daily	Daily observation of market events , including OTC and physical markets, referring any issues of interest or concern to the relevant ASX department.	Business Development
Daily	Expiry of contracts – on a daily basis Clearing & Settlement Operations are implementing the expiry of contracts. There are cash settled contracts that expire every day.	Clearing & Settlement Operations
Monthly	Reconciliation Report Orion:OM SECUR: Report run as required in Orion to reconcile the information provided by Participants in the DBORs to that submitted into OM SECUR. The Participants were advised of any breaks which were expected to be rectified immediately. The enhanced monitoring of the back-to-back close out direction (see 13) also picks up on participant reconciliation differences between DBOR and Oscar. In addition to the ad hoc Open Interest spot review Compliance carry out a spot review on Participant reconciliation differences between Oscar and the	Compliance

FBOT APPENDIX G-4-1 – ASX 24 MONITORING ACTIVITIES

	DBORs on a monthly basis.	
Monthly	<p>Open Interest Monitoring: Reconciliation report run in Orion to identify which Participants may be carrying numerous back to back positions. The Participants can then be contacted to close out those back to backs in accordance with the relevant direction. To be updated for the new rule requirements of CR 46.5.</p> <p>Open Interest Spot Reviews - It should be noted that ASX Clear (Futures) issued a direction to all clearing participants to require the daily close out of back to back positions from 1 July 2010. Accordingly, Participant Compliance has enhanced the pre 1 August 2010 process by implementing Open Interest spot reviews to ensure Participant compliance with the direction. This has, amongst other things, resulted in a reduced Open Interest figure being reported (noting that trading has remained relatively consistent over the sample period) and a more accurate representation of position levels and overall market liquidity.</p>	Compliance
Expiry Activities Performed (week leading up to expiry for deliverable contracts)	<p>Monitoring Futures Contracts In Lead Up To Expiry All futures contracts are monitored in lead up to expiry by Clearing & Settlement Operations. Monitoring activity includes the Participant level positions leading into expiry. For the 90 Day Bank Bills and Greasy Wool futures contracts, Clearing & Settlement Operations telephone and email participants to remind them of their settlement obligations for deliverable contracts. For example, Clearing Participants will be: reminded of final trading times for the relevant contract; final allocation and net down times; confirm tender and other documentation that needs to be provided; advised of delivery times and the positions in the House Account and Client Account; and remind to be aware of their positions and client intent regarding settlement.</p>	Clearing & Settlement Operations
Expiry Activities Performed (Bonds)	<p>Same meetings as pre 1 August 2010. Daily meetings held on each of the 5 days before the bond futures expiries. Participant Compliance, Clearing Risk, Clearing & Settlement Operations, Trading Operations and Business Development attend these meetings. The meetings deal with consideration of the issues of whether position limits may be or are likely to be breached. [BD attendance for informational purposes; are not involved with discussion of individual participant detail]. Compliance review positions from Report Generated by Clearing & Settlement Operations (.csv file Orion Reportable Position Detail Report - account group).</p>	Compliance, Clearing & Settlement Operations, Clearing Risk, Legal, Business Development (BD not involved in relation to specific participant discussions but in relation to general matters)
	<p>Monitoring of Clearing Risk Limits - various systems & reports utilised to monitor limits on the clearing risk exposure including Clearing Participant specific capital based position limits and stress test exposure limits.</p>	Clearing Risk
	<p>Determination of Final Settlement Prices and implementing settlement</p>	Clearing & Settlement Operations

CLEARING APPENDIX A-8-1 Undertaking

I, Amanda J. Harkness, Group General Counsel & Company Secretary certify that ASX will notify Commission staff promptly if any of the representations made in connection with this supplement cease to be true or correct, or become incomplete or misleading.

A handwritten signature in black ink, appearing to read 'A. Harkness', written in a cursive style.

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Amanda J. Harkness
Group General Counsel & Company Secretary

Clearing Appendix D-2-1 Undertaking

I, Amanda J. Harkness, Group General Counsel & Company Secretary certify that the clearing system observes the current Recommendations for Central Counterparties that have been issued jointly by the Committee on Payment and Settlement Systems and the Technical Committee of the International Organization of Securities Commissions, as updated, revised or otherwise amended.

This certification is based on the fact that the principles contained in CPSS-IOSCO *Recommendations for Central Counterparties* (Nov 2004) are incorporated in the Reserve Bank of Australia's (RBA) Financial Stability Standards (FSS). ASX Clear (Futures) is assessed on an annual basis to determine if it has met the requirements imposed by these standards over the previous financial year. In the latest annual assessment (2010-11) ASX Clear (Futures) was deemed to have complied with the FSS requirements.



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Amanda J. Harkness
Group General Counsel & Company Secretary