



## ASX CLEAR (FUTURES) OPERATING RULES

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## PART 4 ACCOUNTS AND DAILY SETTLEMENT

### 40 Introduction

This Part of the Rules contains provisions whereby Open Positions are settled on a daily basis by ASX Clear (Futures) by a procedure known as settlement to market and new contracts opened on the same terms other than that they are at the Daily Settlement Price. This Part of the Rules also contains provisions concerning the accounts of Clearing Participants. These are supplemented by the Client Protection Model Provisions to the extent that they apply.

Amended 11/02/14

### 41 Accounts

41.1 An account shall be established at ASX Clear (Futures) with respect to each Clearing Participant and (unless otherwise Prescribed) in respect of:

- (a) such Relevant Exchanges at which the Market Contracts from the Clearing Participants' House Positions were originally traded; and
- (b) if applicable, the House Positions comprising OTC Open Positions of the Clearing Participant,

such account to be known as a House Clearing Account. Each House Clearing Account shall be established in the manner set out in the Procedures and shall be the account to which all monies or property owing to or from ASX Clear (Futures) in relation to relevant House Positions of a Clearing Participant shall be referable.

ASX Clear (Futures) may establish an additional House Clearing Account for a Clearing Participant with respect to a single Relevant Exchange, to which all monies or property owing to or from ASX Clear (Futures) in relation to relevant House Positions of a Clearing Participant for a prescribed Group of Contracts shall be referable.

Amended 11/02/14

41.2 In addition to each House Clearing Account, with respect to each Participant which is an Exchange Dealing Participant or an OTC Participant, an account shall be established at ASX Clear (Futures) and (unless otherwise Prescribed) in respect of:

- (a) such Relevant Exchanges at which the Market Contracts from the Clearing Participants' Client Positions were originally traded; and
- (b) if applicable, the Client Positions comprising OTC Open Positions of the Clearing Participant's CPM Clients,

such account to be known as a Client Clearing Account. Each Client Clearing Account shall be established in the manner set out in the Procedures and shall be the account to which all monies or property owing to or from a Clearing Participant with respect to relevant Client Positions shall be referable and to which all liabilities relating to such Client Positions shall attach.

ASX Clear (Futures) may establish an additional Client Clearing Account for a Clearing Participant with respect to a single Relevant Exchange, to which all monies or property owing to or from a Clearing Participant with respect to relevant Client Positions for a prescribed Group of Contracts shall be referable and to which all liabilities relating to such Client Positions shall attach.

Amended 11/02/14

41.3 Initial Margin, Variation Margin, Intra Day Margin or Extra Margin shall be calculable separately and (unless otherwise Prescribed) in respect of each Relevant Exchange and, if applicable, the OTC Open Positions for each House Clearing Account and Client Clearing Account of each Clearing Participant. Any Margin deposited with ASX Clear (Futures) by a Clearing Participant with respect to an Open Position shall be designated to the Account of that Clearing Participant to which the Open Position is designated.

Amended 28/10/02, 11/02/14

41.4 A Clearing Participant shall, with respect to all Open Positions held in its name with ASX Clear (Futures), designate in accordance with Exchange Operating Rules (where applicable) whether such Open Positions are Client Positions or House Positions. A Clearing Participant may with the approval of the Relevant Exchange (where applicable) and ASX Clear (Futures) alter such designation where the previous designation was made in error or is otherwise required in order to comply with the Exchange Operating Rules (where applicable). Any such change in designation may be made subject to any condition imposed by ASX Clear (Futures) including a requirement that the Clearing Participant deposits further Initial Margins in relation to any Account of the Clearing Participant with ASX Clear (Futures).

Pending any designation all positions shall be deemed to be House Positions unless ASX Clear (Futures) in its absolute discretion designates them as Client Positions.

Nothing in this Rule limits Rule 113.5.

Amended 11/02/14

41.5 Upon a Default by a Clearing Participant ASX Clear (Futures) may in accordance with Part 7 of the Rules apply any surplus in any House Clearing Account or any other account of that Clearing Participant with ASX Clear (Futures) (whether or not arising from obligations under the Rules) to meet any deficiency in any Client Clearing Account of the Clearing Participant but shall not apply any surplus in any Client Clearing Account to meet any deficiency in any House Clearing Account of that Clearing Participant.

41.6 All securities or other collateral or property held by ASX Clear (Futures) with respect to Positions designated to a Client Clearing Account or House Clearing Account shall be dealt with by ASX Clear (Futures) in the same way as monies paid to the relevant Account and shall be allocated by ASX Clear (Futures) to such account.

41.7 In no circumstances shall any monies payable to, or securities, collateral or other property required to be allocated to, a Client Clearing Account be paid to or allocated to or used on the account of or in relation to Positions designated to a House Clearing Account.

41.8 With respect to CFD Positions, Clearing Participants must maintain Client accounts referable to each CFD Client within the Client Clearing Account.

**Explanatory Note:**

For clarity, any money, security or other collateral or property held by ASX Clear (Futures) with respect to Positions referable to CFD Clients under Rule 41.8 can be used by ASX Clear (Futures) to meet any obligations with respect to a Client Clearing Account and are subject to the same rules in relation to the treatment of money, security or other collateral or property held by ASX Clear (Futures) in a Client Clearing Account.

## **41A Bond and Repurchase Clearing Accounts**

41A.1 (a) An account shall be established at ASX Clear (Futures) with respect to each BRC Participant, each such account to be known as a BRC House

Account. Each BRC House Account shall be the account to which all monies or property owing to or from ASX Clear (Futures) in relation to relevant House Positions of a BRC Participant shall be referable.

(b) Amounts payable to ASX Clear (Futures) by a BRC Participant in relation to House Positions may be paid from the House Clearing Account or the BRC House Account, at the discretion of the BRC Participant.

41A.2 Margins shall be calculable separately for each BRC House Account of each BRC Participant. Any Margin deposited with ASX Clear (Futures) by a BRC Participant with respect to an Open Position shall be designated to the Account of that BRC Participant to which the Open Position is designated.

41A.3 Upon a Default by a BRC Participant ASX Clear (Futures) may in accordance with Part 7 of the Rules apply any surplus in any BRC House Account or any other account of that BRC Participant with ASX Clear (Futures) (whether or not arising from obligations under the Rules) to meet any deficiency of the BRC Participant.

## **42 Relationship with ASX Clear (Futures)**

The payment of margin or settlement monies into a Client Clearing Account of a Clearing Participant or the designation by a Clearing Participant of an Open Position as a Client Position shall not in any way derogate from the fact that ASX Clear (Futures) is dealing with Clearing Participants as principals as provided for in Rule 31 and 31A, and ASX Clear (Futures) shall not in any way be required to recognise any clients of the Clearing Participant and shall not be in any way responsible for the performance of the obligations under Open Contracts to such clients. ASX Clear (Futures) shall not in any way, be on notice in relation to any matter arising between the Clearing Participant and any Client or otherwise affecting the Client. A Clearing Participant's obligations as principal to ASX Clear (Futures) shall extend to any monies owing to ASX Clear (Futures) in relation to any account established in relation to a Clearing Participant at ASX Clear (Futures) including (subject to Rule 41.7) any Client Clearing Account.

However, to the extent that the Client Protection Model Provisions apply to a Client, the nature of the relationship between ASX Clear (Futures), that Client and its Clearing Participant is as set out in those Client Protection Model Provisions, despite this Rule.

Amended 11/02/14

## **43 Initial Margin and Other Deposits**

43.1 A Clearing Participant shall deposit with respect to each Open Position with ASX Clear (Futures) an amount determined by ASX Clear (Futures) in its absolute discretion from time to time (whether before or after the opening of such Open Position) upon demand or by such time as is Prescribed in the Schedules or is required by the Board or the Managing Director or his delegate. Such amount shall be held by ASX Clear (Futures) which shall be entitled to apply it in satisfaction of performance by the Clearing Participant of its obligations pursuant to these Rules. The Clearing Participant shall not be entitled to a refund or repayment of any amount so deposited except in accordance with these Rules and until the Position is Closed Out or completed by Delivery or acceptance of Delivery or is Mandatory Cash Settled. In this regard ASX Clear (Futures) shall without limitation of any other rights of ASX Clear (Futures) under the Rules have the rights of set-off referred to in Rule 47. ASX Clear (Futures) may in its absolute discretion accept the provision of securities or other collateral or property as a deposit instead of cash and may determine the valuation of any such property or securities for that purpose. ASX

Clear (Futures) may from time to time require the provision of a deposit by way of further cash, securities, collateral or property to be deposited to ensure that the valuation of such securities or property and any cash is at least equal to the Initial Margin Liability of the Clearing Participant or may require that any securities or property be replaced with cash. The obligation upon a Clearing Participant to make a deposit pursuant to this Rule shall be in addition to any other obligation of the Clearing Participant to make deposits of cash, securities, collateral or property as otherwise provided in accordance with the Rules.

- 43.2 ASX Clear (Futures) may determine a higher rate of Initial Margin for a particular Clearing Participant or for all or some Clearing Participants for a particular Exchange Contract or contract month or options series or in such other manner as it considers appropriate.
- 43.3 Initial Margins applicable to Open Positions held by Clearing Participants may be changed from time to time and relate to both existing and new Open Positions.
- 43.4 The Board may Prescribe the amount of Initial Margin which a Clearing Participant shall deposit in relation to Open Contracts in the absence of any other determination requiring a greater Initial Margin pursuant to Rule 43. Such prescription may include provision for reduced amounts in circumstances Prescribed in the Schedules for example in relation to spread positions or where there are offsetting positions (whether registered or not). The Board may not reduce the amount of Initial Margin applicable pursuant to this Rule 43.4 relating to products executed on the Exchange or a Related Exchange without the consent of the Exchange, and where the Exchange Contract is that of a Related Exchange, the consent of the Related Exchange.
- 43.5 If a Clearing Participant is an OTC Participant then, without limiting the discretions of ASX Clear (Futures) in the calculation of Initial Margin, the calculation of Initial Margin with respect to that Clearing Participant will take into account any OTC Allocated Futures Contracts.

Introduced 01/07/13

#### **43A BRC Initial Margins and Other Deposits**

- 43A.1 A BRC Participant shall deposit with respect to each Open Position with ASX Clear (Futures) an amount determined by ASX Clear (Futures) in its absolute discretion from time to time (whether before or after the opening of such Open Position) upon demand or by such time as is Prescribed in the Schedules or is required by the Board or the Managing Director or his delegate. Such amount shall be held by ASX Clear (Futures) which shall be entitled to apply it in satisfaction of performance by the BRC Participant of its obligations pursuant to these Rules. The BRC Participant shall not be entitled to a refund or repayment of any amount so deposited except in accordance with these Rules and until the Bond Transaction or Repurchase Agreement is Closed Out or completed. In this regard ASX Clear (Futures) shall without limitation of any other rights of ASX Clear (Futures) under the Rules have the rights of set-off referred to in Rule 48.

ASX Clear (Futures) may in its absolute discretion accept the provision of securities or other collateral or property as a deposit instead of cash and may determine the valuation of any such property or securities for that purpose. ASX Clear (Futures) may from time to time require the provision of a deposit by way of further cash, securities, collateral or property to be deposited to ensure that the valuation of such securities or property and any cash is at least equal to the Initial Margin Liability of the BRC Participant or may require that any securities or property be replaced with cash. The obligation upon a BRC Participant to make a deposit pursuant to this

Rule shall be in addition to any other obligation of the BRC Participant to make deposits of cash, securities, collateral or property as otherwise provided in accordance with the Rules.

- 43A.2 ASX Clear (Futures) may in appropriate circumstances or for particular transactions or class of transactions, waive the requirement to pay Margins or determine a higher or lower rate of Initial Margin for a particular BRC Participant.
- 43A.3 Initial Margins applicable to Open Positions held by BRC Participants may be changed from time to time and relate to both existing and new Open Positions.
- 43A.4 The Board may Prescribe the amount of Initial Margin which a BRC Participant shall deposit in relation to Open Contracts in the absence of any other determination requiring a greater Initial Margin pursuant to Rule 43A. Such prescription may include provision for reduced amounts in circumstances Prescribed in the Schedules.

## **44 Daily Settlement**

- 44.1 ASX Clear (Futures) shall on each Business Day of the Relevant Exchange after the determination of the Daily Settlement Price and at any other Prescribed time effect settlement to market of all Open Contracts arising from Market Contracts traded prior to the Prescribed time, at the Daily Settlement Price.
- 44.2 Daily Settlement of an Open Contract shall be effected by:
- (a) the deemed creation of an Open Contract on the same terms as the Open Contract to be Daily Settled (other than as to price which shall be the Daily Settlement Price) except that the Open Contract created shall be to the opposite effect such that an Open Contract where ASX Clear (Futures) is Buyer shall give rise to an Open Contract where ASX Clear (Futures) is Seller and vice versa. The Open Contract so created shall be referred herein as a Settlement Contract;
  - (b) such Settlement Contract shall be settled against the relevant Open Contract, and Daily Settlement Amounts paid in accordance with Rule 44.4, Upon such settlement, the Open Contract being settled and the Settlement Contract shall be extinguished; and
  - (c) a New Open Contract on the same terms as the Open Contract settled shall be created on the same terms other than as to price (which in the case of Option Contracts shall refer to the Premium) and such contracts shall be created at the Daily Settlement Price.
- 44.3 In the case of Options the settlement made under Rule 44.1 and 44.2 shall be made with respect to the premium.
- 44.4 Subject to Rule 47, on the Business Day of the Relevant Exchange following the determination of the relevant Daily Settlement Price in relation to an Open Position:
- (a) Each Clearing Participant shall by the Prescribed time or on demand, pay to ASX Clear (Futures) any Daily Settlement Amount owing with respect to Open Positions held by it.
  - (b) ASX Clear (Futures) shall pay any Daily Settlement Amounts owing to the Clearing Participant holding the Open Position to the respective Clearing Participant.

44.5 Amounts paid to ASX Clear (Futures) by a Clearing Participant with respect to Open Positions which have been designated as House Positions and Client Positions shall be paid to the relevant House Clearing Account and Client Clearing Account respectively held with respect to that Clearing Participant.

Amended 11/02/14

44.6 Amounts paid to a Clearing Participant with respect to Open Positions which have been designated as House Positions or Client Positions shall be paid from the relevant House Clearing Account or Client Clearing Account held with respect to that Clearing Participant, respectively.

Amended 11/02/14

44.7 Amounts paid by ASX Clear (Futures) from a Client Clearing Account held with respect to a Clearing Participant shall be paid to the Clearing Participant's Clients' Segregated Account or other bank account nominated to ASX Clear (Futures) by the Clearing Participant in accordance with applicable law.

Amended 11/02/14

44.8 Amounts payable under this Rule 44 shall be paid by the Prescribed time.

#### **44A BRC Variation Margin**

44A.1 Rule 44 shall not apply to Bond Transactions and Repurchase Agreements. ASX Clear (Futures) will specify the method of calculation for, or directly determine, the Daily Closing Values and BRC Variation Margins applicable to Bond Transactions and Repurchase Agreements.

Amended 28/10/02, 11/02/14

44A.2 ASX Clear (Futures) shall on each BRC Business Day after the determination of the Daily Closing Values for Bond Transactions and Repurchase Agreements and at any other Prescribed time calculate BRC Variation Margins by marking to market all Open Contracts arising from Market Contracts for Bond Transactions and Repurchase Agreements notified to and accepted by ASX Clear (Futures) prior to the Prescribed time.

Amended 28/10/02

44A.3 Subject to Rule 48:

- (a) On the BRC Business Day following the determination by ASX Clear (Futures) of the relevant Daily Closing Value and BRC Variation Margin in relation to each BRC Open Position, each BRC Participant shall by the Prescribed time or on demand pay to ASX Clear (Futures) any BRC Variation Margin owing with respect to each BRC Open Positions held by it.
- (b) BRC Variation Margin paid to ASX Clear (Futures) shall be retained by ASX Clear (Futures) until ASX Clear (Futures) returns the BRC Variation Margin to the BRC Participant who paid it, either on settlement of the relevant Bond Transaction or Repurchase Agreement or prior to settlement in accordance with ASX Clear (Futures)'s margining policy.

Amended 28/10/02

44A.4 ASX Clear (Futures) will pay interest to the BRC Participant, at a rate determined by ASX Clear (Futures), during the period that a BRC Variation Margin is retained by ASX Clear (Futures) under Rule 44A.3(b).

Added 28/10/02



- 44A.5 Amounts paid to ASX Clear (Futures) by a BRC Participant with respect to Open Positions which have been designated as BRC House Open Positions shall be paid to the relevant BRC House Account held with respect to that BRC Participant.
- 44A.6 Amounts paid to a BRC Participant with respect to Open Positions which have been designated as House Open Positions shall be paid from the relevant BRC House Account held with respect to that BRC Participant.
- 44A.7 Amounts payable under this Rule 44A shall be paid by the Prescribed time.

## **45 Intra Day and Extra Margins**

- 45.1 A Clearing Participant shall by no later than the Prescribed time deposit with ASX Clear (Futures) by way of Intra Day Margin amounts owing as a result of the revaluation in the prescribed manner of Open Contracts held by it.

Amended 18/12/17

- 45.2 In addition to or instead of the Intra Day Margins provided by Rule 45.1 ASX Clear (Futures) may at any time require at its absolute discretion a Clearing Participant or all or any Clearing Participants by a time determined by the Board or Managing Director to deposit as Extra Margin further cash, securities, margin or cover for Open Contracts or Market Contracts eligible to be registered having regard to movements in the price of Market Contracts traded in any market of the Exchange.

- 45.3 In the absence of any other determination by the Board or Managing Director either generally or in a particular case the time for deposit of Extra Margin called pursuant to Rule 45.2 shall be one hour.

- 45.4 Where a Market Contract, in respect of which only the position of one party is to be registered with the Facility Participant, is registered with a Facility Participant, the Facility Participant may call on ASX Clear (Futures) to deposit with the Facility Participant by way of Intra Day Margin amounts owing as a result of the revaluation in the prescribed manner of Open Contracts held by it with respect to the other position of that Market Contract.

Introduced 04/12/02

- 45.5 In addition to or instead of the Intra Day Margins provided by Rule 45.4, where a Market Contract, in respect of which only the position of one party is to be registered with the Facility Participant, is registered with a Facility Participant, the Facility Participant may at any time require ASX Clear (Futures) to deposit as Extra Margin further cash, securities, margin or cover for Open Contracts or Market Contracts eligible to be registered having regard to movements in the price of Market Contracts traded in any market of the Exchange.

Introduced 04/12/02

## **45A BRC Intra Day and Extra Margins**

- 45A.1 A BRC Participant shall by no later than the Prescribed time on each business day deposit with ASX Clear (Futures) by way of Intra Day Margin amounts owing as a result of the revaluation in the prescribed manner of Open Contracts held by it.
- 45A.2 In addition to or instead of the Intra Day Margins ASX Clear (Futures) may at any time require at its absolute discretion a BRC Participant or all or any BRC Participants by a time determined by the Board or Managing Director to deposit as Extra Margin further cash, securities, margin or cover for Open Contracts or Market

Contracts eligible to be registered having regard to movements in the price of Market Contracts.

- 45A.3 In the absence of any other determination by the Board or Managing Director either generally or in a particular case the time for deposit of Extra Margin called pursuant to Rule 45A.2 shall be one hour.

## **46 Daily Close-Out of Matched Positions**

- 46.1 At the prescribed time on a Business Day of the Exchange, or of any Related Exchange in relation to those Open Positions as determined by ASX Clear (Futures) arising from Exchange and a Related Exchange each Clearing Participant shall advise ASX Clear (Futures), in the manner Prescribed of the number of Open Positions which it wishes to remain open and ASX Clear (Futures) shall Close Out any excess opposite Open Positions. Contracts so Closed Out and the resulting settlement amount shall be payable by or to ASX Clear (Futures) as the case may be.
- 46.2 Any advice provided to ASX Clear (Futures) pursuant to Rule 46.1 shall be made in compliance with any applicable provisions of the Exchange Operating Rules relating to the maintenance of Open Positions at ASX Clear (Futures).
- 46.3 Where a Clearing Participant advises that a request made pursuant to Rule 46.1 was made in error and requests that Open Contracts extinguished in accordance with Rule 46.1 be reinstated ASX Clear (Futures) may subject to the approval of the Relevant Exchange reinstate such Open Contracts and such Open Contracts shall be deemed never to have been Closed Out. Such reinstatement may only occur subject to any conditions imposed by ASX Clear (Futures) including the payment of Margin.
- Amended 11/02/14
- 46.4 Where Rule 46.1 does not apply to a Related Exchange a Clearing Participant may request ASX Clear (Futures) to Close Out any opposite Open Positions and ASX Clear (Futures) may give effect to such request.
- 46.5 ASX Clear (Futures) may give directions to Clearing Participants to exclude from its advice pursuant to Rule 46.1 certain Open Positions which do not, in the opinion of ASX Clear (Futures), contribute to market liquidity. A Clearing Participant must comply with any such direction given by ASX Clear (Futures).

### **Explanatory Note**

Refer to [Procedure 46.5 Daily Close-Out of Matched Positions](#).

A Determination has been made that an Open Position in a CFD contract cannot be closed out under Rule 46.1 unless the Open Position are for the same beneficial client for the same CFD Contract. The definition of client for the reporting of Open Positions for the Open Interest Charge calculation means;

“Any person, firm or corporation (including a Related Body Corporate) on behalf of whom a Participant or a client of a Participant provides instructions to enter, acquire or dispose of a CFD”.

## **47 Offset – Daily Settlement Amounts**

- 47.1 Each Business Day of the Relevant Exchange ASX Clear (Futures) shall in relation to each Clearing Participant calculate separately with respect to its relevant Client Clearing Accounts and House Clearing Accounts:

- (a) The sum of all Daily Settlement Amounts payable by the Clearing Participant in respect of the Daily Settlements of the previous Business Day of the Relevant Exchange and all amounts payable by the Clearing Participant to ASX Clear (Futures) in respect of Open Contracts which were Closed Out prior to that Daily Settlement and after the previous Daily Settlement.
- (b) The sum of all Daily Settlement Amounts payable by ASX Clear (Futures) to the Clearing Participant in respect of Daily Settlements of the previous Business Day of the Relevant Exchange and all amounts payable by ASX Clear (Futures) to the Clearing Participant in respect of Open Contracts which were Closed Out prior to that Daily Settlement and after the previous Daily Settlement.

If the amount payable by the Clearing Participant under paragraph (a) is greater than the amount payable by ASX Clear (Futures) under paragraph (b) then the Clearing Participant shall pay the difference to ASX Clear (Futures).

If the amount payable by ASX Clear (Futures) under paragraph (b) is greater than the amount payable by the Clearing Participant under paragraph (a) then, subject to this Rule 47, and the deduction of any amounts otherwise owing by the Clearing Participant or to the Clearing Participant including amounts with respect to Mandatory Settlements, Deliveries or otherwise, ASX Clear (Futures) shall pay the difference to the Clearing Participant.

47.2 ASX Clear (Futures) may, at any time:

- (a) combine or consolidate the balances (whether arising from Settlements, Margin payments or otherwise) in respect of all or any of the Open Contracts relating to Open Positions designated to a Clearing Participant's House Clearing Accounts; and/or
- (b) set-off any amount or amounts standing from time to time to the credit of any of the Clearing Participants House Clearing Accounts, in or towards payment or satisfaction of all or any of that Clearing Participant's liabilities to ASX Clear (Futures) in respect of:
  - (i) Open Contracts relating to Open Positions designated to any of that Participant's House Clearing Accounts; or
  - (ii) Open Contracts relating to Open Positions designated to any of the Clearing Participant's Client Clearing Accounts, to the extent of any shortfall where proceeds of a Client Clearing Account are insufficient to meet its liabilities to ASX Clear (Futures) in respect of Open Contracts designated to that Account.

47.3 Except to the extent that the Client Protection Model Provisions apply and provide otherwise, ASX Clear (Futures) may combine or consolidate the balances (whether arising from Settlements, Margin payments or otherwise) in respect of all or any of the Open Contracts designated to a Clearing Participant's Client Clearing Accounts and to set-off any amount or amounts standing from time to time to the credit of any of a Clearing Participant's Client Clearing Accounts in or towards payment or satisfaction of all or any of the Clearing Participant's liabilities to ASX Clear (Futures) in respect of Open Contracts designated to the Clearing Participant's Client Clearing Accounts.

Amended 11/02/14

47.4 Debit balances due to ASX Clear (Futures) on the Clearing Participant's House Clearing Accounts or Client Clearing Accounts are to be paid by the Clearing Participant to ASX Clear (Futures) on demand.

## **48 BRC Offset**

- 48.1 BRC Variation Margin payable to a BRC Participant may be offset against any BRC Variation Margin payable by that BRC Participant.

Amended 28/10/02, 01/07/13, 11/02/14

- 48.2 Debit balances due to ASX Clear (Futures) on the BRC Participant's BRC House Accounts are to be paid by the BRC Participant to ASX Clear (Futures) on demand.

## **49 Excess Deposits**

- 49.1 All deposits held by ASX Clear (Futures) in a Clearing Participant's House Clearing Account or Client Clearing Account, including any monies deposited in excess of a Clearing Participant's Margin and Daily Settlement obligations at the time of the deposit, are deemed to have been deposited for the purpose of satisfying Margin and Daily Settlement obligations.

Introduced 21/06/04

- 49.2 Deposits held by ASX Clear (Futures) which are in excess of a Clearing Participant's Margin and Daily Settlement obligations from time to time are refundable to the Clearing Participant by ASX Clear (Futures) upon demand, provided that ASX Clear (Futures) is satisfied, in its absolute discretion, that such deposits will not be required to satisfy the Clearing Participant's obligations under the Rules (including a Margin or Daily Settlement obligation).

Introduced 21/06/04 Amended 01/07/13

## **49A Absolute Transfer of Securities, Collateral and Other Property**

All securities, collateral or other property deposited with ASX Clear (Futures) by a Clearing Participant by way of Initial Margin, Extra Margin or otherwise (whether or not arising from obligations under the Rules) is transferred to ASX Clear (Futures). All such transfers are absolute transfers of all right, title and interest in the securities, collateral or other property to ASX Clear (Futures) except to the extent that Part 11 (Security Interest provisions) of the Future Rules applies. No Clearing Participant, nor any OTC Affiliate or CPM Client has any proprietary right or proprietary interest in the securities, collateral or other property absolutely transferred. ASX Clear (Futures) only has the obligation to transfer equivalent securities, collateral or other property in accordance with these Rules and not the same property.

Introduced 29/11/21

## **49B Cash Deposits Represent Property of ASX Clear (Futures)**

All cash deposited with ASX Clear (Futures) by a Clearing Participant by way of Initial Margin, Intra-Day Margin, Extra Margin, Commitment or otherwise (whether or not arising from obligations under the Rules) is the absolute legal and beneficial property of ASX Clear (Futures) and, subject to the Client Protection Model Provisions, represents a debt equal to the credit balance of the Clearing Participant's House Clearing Account or Client Clearing Account (as applicable). No Clearing Participant nor any OTC Affiliate or CPM Client has a proprietary right or proprietary interest in the cash.

Introduced 29/11/21

**End of Section. Next page is no. 501.**