

Client Protection Model

ASX Clear (Futures)





How the Client Protection Model works

ASX Clear (Futures) offers users the choice of two different account types which deliver different levels of protection for ASX 24 exchange traded futures and cleared OTC derivatives in the event of a Clearing Participant (CP) default¹.



Client Omnibus Account

Positions of multiple clients are comingled in the omnibus account of the Clearing Participant at ASX.



Individual Client Account (ICA)

Positions of an individual client are segregated in an account in the client's name at ASX.

The two options provided are:

Initial Margin Value  Asset Attribution

Providing increasing levels of client clearing protection, through our Individual Client Accounts.

This brochure outlines choices available to clients about the way that margin collateral is passed through to ASX by a clearing broker can be held. Account types outlined in this brochure are not applicable to client margin that is retained by the

client's clearing broker. However, the clearing broker is usually required by law to keep those monies in a segregated account for the benefit of those clients.

¹ For detailed information on ASX's client clearing account options, go to asx.com.au/client-protection-model



Provides greater clearing protection

	Omnibus Account	ICA Initial Margin Value	ICA Asset Attribution
<p>Individual positions</p>	<p>The CP holds the individual client positions. ASX identifies the CP's consolidated client omnibus position.</p>	<p>ASX can identify positions of the individual client.</p>	
<p>Initial margin</p>	<p>The CP collects gross margin from individual clients and retains excess.</p> <p>ASX uses the net position of all clients in the omnibus account to calculate initial margin.</p>	<p>The net position of the individual client is used by ASX to calculate initial margin.</p>	
<p>Holding collateral</p>	<p>Collateral is co-mingled in the pooled client collateral account.</p>		<p>Attributed assets are held in the pooled client collateral account and are specifically identified for the ICA.</p>
<p>Collateral value protected</p>	<p>Clients within the omnibus account must refer to the external administrator in the event of CP default for their share of any funds returned.</p>	<p>ASX protected. Collateral Value = Value of ICA Initial Margin last settled.</p>	<p>ASX protected. Collateral Value = the greater of Value of ICA Initial Margin last settled or Total Collateral attributed, including excess.</p>
<p>Ability to port</p>	<p>Only able to port if all clients in the omnibus account agree on an alternate clearer, and are accepted within the porting window².</p> <p>In practice, ASX is unlikely to be able to port the contracts in an omnibus account to an alternate clearer, within the porting window².</p>	<p>Able to port if the nominated clearer accepts the ICA's positions and Collateral Value within the porting window.</p>	<p>Able to port if the nominated clearer accepts the ICA's positions and Collateral Value (including Attributed assets) within the porting window.</p>
<p>Porting not achieved</p>	<p>ASX will close out positions in the omnibus account, and return any remaining Collateral Value less close out costs to the external administrator.</p>	<p>ASX will close out positions in the ICA, and return any remaining Collateral Value less close out costs directly to the client.</p>	<p>ASX will close out positions in the ICA, and return any remaining Collateral Value less close out costs, including specific assets and excess collateral, directly to the client.</p>

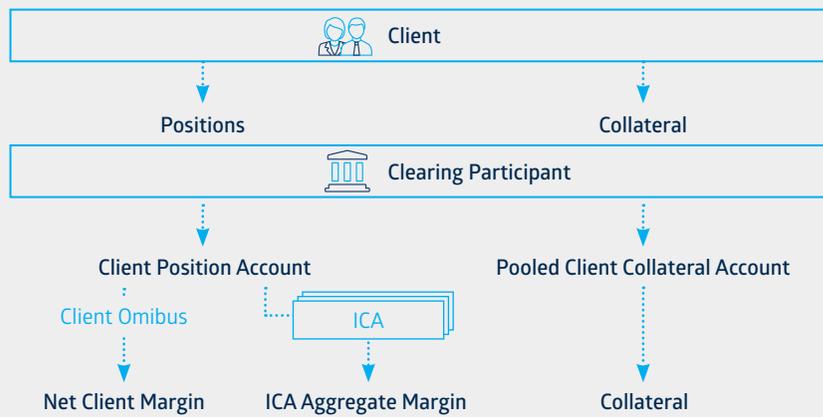
2. Porting window = up to 24 hours for futures. Up to 48 hours for OTC and cross margined futures.

Client Omnibus Account

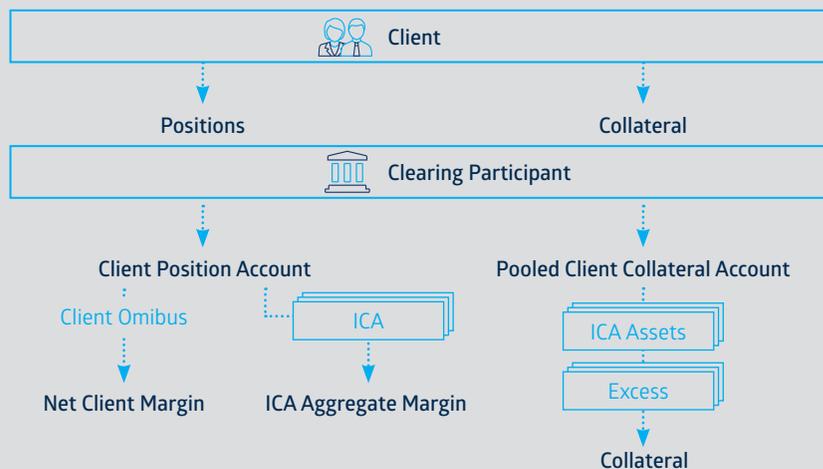


Individual Client Account

ICA Initial Margin Value



ICA Asset Attribution



Further Information

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