ASX Clear Pty Limited
ASX Settlement Pty Limited

Legal terms for the provision of a trade acceptance service
to Australian financial market licensees in respect of
CHESS-eligible ASX-quoted financial products

Operational and Technical Standards

Preamble

This document contains operational and technical standards (Standards) promulgated under the *Legal terms for the provision of a trade acceptance service to Australian financial market licensees in respect of CHESS-eligible ASX-quoted financial products* dated 14 June 2011 (Legal Terms of Service). Approved Market Operators (AMOs) which acquire the Trade Acceptance Service described in the Legal Terms of Service are required to comply with the Standards.

The Standards are divided into seven broad categories:

A.   Technical and performance requirements

        Technical and organisational capacity of AMOs

B.   Trade submission and Validation

        Basic parameters of trade-acceptability

C.   Post-Validation removal and cancellation

        Manual review of accepted trades and protocols for cancelling instructions

D.   Communications and access to CS Systems

        Communications between AMOs and the CS Entities and access to CS Systems

E.   AMO Operating Rules

        Content requirements for AMO Operating Rules

F.   Provision of information

        Information which AMOs must provide

G.   Default management

        Requirements in relation to managing defaults by clearing and settlement participants

Each Standard is accompanied by a brief statement of the reason for its inclusion in this document. Those reasons, and this Preamble, are provided for the assistance of the reader and do not form part of the Standards.

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Operational and Technical Standards

1. Definitions

The following definitions apply in this document:

Act means the Corporations Act 2001 (Cth).

AMO means the holder of an Australian market licence (as defined in s. 761A of the Act) approved by each CS Entity as an "Approved Market Operator" for the purposes of the CS Entity's Operating Rules.

AMO EIS means those parts of the EIS (as updated, supplemented or varied from time to time) which are applicable to communications between the CS Entities and an AMO.

AMO Participant means, in respect of an AMO, a Participant in the financial market operated by the AMO.

ASX Clear means ASX Clear Pty Limited (ACN 001 314 503).

ASX Clear Operating Rules means the Operating Rules of ASX Clear, as amended from time to time.

ASX Settlement means ASX Settlement Pty Limited (ACN 008 504 532).

ASX Settlement Operating Rules means the Operating Rules of ASX Settlement, as amended from time to time.

Basis of Quotation means a valid basis of quotation for a class of quoted financial products as specified in the AMO EIS.

Business Day has the meaning given to that term in ASX Settlement Operating Rule 2.13.1.

CHESS stands for Clearing House Electronic Subregister System and has the meaning given to that term in ASX Settlement Operating Rule 2.13.1.

Clearing Agreement has the meaning given to that term in ASX Clear Operating Rule 2.10.1

Clearing and Settlement Service means the clearing and settlement service as defined in the Legal Terms of Service.

Clearing Participant means a Participant in the CS Facility operated by ASX Clear.

Common Participant means, in respect of an AMO, an AMO Participant which is also a Clearing Participant or a Settlement Participant.

Condition Code means a valid condition code for a Trade as specified in the AMO EIS.

Corporate Action has the meaning given to that term in ASX Settlement Operating Rule 2.13.1.

CS Entities means ASX Clear and ASX Settlement.

CS Facilities means the clearing and settlement facilities (as defined in s. 761A of the Act) operated by the CS Entities.

CS Systems means the computer systems and associated networks (including, without limitation, CHESS) used by the CS Entities for the provision of the Trade Acceptance Service and the Clearing and Settlement Service.

EIS stands for External Interface Specification and has the meaning given to that term in ASX Settlement Operating Rule 2.13.1.

Eligible Financial Product Class means a class of Approved Financial Products (as defined in ASX Settlement Operating Rule 2.13.1) which is quoted on the financial market operated by ASX Limited.

End of Day has the meaning given to that term in ASX Settlement Operating Rule 2.13.1.

Ex Period has the meaning given to that term in ASX Settlement Operating Rule 2.13.1.

Legal Terms of Service means the *Legal terms for the provision of a trade acceptance service to Australian financial market licensees in respect of CHESS-eligible ASX-quoted financial products* dated 14 June 2011, as amended from time to time.

Message has the meaning given to that term in ASX Settlement Operating Rule 2.13.1.

Operating Hours means 7:10am to 7:00pm, or such other hours of operation as the CS Entities may from time to time notify all AMOs, on each Business Day.

Operating Rules has the meaning given to that term in s. 761A of the Act.

Participant has the meaning given to that term in s. 761A of the Act.

Pre-commencement Testing means testing at the direction of the CS Entities to establish whether an AMO meets the requirements of Standards 6 and 24.

Price Registration Notification Message means, in respect of an AMO, a Message Transmitted to the CS Entities by the AMO for the purpose of submitting certain price information, as specified in the AMO EIS, in relation to each Eligible Financial Product Class quoted on the financial market operated by the AMO.

Procedures has the meaning given to that term in ASX Settlement Operating Rule 2.13.1.

Settlement Participant means a Participant in the CS Facility operated by ASX Settlement.

Standards means the operational and technical standards set out in this document.

State of Emergency Rules has the meaning given to that term in ASX Clear Operating Rule 2.10.1 (in respect of ASX Clear) or ASX Settlement Operating Rule 2.13.1 (in respect of ASX Settlement), as applicable.

Trade means, in respect of an AMO, a transaction in an Eligible Financial Product Class effected through the trade facility operated by the AMO in accordance with its Operating Rules. It includes:

(a)   a transaction executed on the AMO's trading platform; and

(b)   a transaction executed "off market" which is reported to the AMO.

Trade Acceptance Service means the trade acceptance service as defined in the Legal Terms of Service.

Trade Registration Request Message means, in respect of a Trade, a Message Transmitted to the CS Entities by an AMO for the purpose of submitting the Trade to the CS Facilities.

Transmit means cause a Message to be made available for collection in the Message collection facility provided in CHESS for Messages passing between the CS Entities and AMOs.

UIC stands for User Identification Code and has the meaning given to that term in ASX Settlement Operating Rule 2.13.1.

Valid means, in relation to a Message, a Message that:

(a)   meets the requirements for validity as set out in paragraphs (a) to (e) of the definition of "Valid" in ASX Settlement Operating Rule 2.13.1; and

(b)   additionally, in relation to a Trade Registration Request Message, complies with each of Standards 14, 16, 17 and 20.

Validation means, in relation to a Trade Registration Request Message, the processing of the Message by the CS Entities to determine whether the Message is Valid.

2.   Interpretation

In this document:

(a)   a reference to any legislation or legislative provision includes any statutory modification or re-enactment of, or legislative provision substituted for, and any regulation or statutory instrument issued under, that legislation or legislative provision;

(b)   a reference to the Operating Rules of the CS Facilities or a licensed financial market is a reference to the Operating Rules as modified or amended from time to time;

(c)   the singular includes the plural and vice-versa;

(d)   if a word or expression is given a particular meaning, another part of speech or grammatical form of that word or expression has a corresponding meaning; and

(e)   a reference to time is to the time in Sydney, Australia.

3.   Notices

Where these Standards require an AMO to provide information or give notice to the CS Entities, the information or notice must be provided or given:

(a)   in writing addressed to:

> General Manager, Clearing and Settlement Operations and
> General Manager, Clearing and Settlement Services
> ASX Clear Pty Limited / ASX Settlement Pty Limited
> Exchange Centre
> 20 Bridge Street
> SYDNEY NSW 2000

Email:
CHESSHelp@asx.com.au

(b)   and by one or more of the following methods:

    (i)   delivering it personally to the persons specified above;

    (ii)   leaving it at or sending it by courier or post to the address specified above; or

    (iii)   sending it by electronic mail to each email address specified above.

Information provided or notice given by:

(c)   post is taken to be provided or given on the second Business Day after the document is put in the post, in a stamped envelope or other covering addressed to the recipient;

(d)   hand or courier is taken to be provided or given at the time of delivery to the address specified above;

(e)   email is taken to be provided or given when the sender receives an acknowledgement from a computer system controlled by the ASX group that the email has been received at the address specified above.

4. Standards

	Standard	Reason for inclusion
A.	*Technical and performance requirements*	
1	Before an AMO: (a) starts to use the Trade Acceptance Service; and (b) implements any material changes to its technological infrastructure related to its use of the Trade Acceptance Service, it must satisfy the CS Entities (acting reasonably) through Pre-commencement Testing that the AMO has: (c) the capacity to communicate reliably with the CS Systems in accordance with the AMO EIS; and (d) disaster recovery and business continuity arrangements that are adequate, having regard to the nature and extent of its business, to ensure the timely recovery of its usual operations in connection with its use of the Trade Acceptance Service and compliance with these Standards.	Operational risk mitigation.
2	An AMO must at all times maintain the necessary organisational and technical resources to ensure that: (a) it has the capacity to communicate reliably with the CS Systems in accordance with the AMO EIS; and (b) Messages submitted by the AMO do not interfere with the efficiency, integrity or proper functioning of the CS Systems.	Operational risk mitigation.
3	An AMO must observe and give effect to any advice or directions given to it by the CS Entities in order to ensure that the AMO meets or continues to meet Standards 1 and 2.	Operational risk mitigation.

	Standard	Reason for inclusion
4	An AMO must: (a) appoint a person to be responsible for communication with CHESS; (b) maintain an effective internal delegation framework to ensure that, in the absence of the person appointed in compliance with paragraph (a), there is at all times a person responsible for communication with CHESS; (c) ensure that the person appointed in compliance with paragraph (a) and any delegate responsible for communication with CHESS under paragraph (b) are located in Australia so that the AMO and the CS Entities can communicate promptly and receive responses quickly on a day-to-day operational basis; and (d) notify the CS Entities of the name and contact details of the person appointed in compliance with paragraph (a) and any delegate responsible for communication with CHESS under paragraph (b), and any subsequent changes to arrangements previously notified to the CS Entities.	Operational risk mitigation.
5	An AMO must make Trade notifications available to AMO Participants and to Clearing Participants which clear on behalf of AMO Participants promptly following execution or reporting to the AMO.	Facilitates compliance by Clearing Participants with the requirements (including risk management requirements) of the CS Facilities' Operating Rules.
6	An AMO must at all times maintain disaster recovery and business continuity arrangements that are adequate, having regard to the nature and extent of its business, to ensure the timely recovery of its usual operations in connection with its use of the Trade Acceptance Service and compliance with these Standards.	Operational risk mitigation.

	Standard	Reason for inclusion
B.	**Trade submission and Validation**	
7	If an AMO wishes to submit a Trade to the CS Facilities, it must do so by Transmitting a Valid Trade Registration Request Message to the CS Entities during Operating Hours. The CS Entities may reject a Trade Registration Request Message Transmitted by an AMO: (a) if the Message is not Valid; (b) if the Message is Transmitted outside of Operating Hours; or (c) in any other circumstances permitted by these Standards.	Standard operating process.
8	If the CS Entities notify an AMO of: (a) the rejection of a Trade Registration Request Message Transmitted by the AMO; or (b) the removal of a Trade from the CS Facilities under the Operating Rules of the CS Facilities, the AMO must immediately notify AMO Participants that are affected by the rejection or removal (as the case may be).	Facilitates counterparty risk management by Clearing Participants.
9	An AMO must Transmit a Valid Trade Registration Request Message to the CS Entities in respect of any Trade which the AMO wishes to submit to the CS Facilities: (a) subject to paragraph (c), if the Trade was executed on the AMO's trading platform or reported to the AMO during Operating Hours, within 5 minutes of the time at which the Trade was executed or reported (see Note below); (b) subject to paragraph (c), if the Trade was executed on the AMO's trading platform or reported to the AMO outside of Operating Hours, between 7:10am and 9:45am on the next commencement of Operating Hours following the time at which the Trade was executed or reported; or (c) if the Message relates to a Trade in respect of which one or more Trade Registration Request Messages have been Transmitted by the AMO and rejected by the CS Entities for any reason, as soon as practicable and in any event by 9:45am on the next commencement of Operating Hours following the time at which the Trade was executed on the AMO's trading platform or reported to the AMO.	The time limit on Trade submission: • ensures contemporary overview of the Trades to which ASX Clear is central counterparty, thereby enabling ASX Clear to accurately measure, and where appropriate mitigate, its counterparty exposure on an intraday basis; • promotes transparency of inputs to Batch Settlement and prompt identification of potential errors; and • mitigates operational risk.

		Standard	Reason for inclusion
		Note: In accordance with Standard 7, the CS Entities may reject a Trade Registration Request Message Transmitted by an AMO outside of Operating Hours, even if the Trade to which the Message relates was executed on the AMO's trading platform or reported to the AMO during Operating Hours and the Message was Transmitted within the timeframe specified in paragraph (a) above. Compliance by an AMO with these time limits for the Transmission of a Valid Trade Registration Request Message will be determined by the CS Entities in their absolute discretion by reference to: (a) the Trade execution time specified by the AMO in the Trade Registration Request Message; and (b) the time of Transmission of the Trade Registration Request Message, as recorded in CHESS.	
10		If an AMO wishes to submit a Trade to the CS Facilities, in accordance with these Standards, on the Business Day following the date on which the Trade was executed on the AMO's trading platform or reported to the AMO, the AMO must specify in the Trade Registration Request Message: (a) as the "As At Date": the date on which the Trade was executed on the AMO's trading platform or reported to the AMO; and (b) as the "Trade Date": the date of submission of the Trade to the CS Facilities.	Standard operating process.
11		The CS Entities may suspend processing of Messages in the event of technical failure affecting the CS Systems or if the CS Entities reasonably believe that it is necessary to do so to protect the integrity or orderly operation of the CS Facilities (including, without limitation, for the purpose of managing the default or event of non-compliance of a Participant in the CS Facilities). Except in the event of technical failure affecting the CS Systems, the CS Entities will use reasonable endeavours to give the AMO prior notice of a suspension of processing of Messages. Where, in the CS Entities' opinion, it is not practicable to give the AMO prior notice, the CS Entities may suspend processing of Messages without giving prior notice to the AMO.	Operational risk mitigation.
12		An AMO must observe and comply with any State of Emergency Rules made by the CS Entities and which are notified to the AMO. The CS Entities may specify the period during which any State of Emergency Rules remain in force, but the period must not exceed 30 Business Days.	Operational risk mitigation.
13		In the event of a technical outage affecting an AMO's computer systems which prevents the AMO from utilising the Trade Acceptance Service by Transmitting Valid Trade Registration Request Messages, the AMO must promptly notify the CS Entities and may submit Trades to the CS Facilities in the manner prescribed in Schedule 1 on a temporary basis. The AMO must observe and give effect to any advice or directions given to it by the CS Entities in connection	Operational risk mitigation.

	Standard	Reason for inclusion
	with the submission of Trades by alternative means. The AMO must promptly respond to any requests for information which the CS Entities may require to assist in managing the impact of the technical outage on the CS Facilities.	
14	A Trade Registration Request Message Transmitted by an AMO must specify a Delivering UIC and a Receiving UIC for Clearing Participants (or a Clearing Participant) which are (is) authorised under the ASX Clear Operating Rules to clear: (a) Trades submitted by the AMO; and (b) the Eligible Financial Product Class to which the Trade relates, at the time of Validation of the Message.	A Trade can be accepted into the CS Facilities only if Clearing Participants authorised to clear the Trade are accountable in respect of it.
15	An AMO must not Transmit a Trade Registration Request Message which specifies a Delivering UIC or a Receiving UIC for a Clearing Participant unless the AMO has satisfied itself on reasonable grounds that the Clearing Participant has agreed to clear the Trade to which the Message relates.	Operational risk mitigation.
16	A Trade Registration Request Message Transmitted by an AMO must specify the Security Code stored in CHESS for the Eligible Financial Product Class to which the Trade relates.	The Trade Acceptance Service is provided only for transactions in CHESS-eligible ASX-quoted financial products.
17	An AMO may specify a Basis of Quotation in a Trade Registration Request Message Transmitted by the AMO only if: (a) the Basis of Quotation corresponds to a Corporate Action stored in CHESS in respect of the Security Code specified in the Message at the time of Validation of the Message; and (b) the Trade to which the Message relates was executed during the Ex Period for that Corporate Action.	Standard operating process.
18	An AMO must not Transmit a Trade Registration Request Message which specifies a Basis of Quotation in accordance with Standard 17 if: (a) the Basis of Quotation does not match the default basis of movement applicable to the Trade to which the Message relates as determined in accordance with the procedures of ASX Settlement; and (b) the settlement date for the Trade to which the Message relates falls outside the Ex Period for the Corporate Action stored in CHESS in respect of that Security Code.	Standard operating process.

	Standard	Reason for inclusion
19	If: (a) no Basis of Quotation is specified in a Trade Registration Request Message Transmitted by an AMO during the Ex Period for a Corporate Action stored in CHESS in respect of the Security Code specified in the Message; and (b) the Message is Valid, the CS Entities will apply to the scheduled settlement instruction the default basis of movement applicable to the Security Code specified in the Message, determined in accordance with the procedures of ASX Settlement, at the time of Validation of the Message.	Standard operating process.
20	A Trade Registration Request Message Transmitted by an AMO must specify, as a Condition Code, a code nominated by the CS Entities which identifies the AMO.	Enables analysis and reporting by the CS Entities of Trades submitted to the CS Facilities by multiple AMOs. Assists trade/settlement identification and reconciliation by the CS Entities and Participants in the CS Facilities.
21	A Trade Registration Request Message Transmitted by an AMO must relate to no more than one Trade.	"Netting" or "aggregation" of Trades prior to submission to the CS Facilities would derogate from trade-by-trade transparency and the ability of the CS Entities to mitigate counterparty and settlement risks.

	Standard	Reason for inclusion
C.	*Post-Validation removal and cancellation*	
22	The CS Entities may, in accordance with the Operating Rules of the CS Facilities, remove from the CS Facilities any Trade which has been Validated and which the CS Entities reasonably consider it appropriate to remove in order to maintain the orderly operation and integrity of the CS Facilities. The CS Entities must give notice to the AMO as soon as reasonably practicable after removing a Trade together with a statement of the reason for removal.	Operational and counterparty risk mitigation.
23	The CS Entities will not act upon any instructions from an AMO to cancel a Valid Trade Registration Request Message (**Original Message**) once the Original Message has been Transmitted to the CS Entities unless such instructions are Transmitted to the CS Entities in the form of a further Valid Message or Valid Messages that when processed will have the effect of cancelling the Original Message. Such instructions must be Transmitted to the CS Entities by the End of Day on the Business Day following the Trade Date specified in the Original Message (or, where an "As At Date" is specified in the Original Message, by the End of Day on the Trade Date). The AMO is responsible for effecting any disclosure required of the AMO by law of the cancellation of the Trade to which the Original Message relates.	Standard operating process.
D.	*Communications and access to CS Systems*	
24	An AMO must comply with the AMO EIS.	Standard operating process.
25	An AMO must observe and comply with Section 16 of the ASX Settlement Operating Rules as though it is a "Facility User" within the meaning of those rules.	Standard operating process.
26	An AMO must ensure that its actions do not adversely impact on the efficiency and integrity of the CS Facilities or the proper functioning of the CS Systems.	Operational risk mitigation.

	Standard	Reason for inclusion
E.	**AMO Operating Rules**	
27	The Operating Rules of an AMO must require AMO Participants to ensure that each Trade in respect of an Eligible Financial Product Class to which the AMO Participant is a party is settled: (a) on the third business day following the date on which the Trade was executed on the AMO's trading platform or reported to the AMO; or (b) by such later date (if any) for "deferred settlement" which is determined under the Operating Rules of the financial market operated by ASX Limited and applicable to the Eligible Financial Product Class at that time.	Counterparty risk mitigation.
28	The Operating Rules of an AMO must require AMO Participants to report promptly to the AMO any Trade which is executed by the AMO Participant "off market" and reportable to the AMO under those rules. *Note: This Standard does not apply if and for so long as the ASIC Market Integrity Rules (Competition in Exchange Markets) 2011 impose trade reporting obligations on participants in financial markets.*	• Ensures contemporary overview of the Trades to which ASX Clear is central counterparty, thereby enabling ASX Clear to accurately measure, and where appropriate mitigate, its counterparty exposure on an intraday basis. • Promotes transparency of inputs to Batch Settlement and prompt identification of potential errors. • Mitigates operational risk.
29	The Operating Rules of an AMO must expressly authorise the AMO to disclose to the CS Entities any information which the AMO is required to disclose to the CS Entities under these Standards.	Legal risk mitigation.

	Standard	Reason for inclusion
30	The Operating Rules of an AMO must contain clear rules for the timely handling and resolution (including, without limitation, by cancellation, where appropriate) of: (a) any Trade executed in error; (b) any Trade in relation to which one or more Trade Registration Request Messages Transmitted by the AMO are rejected by the CS Entities for any reason in accordance with these Standards; and (c) any Trade which the CS Entities remove from the CS Facilities for any reason in accordance with the Operating Rules of the CS Facilities. This Standard does not apply if and for so long as the AMO is required by Market Integrity Rules made under the Act to observe uniform trade cancellation rules.	Operational risk mitigation.
31	The Operating Rules of an AMO must: (a) require every AMO Participant to maintain adequate arrangements for the clearing and settlement of all Trades entered into by the AMO Participant through the trade facility operated by the AMO; and (b) provide that, or make provision to the effect that, if ASX Clear or a Clearing Participant notifies the AMO that the Clearing Participant intends to terminate its Clearing Agreement with an AMO Participant, the AMO will not submit to the CS Facilities for clearing in the name of the Clearing Participant any Trade executed by the AMO Participant on the AMO's trading platform or reported by the AMO Participant to the AMO at or after the effective time of termination of the Clearing Agreement as notified to the AMO by ASX Clear or the Clearing Participant. An AMO must act in accordance with any notification received from ASX Clear or a Clearing Participant as described in paragraph (b).	Facilitates counterparty risk management by Clearing Participants.

	Standard	Reason for inclusion
F.	*Provision of information*	
32	An AMO must Transmit a Valid Price Registration Notification Message to the CS Entities by 6:00pm on each Business Day.	Enables accurate ASX Clear counterparty credit risk estimation.
33	An AMO must license to ASX Clear, on reasonable commercial terms and at no cost to ASX Clear, such real time, delayed or historical market data relating to the trade facility operated by the AMO as ASX Clear may from time to time reasonably request for the purpose of discharging its functions as a central counterparty and complying with its obligations as the holder of a CS facility license. The AMO must provide the data in a format acceptable to ASX Clear (acting reasonably).	Addresses potential need to reference prices on AMOs other than ASX in order to calculate prices used for central counterparty (ASX Clear) risk management purposes.
34	An AMO must notify the CS Entities promptly in writing of any fine, warning, licence condition or other disciplinary sanction imposed or disciplinary action taken by a regulatory body on or with respect to the AMO. The notice must be accompanied by a reasonably detailed explanation of the impact (if any) of the regulatory action on the AMO's ability to comply with these Standards.	Operational and legal risk mitigation.
35	An AMO must provide to the CS Entities upon written request any information that the CS Entities reasonably require in order to: (a) operate the CS Facilities in accordance with the Operating Rules of those facilities; (b) discharge their obligations under the Financial Stability Standard for Central Counterparties or Financial Stability Standard for Securities Settlement Facilities (as applicable); or (c) comply with their obligations as CS facility licensees under the Act, including without limitation the obligation to supervise the CS Facilities and enforce compliance with their Operating Rules by the Participants in those facilities.	Operational and legal risk mitigation.

	Standard	Reason for inclusion
G.	***Default management***	

36	An AMO must:
	
	(a) notify the CS Entities immediately of any information acquired by the AMO, its officers or its senior management which relates to the occurrence of an event or series of events in respect of a Common Participant which:
	
	   (i) may constitute an event of default under ASX Clear Operating Rule 15.1.1 or an Event of Non-Compliance under ASX Settlement Operating Rule 12.18.1, as applicable, by the Common Participant; or
	
	   (ii) may have a material adverse effect on:
	
	     (A) the capacity of the Common Participant to meet all its obligations to the CS Entities, any AMO or other Clearing Participants;
	
	     (B) the financial position of ASX Clear or the Common Participant; or
	
	     (C) the trade facility operated by any AMO; and
	
	(b) respond promptly to any request for information made by the CS Entities in connection with any event of default under ASX Clear Operating Rule 15.1.1 or Event of Non-Compliance under ASX Settlement Operating Rule 12.18.1 suspected or declared by the CS Entities in respect of a Common Participant.
		Operational and counterparty risk mitigation.

37	The CS Entities will notify an AMO of: (a) the declaration of an event of default under ASX Clear Operating Rule 15.1.1 or an Event of Non-Compliance under ASX Settlement Operating Rule 12.18.1 (as applicable) by a Participant in either of the CS Facilities which is authorised under the ASX Clear Operating Rules to clear Trades submitted by the AMO; or (b) any change in, or condition or restriction placed on, the clearing permissions of a Clearing Participant which is authorised under the ASX Clear Operating Rules to clear Trades submitted by the AMO. Upon receiving notification from the CS Entities under this Standard, the AMO must immediately notify AMO Participants that clear through that Participant and take steps to enforce the requirement under the AMO's Operating Rules for all AMO Participants to maintain adequate clearing and settlement arrangements.	Operational and counterparty risk mitigation.

Schedule 1

Alternative modes of Trade submission
in the event of technical outage affecting an AMO's computer systems (Standard 13)

In the event of a technical outage affecting an AMO's computer systems which prevents the AMO from utilising the Trade Acceptance Service by Transmitting Valid Trade Registration Request Messages, the AMO may submit Trades to the CS Facilities by either CD (storage medium) or secure FTP (the server is to be hosted by the AMO).

- CD:
    - The AMO is to deliver the CD to the CS Entities.
    - The CS Entities will make trade acceptance and rejection data available on CD for collection by the AMO.

- Secure FTP:
    - The AMO is to provide the CS Entities with login details to the secure FTP server.
    - The CS Entities will transmit trade acceptance and rejection data to the same FTP server and directory.

- In both cases:
    - The format of trade data submitted by the AMO is to be CHESS PC Export/Import format (refer to section 12 of EIS).
    - The timing of the transfer of trade data supplied by the AMO is at the discretion of the CS Entities. The CS Entities will contact the AMO to set up the transfer following the AMO's notification of technical outage in accordance with the Standards.
    - The AMO must be able to supply its trade data within 1 hour of being requested by the CS Entities or such longer period of time as the CS Entities may in their discretion approve.
    - The AMO must provide a letter (in a form approved by the CS entities) authorising the CS Entities to logon to CHESS on the AMO's behalf.