



ASX CLEAR (FUTURES) OPERATING RULES

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PART 8 EMERGENCY SITUATIONS AND FORCE MAJEURE

80 Introduction

- 80.1 This Part of the Rules details the powers of ASX Clear (Futures) in the event of a market emergency or in the event that the market is affected by force majeure.

81 Emergency Situations

Physical Emergencies

- 81.1 (a) For the purposes of this Rule 81.1, a physical emergency occurs when a situation arises where the physical functions of ASX Clear (Futures) are or are threatened to be severely and adversely affected by an event external to the trading of ASX Clear (Futures), such as (but not limited to) fire, accident, flood, bomb threat, threat of violence, substantially inclement weather, power failure, communication breakdown, computer malfunction or danger to personnel.
- (b) If in the opinion of the Managing Director or his delegate a physical emergency occurs or is likely to occur, he or she may take such action as shall be deemed necessary to deal with the emergency.
- (c) Upon a determination by the Managing Director or his delegate, that the emergency has sufficiently abated to permit the orderly functioning of ASX Clear (Futures), he shall order restoration of business and the removal of any restrictions which may have been imposed under this Rule, and may make such additional orders as he deems necessary or appropriate to minimise the effect of the emergency.
- (d) No person shall be entitled to make any claim or commence any action against ASX Clear (Futures), the Board or the person making decisions referred to in sub-clauses (b) and (c) hereof in respect of any decision made or action taken pursuant to this Rule 81.1.

Market Emergencies

- 81.2 If ASX Clear (Futures) determines that an undesirable situation or practice is developing or has developed which is contrary to the maintenance of a fair and orderly market, ASX Clear (Futures) may take or refrain from taking or direct a Clearing Participant to take or refrain from taking, any action which ASX Clear (Futures) considers is appropriate and in the interests of maintaining a fair and orderly market or underlying market.

For the purposes of this Rule 81.2:

‘market’ means a market:

- (i) conducted by the Exchange;
- (ii) conducted by an organisation to which ASX Clear (Futures) provides services; or
- (iii) a market in which an organisation to which ASX Clear (Futures) provides services is a participant.

‘underlying market’ means, in relation to:

- (i) a Market Contract or an Open Contract which in either case is a futures contract, the market in the underlying commodity, security or index or things which comprise the underlying index; and

- (ii) a Market Contract or Open Contract which in either case is an options contract, a market in the underlying futures contract or the underlying market in relation to the futures contract as defined in (i) above.

Amended 01/07/13

- 81.3 ASX Clear (Futures) shall be entitled to give effect to any direction of the Australian Securities and Investments Commission made pursuant to the Corporations Act or requirement of the Securities Commission pursuant to the Securities Act of New Zealand in relation to Market Contracts or the operation of ASX Clear (Futures) or any other lawful direction. ASX Clear (Futures) shall as soon as practicable notify the Commission which did not make such direction or requirement of the direction or requirement.

Amended 02/12/99

- 81.4 In giving effect to a determination referred to in Rule 81.1 or a direction referred to in Rule 81.2 ASX Clear (Futures) shall be entitled to apply the Rules as varied or modified so far as necessary to give effect to a relevant decision or direction.

Amended 11/02/14

82 Force Majeure

- 82.1 Where the business of ASX Clear (Futures) is materially adversely affected for any reason including, without limiting the generality of the foregoing, the intervention of any government or government authority or agency, fire, power failure or restrictions, communication breakdown, accident, flood, war or the threat of war, embargoes, boycotts, labour disputes, unavailability of data processing or bank clearance systems or act of God such that the ASX Clear (Futures) is unable to properly conduct the business of ASX Clear (Futures) in whole or in part ASX Clear (Futures) shall be released from its obligations under the Rules to the extent that the performance of such obligations are prevented or hindered in whole or in part by circumstances referred to above and ASX Clear (Futures) may vary or modify the Rules to the extent that in the opinion of ASX Clear (Futures) is reasonably necessary in the circumstances and without limiting the generality of the above the steps which ASX Clear (Futures) may take shall include:

- (a) The Compulsory Settlement in accordance with Rule 102 of all or some Open Contracts at a price determined by the Relevant Exchange or failing that by ASX Clear (Futures).
- (b) The Mandatory Cash Settlement of any Open Contract (including Open Contracts which are deliverable contracts) at a price determined by the Relevant Exchange or failing that by ASX Clear (Futures).
- (c) The Close Out of any Open Contract.
- (d) The exercise of any power which would be exercisable by ASX Clear (Futures) in the event of a Default.
- (e) Any thing permitted under the OTC Rules in connection with an OTC Participant or an OTC Open Contract.

Amended 01/07/13

83 to 89 Not in use.

End of Section. Next page is no. 901.