



Register of ASX Settlement Operating Rule Waivers

16 to 31 July 2014

The purpose of this register is to record when ASX has exercised its discretion and granted a waiver from the ASX Settlement Operating rules. Waivers are published bi-monthly and include information such as:

- Organisation**
- Rule Number**
- Decision Details**
- Basis for Decision**

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Rule Number	4.8.1(a)
Date	3/07/2014
Participant	OneVue Fund Services Pty Limited
Waiver Number	WPA140008-001
Decision	<p>The relief from the requirement that a settlement bond is issued by one of the parties specified in the procedures to the rules is granted on the basis that:</p> <ul style="list-style-type: none"> -OneVue Fund Services Pty Limited is, and remains, a Product Issuer Settlement Participant; and -the relief only applied whilst the issuer of the bond is an Australian building society and regulated by APRA.
Basis For Decision	<p>Underlying Policy Settlement bonds provide a mechanism for ASX to make one or more demands under the bond lodged by the participant and apply any money obtained as a result of any demand to compensate ASX settlement for any losses, damages, costs or expenses arising from the participant contravening the rules.</p> <p>The rules seek to ensure that the performance bonds are provided by parties with a substantial degree of regulation (generally Australian banks) to reduce ASX's risk in the event that a claim is made and the bond issuer is unable to make payment.</p> <p>Present Application A Product Issuer Settlement Participant's ("PISP's") role in the settlement process for the Managed Funds Settlement Service is to act as the agent of the issuer of the managed fund product in relation to CHESSE settlement of those products. The service relates solely to non-novated transactions and has been designed to require a PISP to have two payment facilities, one for applications and one for redemptions thus limiting contagion in the event of a default by the PISP and greater protection for the settlement facility.</p> <p>Consequently, whilst a settlement bond is still required to be supplied by a PISP that is not prudentially supervised, ASX does not consider that the risk to the settlement facility is impacted if the issuer of the bond is an Australian building society rather than an Australian bank.</p>