

**From:** Craig Gray  
**Sent:** Wednesday, 12 December 2012  
**To:** Joshua Everson  
**Subject:** Derivatives Account Segregation and Portability : Market Discussion Document : Response

Dion Global Solutions is a provider of clearing and settlement solutions to a number of ASX participants. Presently, in the context of derivatives, the scope of our solution embraces ETOs (including LEPOs) and exchange-traded CFDs. We have no coverage of traditional futures contracts at this stage, nor of OTC instruments.

As service providers to participants, and not participants ourselves, there are many questions on which we are not competent to comment. Equally, we have not provided feedback on any questions to do solely with futures or OTC instruments. Hence we have covered only a few questions.

Our feedback relates mainly to potential systems impacts, but we trust this will be a useful adjunct to whatever feedback participants may give. We would not expect them to pick up on all systems impacts as well as we would ourselves.

I have simply included our feedback at the end of this email, below the signature.

Please do not hesitate to make contact with me if I can be of any further assistance.

Regards,

**Craig Gray**

Product Manager—Australia and New Zealand

**Dion Global Solutions**

Level 1, 55 Southbank Boulevard, Southbank VIC 3006 Australia  
(M) +614 0638 4194 | (L) +613 9674 9900 | (D) +613 9674 9931  
(E) [craig.gray@dionglobal.com](mailto:craig.gray@dionglobal.com) | (W) <http://www.dionglobal.com>

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Q9/10. This is not a direct answer to the question, but a comment on systems impact of introducing ISCA arrangements for CFDs. We would expect some impact on our margin reconciliation process, but nothing more. It would be a comparatively small impact.

Q12. Introducing client omnibus accounts for ETOs would incur significant system development. At present, we rely in our ETO processing on client-by-client margin figures calculated by ASX Clear. If omnibus accounts were adopted, we would need to calculate client-by-client margins ourselves (not currently implemented for ETOs), and introduce new reconciliation processing.

Q13. It is our understanding that users of our ETO clearing/settlement solution already maintain up-to-date client details in DCS; however, we would in the natural course of things liaise with them about possible system improvements for making the process easier.

Q15. Any requirement to pass additional margin to the CCP would have system impact. It would not on the surface appear to be major, but we have not yet been able to assess this fully.