



ASX CLEAR (FUTURES) OPERATING RULES

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PART 7A TERMINATION WITH RESPECT TO ASX CLEAR (FUTURES)

76 Termination

76.1 If:

- (a) **ASX Clear (Futures) Payment Default.** all of the following occur:
- (i) ASX Clear (Futures) fails to make, when due, any payment in respect of a payment claim of a Clearing Participant against ASX Clear (Futures) arising from an Open Contract;
 - (ii) such Clearing Participant has notified ASX Clear (Futures) of such failure;
 - (iii) such Clearing Participant notifies ASX Clear (Futures) again of such failure after the expiry of a period of not less than five Business Days after the notification in (ii); and
 - (iv) ASX Clear (Futures)'s failure to make such payment to such Clearing Participant continues for a period of more than five Business Days after notification in (iii),

and for this purpose and without limitation, a payment will be considered to have been made by ASX Clear (Futures) if a corresponding amount has been credited to the relevant account of the relevant Clearing Participant. Delays in effecting such credit for technical reasons will not lead to an ASX Clear (Futures) Payment Default provided that funds were available to enable ASX Clear (Futures) to make the credit; or

- (b) **ASX Clear (Futures) Insolvency Event.** ASX Clear (Futures) is wound-up in insolvency under the Corporations Act or is subject to statutory management either instituted by it or against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in Australia,

then, at the election of either ASX Clear (Futures) or any Clearing Participant (if a Clearing Participant makes this election then only its Open Contracts are affected):

- (I) the present and future obligations of ASX Clear (Futures) and each Clearing Participant to make payments and deliveries under the terms of the Open Contracts are terminated and are no longer required to be made;
- (II) ASX Clear (Futures) is to calculate the termination value of those terminated obligations. The termination values are to take into account the amount which would be payable on the Daily Settlement of the relevant Futures Contracts or the Termination Value of the relevant OTC Open Contracts under the OTC Rules (as applicable); and
- (III) ASX Clear (Futures) will net the termination values so calculated separately in respect of the House Account and the Client Account of each Clearing Participant so that only a net cash amount is payable in respect of each of these accounts and between ASX Clear (Futures) and each respective Clearing Participant. Each such net cash amount is to be payable by the party who is determined to owe it on the Business Day on which it is determined and notified to the Clearing Participant.

If ASX Clear (Futures) is, for operational reasons, unable to make one or more calculations or determinations required to be made under this Rule then those particular calculations are to be made by the relevant Clearing Participant.

Introduced 01/07/13 Amended 11/02/14

76.2 If a Clearing Participant has CPM Clients then the netting referred to in Rule 76.1(b)(III) above is to be conducted separately in respect of each Client Sub-Account within the Client Account of that Clearing Participant and in respect of any remaining part of that Client Account. A net cash amount is to be payable in accordance with Rule 76.1(b)(III) in respect of each separate netting which takes place.

Introduced 11/02/14

77 to 79 Not in use.

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