

SECTION 6 COMMUNICATIONS WITH ASX CLEAR

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SECTION 6 COMMUNICATIONS WITH ASX CLEAR

This Section governs a Participant's communication with ASX Clear and the Clearing System and sets out:

- (a) a Participant's responsibility for the accuracy of all communications;
- (b) a Participant's obligation to conduct its clearing operations in a manner that does not disrupt the Clearing System, to notify ASX Clear if it is unable to communicate reliably with the Clearing System and not to take advantage of any errors, breakdowns or malfunctions;
- (c) ASX Clear's power to give directions to a Participant, require a Participant to undergo testing or to restrict access to the Clearing System; and
- (d) the circumstances in which ASX Clear will endeavour to provide emergency assistance to Participants.

6.1 RESPONSIBILITY OF PARTICIPANT

6.1.1 Participant's responsibilities

A Participant:

- (a) is responsible for the accuracy of details, the integrity and bona fides, of all communications, including Clearing Messages, it submits into the Clearing System;
- (b) must notify ASX Clear as soon as practicable if it is unable to communicate reliably with the Clearing System; and
- (c) must conduct its clearing operations in a manner which does not disrupt the Clearing System, ASX Clear's Clearing Facility, an Approved Settlement Facility's systems or processes, or the orderly conduct of any market conducted by an Approved Market Operator or any Underlying Market.

In discharging its obligations under this Rule, a Participant must not intentionally take advantage of a situation arising as a result of:

- (d) a breakdown or malfunction in the procedures or systems of ASX Clear, an Approved Market Operator, an Approved Settlement Facility or any of their Related Bodies Corporate; or
- (e) an error in entries made by ASX Clear, an Approved Market Operator, an Approved Settlement Facility or any of their Related Bodies Corporate in their clearing, trading or settlement systems.

Introduced 11/03/04 Origin OCH 3.1.1, 3.1.3, 3.1.4, SCH 9.22.2

6.2 TESTING REQUIREMENTS

6.2.1 ASX Clear may require Participant to undertake testing

ASX Clear may, on reasonable notice, require a Participant to undertake testing as specified by ASX Clear in the Procedures, or as otherwise directed by ASX Clear, for the purpose of confirming:

- (a) the ability of the Participant to communicate reliably with the Clearing System and to correctly process Clearing Messages including, without limitation, to reconcile in a timely manner Clearing Messages transmitted to the Participant in respect of Market Transactions with communications received by the Participant from each relevant Approved Market Operator, and, where applicable, Market Participant, in respect of those Market Transactions; and
- (b) any other matters as specified by ASX Clear in the Procedures.

Introduced 11/03/04 Origin OCH 3.2.1 Amended 27/06/11

6.3 ASX CLEAR'S POWER TO GIVE DIRECTIONS

6.3.1 ASX Clear may take such steps as necessary

If:

- (a) after a Participant has undertaken the testing referred to in Rule 6.2.1, ASX Clear reasonably believes that the ability of the Participant to communicate reliably with the Clearing System or to correctly process Clearing Messages is or will be impaired; or
- (b) the Participant has not, within the time specified by ASX Clear, complied with ASX Clear's requirement to undertake the testing referred to in Rule 6.2.1,

ASX Clear may immediately take such steps as it considers necessary or desirable for the efficiency and integrity of its Clearing Facility or the proper functioning of the Clearing System, including:

- (c) giving instructions or directions to the Participant to prevent or minimise impairment to those communications with the Clearing System or the correct processing of Clearing Messages; or
- (d) restricting the Participant's access to the Clearing System until such time as ASX Clear is satisfied that the ability of the Participant to communicate reliably with the Clearing System or to correctly process Clearing Messages is or will no longer be impaired.

A Participant must observe and give effect to any instruction or direction given to it by ASX Clear under this Rule.

Introduced 11/03/04 Origin OCH 3.2.2, 3.2.3

6.4 ASX CLEAR'S POWER TO RESTRICT ACCESS

6.4.1 ASX Clear may restrict access to Clearing System

If ASX Clear reasonably considers it necessary for the efficiency and integrity of the clearing facilities of ASX Clear or the proper functioning of the Clearing System, it may restrict access to the Clearing System by:

- (a) a Participant whose actions have adversely impacted on the efficiency and integrity of the clearing facilities of ASX Clear or the proper functioning of the Clearing System; or
- (b) Participants generally,

until implementation of a satisfactory resolution, in the reasonable opinion of ASX Clear, of the act, omission or circumstance which gave rise to the need to restrict access to the Clearing System.

Introduced 11/03/04 Origin OCH 3.4.1

6.5 NOTIFICATION TO PARTICIPANT

6.5.1 ASX Clear may notify Participants generally

If ASX Clear takes steps under Rule 6.3.1 or 6.4.1, ASX Clear must promptly notify the Participant concerned or Participants generally as the case may require.

Introduced 11/03/04 Origin OCH 3.2.4, 3.4.2

6.6 PARTICIPANT'S RIGHT TO HEARING

6.6.1 Participant may appeal notice

If ASX Clear takes steps under Rule 6.3.1 or 6.4.1 the Participant may appeal the decision in accordance with the provisions of the ASX Enforcement and Appeals Rulebook. ASX Clear may exercise its rights under Rules 6.3.1 or 6.4.1 before any hearing is conducted under this Rule 6.6.1.

Introduced 11/03/04 Amended 31/03/08, 01/08/10 Origin OCH 3.2.5, 3.4.3

6.7 IDENTIFICATION OF CLEARING MESSAGES FROM A PARTICIPANT

6.7.1 Clearing Message taken to have been submitted by Participant

A Clearing Message that:

- (a) is submitted into the Clearing System by a Participant; or
- (b) in the case of a Cash CCP Transaction, specifies the PID of the Participant,

is taken for all purposes under these Rules to have been submitted by, and with the knowledge of, that Participant.

Introduced 11/03/04 Origin SCH 4.5.1, OCH 3.1.2 Corresponds to ASX Settlement 16.17

6.8 IDENTIFICATION OF CLEARING MESSAGES FROM ASX CLEAR

6.8.1 Clearing Message taken to have been submitted by ASX Clear

Where a Clearing Message specifies the PID of ASX Clear, that Clearing Message is taken for all purposes under these Rules to have been submitted by ASX Clear.

Introduced 11/03/04 Origin SCH 4.5.1, OCH 3.1.2 Corresponds to ASX Settlement 16.17

6.9 ASX CLEAR EMERGENCY ASSISTANCE

6.9.1 Participant may request ASX Clear for assistance

If a Participant advises ASX Clear that it is no longer able to transmit Clearing Messages, the Participant may request ASX Clear on a reasonable endeavours basis to:

- (a) act as the Participant's agent to send and receive Clearing Messages on the Participant's behalf in communicating with the Clearing System; or
- (b) make available other emergency facilities in accordance with the Procedures.

Introduced 11/03/04 Origin OCH 3.3.1

6.10 EMERGENCY ASSISTANCE NOT PROVIDED BY ASX CLEAR

6.10.1 Where ASX Clear does not provide assistance

A Participant cannot claim that because ASX Clear does not assist a Participant under Rule 6.9.1, the Participant is unable to comply with the Rules and Procedures.

Introduced 11/03/04 Origin OCH 3.3.4

6.11 EXCLUSION OF LIABILITY

6.11.1 ASX Clear not liable for emergency assistance

Without limiting Rule 1.10, ASX Clear accepts no liability for activities it undertakes on behalf of a Participant or the use of its other emergency facilities under Rule 6.9.1.

Introduced 11/03/04 Origin OCH 3.3.2

6.12 INDEMNITY FOR EMERGENCY ASSISTANCE

6.12.1 Participant to indemnify ASX Clear where ASX Clear provides emergency assistance

The Participant indemnifies and will keep indemnified ASX Clear against all actions, proceedings, claims, demands, damages, costs, expenses and any other amounts against or incurred by ASX Clear arising out of or in connection with any action taken or any inaction by any of ASX Clear, or its officers, agents, persons acting for or on behalf of ASX Clear or contractors under Rule 6.9.

Introduced 11/03/04 Origin OCH 3.3.3

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