



ASX RECOVERY RULES

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SECTION 7 CONSULTATION

7.1 Reserve Bank of Australia

The ASX CCP will consult with the Reserve Bank of Australia with respect to the exercise of the ASX CCP's Recovery Powers.

7.2 Risk Committee

The ASX CCP will consult with its Risk Committee to the extent reasonably practicable:

- (a) with respect to the use of the rights and policies set out in Schedule 2 (ASX Payments Reduction) if:
 - (i) the aggregate amount of reductions to Net ASX Payments which have been effected during a Default Period exceeds the amount specified for this purpose in the Recovery Handbook; or
 - (ii) the Reduction Period exceeds 7 Business Days; and
- (b) in connection with the exercise of its rights or powers set out in Rule 11 (Voluntary Payments) before it invites any Participant to make a Voluntary Payment; and
- (c) in connection with the exercise of its rights or powers set out in Schedules 3 (Partial Termination) or 4 (Complete Termination) before it exercises such rights or powers; and
- (d) in connection with determining the Contracts which are to be terminated in accordance with Schedule 3 (Partial Termination) before it terminates the relevant Contracts; and
- (e) in connection with the calculation of Termination Values for the purpose of Schedules 3 (Partial Termination) or 4 (Complete Termination) before notifying Participants of the relevant Net Termination Value; and
- (f) in connection with the annual review of the Minimum Interim Default Fund Amount for the purposes of Schedule 5 (Replenishment); and
- (g) in connection with the annual review of the Maximum Total Interim Participant Replenishment Amount for the purposes of Schedule 5 (Replenishment); and
- (h) in connection with the exercise of its rights and powers set out in Rule 3 of Schedule 5 (Replenishment) except where there has been a further Default during the Default Period which results in an Interim Default Fund Shortfall; and
- (i) in connection with the amount of the Total Replenishment Amount to be determined in accordance with Schedule 5 (Replenishment) before calling for Participants to pay their Participant Replenishment Amounts; and
- (j) in connection with any calculation of a Default Fund Increase in accordance with Schedule 5 (Replenishment) before calling for Additional Participant Commitments; and
- (k) in connection with the exercise of its rights or powers set out in Rule 10 (Voluntary Wind-Down) before exercising such rights or powers; and
- (l) in connection with the annual review of the Investment Loss Threshold in accordance with Rule 6.2.

However, the ASX CCP is not required to consult with its Risk Committee where it has been directed to exercise or not exercise any right or power, or take or not take any action, in connection with a Default or these Recovery Rules by a governmental or regulatory entity or department.

Amended 01/06/16

End of Section. Next page is no. 801.