

## SECTION 9 TRANSFERS OF FINANCIAL PRODUCTS

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## SECTION 9 TRANSFERS OF FINANCIAL PRODUCTS

The purpose of this Section 9 is to set out the basis on which Transfers and Conversions of Financial Products may occur in the Settlement Facility.

### 9.1 CUM ENTITLEMENT TRANSFERS AND CONVERSIONS

#### 9.1.1 ASX Settlement or Issuer to reject Message

Notwithstanding any other provision of this Section:

- (a) if ASX Settlement or an Issuer receives a Valid Message that:
  - (i) in the case of ASX Settlement, initiates a Cum Entitlement Transfer or Conversion; or
  - (ii) in the case of an Issuer, seeks authorisation for a Cum Entitlement Transfer or Conversion; and
- (b) the Cum Entitlement Balance for the Source Holding specified in the Message is less than the number of Financial Products to be Transferred or Converted,

ASX Settlement or the Issuer, as the case requires, must reject the Message.

Introduced 11/03/04 Origin SCH 6.1.1, 6.1.2

### 9.2 ASX SETTLEMENT PROCESSING OF CUM ENTITLEMENT BALANCE FOR DISTRIBUTIONS

#### 9.2.1 Establishment of Cum Entitlement Balance for Distribution of cash or Financial Products or an offer under an equal access scheme

If ASX Settlement receives notification from an Approved Listing Market Operator of a Complete Corporate Action Record that includes notification that Parent Financial Products for a Corporate Action will be quoted on an ex basis, ASX Settlement must:

- (a) before Start of Day on the Ex Date, establish a Cum Entitlement Balance for each CHESS Holding of Parent Financial Products that is equal to the Holding Balance as at End of Day on the Business Day before the Ex Date; and
- (b) during the Ex Period, if a Cum Entitlement Transfer or Conversion creates a new CHESS Holding of Parent Financial Products, establish a Cum Entitlement Balance equal to the initial Holding Balance for that Holding.

Introduced 11/03/04 Origin SCH 12.2.1 Amended 27/06/11

### **9.2.2 Processing of Cum Entitlement Transfer or Conversion**

During the Ex Period for a Corporate Action affecting a class of Approved Financial Products, if:

- (a) an Instruction or Message would Transfer or Convert Parent Financial Products; and
- (b) that Instruction or Message does not designate the Transfer or Conversion as Cum Entitlement or Ex Entitlement,

ASX Settlement must:

- (c) in the case of a Demand Transfer or a Conversion, process the Transfer or Conversion as Cum Entitlement;
- (d) in the case of a Settlement Transfer in relation to a DvP Batch Instruction (excluding a Settlement Transfer in relation to a Wholesale Loan or Wholesale Return Loan) (subject to variation by the Approved Listing Market Operator of the Ex Period for the Corporate Action):
  - (i) process the Transfer as Cum Entitlement if the Trade Date is prior to the Ex Date; and
  - (ii) process the Transfer as Ex Entitlement if the Trade Date is on or after the Ex Date and prior to or on the Record Date for that Corporate Action; or
- (e) in the case of a Settlement Transfer in relation to a Wholesale Loan, Wholesale Return Loan or a non-DvP Batch Instruction, process the Transfer as Cum Entitlement.

Introduced 11/03/04 Origin SCH 12.3.1 Amended 27/06/11

### **9.2.3 ASX Settlement to deduct from Cum Entitlement Balance**

During the Ex Period for a class of Approved Financial Products, if, in respect of a Cum Entitlement Transfer or Conversion, ASX Settlement:

- (a) deducts Parent Financial Products from a Source Holding on the CHES Subregister; or
- (b) enters Parent Financial Products into a Target Holding on the CHES Subregister,

ASX Settlement must, as the case requires, make a corresponding entry into or deduction from the Cum Entitlement Balance for that Source or Target Holding.

Introduced 11/03/04 Origin SCH 12.3.2

### **9.2.4 No Cum Entitlement Transfer or Conversion after Record Date**

Subject to Rule 9.2.5, if, in respect of a Corporate Action affecting a class of Approved Financial Products:

- (a) an Instruction would Transfer Financial Products on a Cum Entitlement basis after End of Day on the Record date for the Corporate Action; or
- (b) ASX Settlement receives a Message after End of Day on the Record Date for a Corporate Action to Transfer or Convert Financial Products on a Cum Entitlement basis,

ASX Settlement must reject the Instruction or Message, as the case requires.

Introduced 11/03/04 Origin SCH 12.3.3

#### **9.2.5 Certain Cum Entitlement Transfers or Conversions permitted after Record Date**

Subject to Rule 9.2.7, if after End of Day on the Record Date for a Corporate Action, ASX Settlement receives from an Issuer a Valid Message authorising a Cum Entitlement Transfer or Conversion from an Issuer Sponsored Holding to a CHES Holding, ASX Settlement must:

- (a) enter the Parent Financial Products into the Target Holding specified in the Message, in accordance with Section 9 of these Rules; and
- (b) make a corresponding entry into the Cum Entitlement Balance for that Target Holding.

Introduced 11/03/04 Origin SCH 12.3.4

#### **9.2.6 Processing of Outstanding Cum Entitlement Transfers and Conversions**

Before ASX Settlement terminates Cum Entitlement Transfer and Conversions in accordance with Rule 9.2.7 an Issuer must process all outstanding Cum Entitlement Transfers and Conversions:

- (a) initiated by Participants in respect of the Entitlement which are required for the Issuer ; and
- (b) in the case of Participants other than Clearing Participants, in respect of which it has received proper supporting documentation.

Introduced 11/03/04 Origin SCH 12.4.1

#### **9.2.7 Termination of Cum Processing by ASX Settlement**

ASX Settlement must on a Business Day following the Last Corporate Action Event Date for that Entitlement:

- (a) terminate Cum Processing for that Entitlement;
- (b) notify the Issuer and each Participant of the Business Day such termination takes effect;
- (c) cease all processing on Cum Entitlement Balances for that class; and

- (d) notwithstanding paragraph (a), process any Valid Message subsequently received from the Issuer authorising a Transfer or Conversion from an Issuer Sponsored Holding to a CHESS Holding as ex the Entitlement.

Introduced 11/03/04 Origin SCH 12.3.5, 12.3.6

## **9.3 TRANSFERRING FINANCIAL PRODUCTS CUM ENTITLEMENT DURING AN EX PERIOD**

### **9.3.1 ASX Settlement to process Transfer as Cum Entitlement**

During the Ex Period for a Corporate Action affecting a class of Approved Financial Products, if:

- (a) an Instruction or Message would Transfer Financial Products; and
- (b) that Instruction or Message designates the Transfer as Cum Entitlement,

ASX Settlement must process the Transfer as Cum Entitlement.

Introduced 11/03/04 Origin SCH 12.11

## **9.4 SINGLE ENTRY DEMAND TRANSFERS**

### **9.4.1 Message to initiate Single Entry Demand Transfer**

Subject to Rule 9.4.4, a Participant may initiate a Single Entry Demand Transfer of Financial Products by Transmitting to ASX Settlement a Valid Originating Message in accordance with the Procedures.

Introduced 11/03/04 Origin SCH 6.2.1

### **9.4.2 Action by ASX Settlement following Single Entry Demand Transfer Message**

If an Originating Message Transmitted to ASX Settlement complies with Rule 9.4.1 and there are sufficient Available Financial Products in the Source Holding:

- (a) ASX Settlement must deduct the number of Financial Products specified in the Message from the Source Holding;
- (b) ASX Settlement must enter that number of Financial Products into the Target Holding; and
- (c) if the Target Holding has a Residency Indicator of "F", those Financial Products will have the status of Confirmed FOR Financial Products.

Introduced 11/03/04 Origin SCH 6.2.2, 6.2.2A

### **9.4.3 Effect of Single Entry Demand Transfer**

A Single Entry Demand Transfer initiated under Rule 9.4.1:

- (a) takes effect when, under Rule 9.4.2, ASX Settlement deducts Financial Products from the Source Holding; and

- (b) is taken to be effected by the Participant whose PID is included in the Valid Originating Message as that of the Participant Transmitting the Message.

Introduced 11/03/04 Origin SCH 6.2.3

#### **9.4.4 Restriction on Participant initiating Single Entry Demand Transfer**

A Single Entry Demand Transfer may only be initiated by a Participant if the Participant controls both the Source Holding and the Target Holding unless:

- (a) the Single Entry Demand Transfer Message specifies a Target Holding that is controlled by another Participant;
- (b) both the Participant that Transmits the Originating Message and the Participant that controls the Target Holding are members of the same Participant Group; and
- (c) either Participant is the Parent Participant for that Participant Group.

Introduced 11/03/04 Origin SCH 6.2.4, 6.2.5 Amended 18/12/06

## **9.5 DUAL ENTRY DEMAND TRANSFERS**

### **9.5.1 Message to initiate a Dual Entry Demand Transfer**

A Participant may initiate a Dual Entry Demand Transfer of Financial Products by Transmitting to ASX Settlement a Dual Entry Demand Message in accordance with the Procedures.

*Note: A Valid Dual Entry Demand Message that is Matched by ASX Settlement will be a proper ASTC transfer.*

Introduced 11/03/04 Origin SCH 6.2.6

### **9.5.2 Matching Dual Entry Demand Transfer Messages**

If:

- (a) a Participant Transmits a Valid Dual Entry Demand Message in accordance with the Procedures; and
- (b) the Valid Message Transmitted by the counterparty Participant:
  - (i) specifies the same details, and
  - (ii) specifies or implies the same designation as Cum or Ex Entitlement,

ASX Settlement must Match the Messages.

Introduced 11/03/04 Origin SCH 6.2.7

### **9.5.3 Dual Entry Demand Transfers in respect of Confirmed FOR Financial Products**

If ASX Settlement matches a Valid Dual Entry Demand Message under Rule 9.5.2 which initiates a Foreign to Foreign Allocation; and

- (a) ASX Settlement enters Financial Products into a Target Holding pursuant to Rule 9.5.4(a)(ii); and
- (b) the Target Holding has a Residency Indicator of "F",

those Financial Products will have the status of Confirmed FOR Financial Products.

Introduced 11/03/04 Origin SCH 6.2.8A

### **9.5.4 Action by ASX Settlement following Matching of Dual Entry Demand Transfer**

If a Valid Dual Entry Demand Message is Matched by ASX Settlement with another Valid Dual Entry Demand Message Transmitted by the counterparty Participant then:

- (a) if there are sufficient Available Financial Products in the Source Holding, ASX Settlement must Transfer Financial Products by:
  - (i) deducting the number of Financial Products specified in the Message from the Source Holding; and
  - (ii) entering that number of Financial Products into the Target Holding; or
- (b) if either:
  - (i) the Source Holding; or
  - (ii) during an Ex Period, a Cum Entitlement Balance for the Source Holding,

specified in the Dual Entry Demand Message does not hold sufficient Available Financial Products or Entitlements to meet the delivering Participant's obligation for the Source Holding, ASX Settlement must:

- (iii) reject the Dual Entry Demand Transfer; and
- (iv) notify both the delivering and the receiving Participants.

Introduced 11/03/04 Origin SCH 6.2.8, 6.2.11

### **9.5.5 Effect of Dual Entry Demand Transfer**

A Dual Entry Demand Transfer initiated under Rule 9.5.1:

- (a) takes effect when, under Rule 9.5.4 ASX Settlement deducts Financial Products from the Source Holding; and
- (b) is taken to be effected by:

- (i) in the case of a Transfer in respect of an On Market Transaction that involves only one Participant that is a Clearing Participant, that Participant;
- (ii) in any other case, the delivering Participant.

Introduced 11/03/04 Origin SCH 6.2.9

#### **9.5.6 Application of Standing HIN**

If a Participant's Valid Dual Entry Demand Message does not specify a HIN, ASX Settlement is entitled to apply the Standing HIN of the Participant that Transmitted the Message.

Introduced 11/03/04 Origin SCH 6.2.10

#### **9.5.7 Participant may cancel Dual Entry Demand Message**

A Participant may cancel a Valid Dual Entry Demand Message that has not been Matched by ASX Settlement, by Transmitting to ASX Settlement a Valid Message requesting cancellation before ASX Settlement Matches the original Message under Rule 9.5.2.

Introduced 11/03/04 Origin SCH 6.2.12

#### **9.5.8 Action by ASX Settlement if Messages are not Matched**

If a Dual Entry Demand Message has not been Matched within the Scheduled Time, ASX Settlement must:

- (a) cancel the Dual Entry Demand Message; and
- (b) within the Scheduled Time, notify:
  - (i) the Participant that Transmitted the Message; and
  - (ii) the counterparty Participant

that the Dual Entry Demand Message has been cancelled.

Introduced 11/03/04 Origin SCH 6.2.13

### **9.6 DEMAND TRANSFERS AND CONVERSIONS**

#### **9.6.1 Conversion not to change legal ownership**

A Participant must not effect or attempt to effect a change of legal ownership of Financial Products by initiating a Conversion.

Introduced 11/03/04 Origin SCH 9.5.1, 10.6.1

## **9.6.2 Registration Details in Messages**

If a Participant is required to specify Registration Details in a Message the Participant must specify those Registration Details in accordance with the standards specified by ASX Settlement from time to time.

Introduced 11/03/04 Origin SCH 9.5.2, 10.6.2

## **9.6.3 Initiation of Conversions – Holding in Convertible Form**

Where a Holder requests a Participant to initiate a Conversion, and the Holding is in Convertible Form, the Participant must effect the Conversion within the Scheduled Time.

Introduced 11/03/04 Origin SCH 9.7A.1, 10.9A.1

## **9.6.4 Initiation of Conversions – Holding not in Convertible Form**

Notwithstanding Rule 9.6.3 where a Holder requests a Participant to initiate a Conversion, and the Holding is not in Convertible Form, the Participant must within the Scheduled Time, take steps pursuant to the Conversion request towards ensuring that the Holding is in Convertible Form.

Introduced 11/03/04 Origin SCH 9.7A.2, 10.9A.2

## **9.6.5 Registration details limited to no more than 3 persons**

Unless permitted under an Issuer's constitution, if a Participant Transmits a Message to Transfer Financial Products from a CHES Holding to a new Issuer Sponsored Holding, the Participant must not specify Registration Details for more than 3 persons as joint Holders of the Issuer Sponsored Holding.

Introduced 11/03/04 Origin SCH 9.5.3, 10.6.3

## **9.6.6 Clarification of Registration Details**

If an Issuer request a Participant to clarify any Registration Details specified in an Originating Message Transmitted by that Participant, the Participant must, unless otherwise agreed with the Issuer, supply the requested Registration Details to the Issuer within 2 Business Days of receipt of the request.

Introduced 11/03/04 Origin SCH 9.5.4, 10.6.4

## **9.7 TRANSFERS FROM CHES HOLDINGS**

### **9.7.1 CHES to Issuer Sponsored Demand Transfers or Conversions**

A Participant may initiate a CHES to Issuer Sponsored Demand Transfer or Conversion by Transmitting to ASX Settlement a Valid Originating Message in accordance with the Procedures, except in the circumstances specified in the Procedures.

Introduced 11/03/04 Origin SCH 6.3.1 Amended 21/05/13

### **9.7.2 Action by ASX Settlement**

If an Originating Message Transmitted to ASX Settlement complies with Rule 9.7.1 and there are sufficient Available Financial Products in the Source Holding, ASX Settlement must:

- (a) deduct the number of Financial Products specified in the Message from the Source Holding; and
- (b) Transmit a Message to the Issuer to Transfer or Convert Financial Products in accordance with the Originating Message.

Introduced 11/03/04 Origin SCH 6.3.2

### **9.7.3 Action by Issuer**

If an Issuer receives a Valid Message under Rule 9.7.2(b), the Issuer must, within the Scheduled Time, enter Financial Products into the Target Holding in accordance with that Message.

Introduced 11/03/04 Origin SCH 6.3.3

### **9.7.4 Action by Issuer where Foreign to Foreign Allocation**

If an Issuer receives a Valid Message under Rule 9.7.2(b) which initiates a Foreign to Foreign Allocation; and

- (a) the Issuer enters Financial Products into a Target Holding pursuant to Rule 9.7.3; and
- (b) the Target Holding has a Residency Indicator of "F",

those Financial Products will have the status of Confirmed FOR Securities.

Introduced 11/03/04 Origin SCH 6.3.3A

### **9.7.5 Time when Demand Transfer takes effect**

A Demand Transfer initiated under Rule 9.7.1:

- (a) takes effect when, under Rule 9.7.2(a), ASX Settlement deducts Financial Products from the Source Holding; and
- (b) is taken to be effected by the Participant whose PID is that of the Participant Transmitting the Message.

Introduced 11/03/04 Origin SCH 6.3.4

### **9.7.6 Participant restriction on Demand Transfers and Conversions**

Where an Issuer operates Issuer Sponsored Subregister, the Participant must ensure that any Conversion or Transfer of Financial Products from the CHESS Subregister is to the Issuer Sponsored Subregister.

Introduced 11/03/04 Origin SCH 6.9.1

## **9.8 TRANSFERS INTO CHESS HOLDINGS**

### **9.8.1 Issuer Sponsored to CHESS Demand Transfers or Conversions**

A Participant may initiate an Issuer Sponsored to CHESS Demand Transfer or Conversion by Transmitting to ASX Settlement a Valid Originating Message in accordance with the Procedures.

Introduced 11/03/04 Origin SCH 6.5.1

### **9.8.2 Action by ASX Settlement following Demand Transfer**

If an Originating Message Transmitted to ASX Settlement complies with Rule 9.8.1, ASX Settlement will Transmit to the Issuer a Message requesting the Issuer to authorise the Transfer or Conversion of Financial Products in accordance with the Originating Message.

Introduced 11/03/04 Origin SCH 6.5.1

### **9.8.3 Action by Issuer following receipt of Message from a Settlement Participant**

If in the case of a Valid Message received by an Issuer under Rule 9.8.2:

- (a) there are sufficient Available Financial Products in the Source Holding;
- (b) the SRN for the Holder of the Source Holding specified in the Message matches the Issuer's records; and
- (c) in the case of a Message requesting the Issuer to authorise a Conversion, the Registration Details for the Target Holding specified in the Message match the Registration Details for the Source Holding maintained by the Issuer,

the Issuer must subject to Rule 9.8.5 authorise the Transfer or Conversion, as the case requires.

Introduced 11/03/04 Origin SCH 6.5.3, 6.5.3A

### **9.8.4 Other action by Issuer**

If a Valid Message is received by an Issuer under Rule 9.8.2 pursuant to an Originating Message Transmitted by:

- (a) a Participant other than a Settlement Participant that is a:
  - (i) Trading Participant of ASX;
  - (ii) Custodial Settlement Participant; or
  - (iii) Recognised Market Operator,

the Issuer must not authorise the Transfer unless:

- (b) there are sufficient Available Financial Products in the Source Holding; and

- (c) it has received within 5 Business Days of ASX Settlement Transmitting the message a Registrable Transfer Document purporting to be signed by, or executed by or on behalf of, the Holder of the Source Holding, the details of which match the Issuer's records in relation to that Holder.

Introduced 11/03/04 Origin SCH 6.5.4 Amended 23/10/09, 18/12/19

#### **9.8.5 Rejection of Transfer or Conversion by Issuer**

If the conditions for authorisation by the Issuer of a Transfer or Conversion as stipulated in Rules 9.8.3 or 9.8.4 are not met, the Issuer must:

- (a) reject the Transfer or Conversion; and
- (b) within the Scheduled Time, notify ASX Settlement of that rejection and the reason for the rejection.

Introduced 11/03/04 Origin SCH 6.5.5, 6.5.6

#### **9.8.6 Action by Issuer if Transfer or Conversion authorised**

If an Issuer authorises a Transfer or Conversion under Rule 9.8.3 or 9.8.4, the Issuer must, within the Scheduled Time:

- (a) deduct the number of Financial Products specified in that Message from the Source Holding; and then
- (b) Transmit a Message to ASX Settlement to Transfer or Convert those Financial Products in accordance with the Originating Message.

Introduced 11/03/04 Origin SCH 6.5.7, 18/12/19

#### **9.8.7 Action following Transfer or Conversion**

If ASX Settlement receives a Valid Message under Rule 9.8.6(b);

- (a) ASX Settlement must enter Financial Products into the Target Holding in accordance with the Originating Message; and
- (b) if the Message under Rule 9.8.6(b) initiates a Foreign to Foreign Allocation and the Target Holding has a Residency Indicator of "F" those Financial Products will have the status of Confirmed FOR Financial Products.

Introduced 11/03/04 Origin SCH 6.5.8, 6.5.8A

#### **9.8.8 Effect of a Demand Transfer initiated under Rule 9.8.1**

A Demand Transfer initiated under Rule 9.8.1:

- (a) takes effect when, under Rule 9.8.6(a), the Issuer deducts Financial Products from the Source Holding; and
- (b) is taken to be effected by the Participant whose PID is included in the Valid Originating Message as that of the Participant Transmitting the Message.

### **9.8.9 ASX Settlement may purge unactioned Messages**

If an Issuer receives a Message from ASX Settlement under Rule 9.8.2 and does not respond to ASX Settlement under either Rule 9.8.5 or Rule 9.8.6 within the relevant Scheduled Time for response, ASX Settlement may purge the unactioned Message from the Settlement Facility.

Introduced 09/05/05

## **9.9 STANDING HINs**

### **9.9.1 Purpose of Rules**

The Procedures apply for the purposes of determining whether a Message of a type listed in Appendix 2 specifies a Source Holding or a Target Holding in accordance with this Section 9.

Introduced 11/03/04 Origin SCH 6.7.1

## **9.10 TRANSFERS AND CONVERSIONS OF CONFIRMED FOR FINANCIAL PRODUCTS**

### **9.10.1 ASX Settlement or Issuer to reject Message**

Notwithstanding any other provision of this Section 9, if ASX Settlement or an Issuer receives a Valid Message that initiates or seeks authorisation for a Foreign to Foreign Allocation and:

- (a) the number of Confirmed FOR Financial Products in the Source Holding specified in the Message is less than the number of Confirmed FOR Financial Products to be Transferred or Converted; or
- (b) the Source Holding, being the Source Holdings which is specified:
  - (i) in the Message; or
  - (ii) on the Issuer Operated Subregister,

is a Source Holding which does not have a Residency Indicator of "F", ASX Settlement or the Issuer must reject the Message as the case requires.

Introduced 11/03/04 Origin SCH 6.10

## **9.11 ERRONEOUS OR UNAUTHORISED TRANSFERS**

### **9.11.1 Erroneous or unauthorised transfers**

If Financial Products are Transferred by a Participant from a Source Holding controlled by that Participant to a Target Holding controlled by another Participant:

- (a) in error; or

(b) without the consent or acquiescence of the Holder of the Target Holding;

then the Participant which controls the Target Holding must within 2 Business Days of receiving advice or otherwise becoming aware of the erroneous or unauthorised transfer (or such later time as agreed between the Participants), take such action as may be necessary to Transfer the Financial Products back to the Source Holding.

Introduced 11/03/04 Origin SCH 9.11.1, 10.10.1

### **9.11.2 Participant to indemnify ASX Settlement and others**

If Rule 9.11.1 applies, the Participant that Transmitted the Originating Message indemnifies each of:

- (a) ASX Settlement;
- (b) the Issuer of the Financial Products specified in the Originating Message;
- (c) the Holder of the Target Holding; and
- (d) the Participant controlling that Holding,

against all losses, damages, costs and expenses which ASX Settlement, that Issuer, that Holder or that Participant may suffer or incur by reason of that Transfer.

Introduced 11/03/04 Origin SCH 9.11.2, 10.10.2

### **9.11.3 Transfer from a deceased Holding**

If a Participant Transmits a Message to Transfer the Financial Products in a deceased Holding, and an Issuer transfers Financial Products in accordance with that Message, the Participant indemnifies the Issuer from and against all losses, damages, costs and expenses which the Issuer may suffer or incur because the Participant was not authorised to Transmit the Message, or because the Message was Transmitted in error.

Introduced 11/03/04 Origin SCH 9.11.3, 10.10.3

## **9.12 ELECTRONIC ACCESS TO HOLDINGS**

### **9.12.1 Warranty of Holder's authority**

If, in a Message that initiates an Issuer Sponsored to CHESS Conversion of Financial Products, a Participant other than a Settlement Participant that is a:

- (a) Market Participant of ASX;
- (b) a Custodial Settlement Participant; or
- (c) a Recognised Market Operator includes,

a Holder's SRN, the Participant warrants to the Issuer that it has the Holder's authority to access the Source Holding specified in the Message.

Introduced 11/03/04 Origin SCH 10.7.2, Amended 18/12/19

### **9.12.2 Other Participants must have Registrable Transfer Document**

A Participant other than a Settlement Participant that is a:

- (a) Market Participant of ASX;
- (b) Custodial Settlement Participant; or
- (c) Recognised Market Operator,

must not Transmit a Message that initiates an Issuer Sponsored to CHESSTransfer of Financial Products unless that Participant has possession of a Registrable Transfer Document signed by, or executed by or on behalf of, the registered Holder of the Financial Products to be Transferred.

Introduced 11/03/04 Origin SCH 10.7.1; Amended 18/12/19

### **9.12.3 Specifying the Transaction Identifier on the Registrable Transfer Document**

If a Participant other than a Settlement Participant that is a:

- (a) Market Participant of ASX;
- (b) Custodial Settlement Participant; or
- (c) Recognised Market Operator,

Transmits a Message to ASX Settlement that complies with Rule 9.8.1, then as soon as ASX Settlement acknowledges acceptance of that Message, that Participant must in the case of a Message that initiates a Transfer of Financial Products:

- (d) specify the Transaction Identifier on the Registrable Transfer Document held by it under Rule 9.12.2;
- (e) immediately send that document to the office of the Issuer's principal register; and
- (f) store a copy of the documentation sent to the Issuer in a secure location.

Introduced 11/03/04 Origin SCH 10.7.3 Amended 18/12/19

### **9.12.4 Application of Rules 9.12.5 to 9.12.8**

Rules 9.12.5 to 9.12.8 apply only to Settlement Participants that are:

- (a) Market Participants of ASX;
- (b) Custodial Settlement Participants; or
- (c) Recognised Market Operators.

Introduced 11/03/04 Amended 18/12/19

### **9.12.5 Electronic Access to Issuer Sponsored Holdings by Settlement Participants**

If, in a Message that initiates an Issuer Sponsored to CHES Transfer or Conversion of Financial Products, a Settlement Participant includes a Holder's SRN, that Participant warrants to the Issuer that it has:

- (a) the Holder's authority to access the Source Holding specified in the Message; and
- (b) if Rule 9.12.6 applies :
  - (i) the authority of the person specified as the transferor on the Registrable Transfer Document referred to in Rule 9.12.6(a) to effect an Issuer Sponsored to CHES Transfer; and
  - (ii) possession of the Registrable Transfer Document.

Introduced 11/03/04 Origin SCH 9.6.1 Amended 10/06/04, 18/12/19

### **9.12.5A Pre transfer validation**

A Custodial Settlement Participant must not Transmit a Message that initiates an Issuer Sponsored to CHES Transfer of Financial Products unless the Custodial Settlement Participant has verified that the SRN and Registration Details that they have for the Holder of the Source Holding match the SRN and Registration Details for the Holder maintained by the Issuer.

Introduced 18/12/19

### **9.12.6 Registrable Transfer Document**

If:

- (a) a Settlement Participant takes possession of a Registrable Transfer Document from a person other than the person specified as the transferor in that document; and
- (b) the person who supplies the Registrable Transfer Document to that Participant instructs the Participant to move the Financial Products the subject of the Transfer to a CHES Holding (whether or not that Holding is in the name of that person),

then the Participant must not Transmit a Message that initiates an Issuer Sponsored to CHES Transfer unless that Participant has also been authorised to effect that Transfer by the person specified as the transferor in the Registrable Transfer Document.

Introduced 11/03/04 Origin SCH 9.6.2

### **9.12.7 Participant to check registration details**

On receipt of notification from ASX Settlement that an Issuer Sponsored to CHES Transfer has been effected, a Settlement Participant must check to make sure that the Financial Products which were specified in the Transfer were deducted from the correct Issuer Sponsored Holding.

### **9.12.8 Rectifying Errors**

If, under Rule 9.12.7, it is determined that the Financial Products specified in the Transfer were not deducted from the correct Issuer Sponsored Holding, the Participant that initiated the Transfer must liaise with the Issuer and take such steps as are necessary to rectify the error.

Introduced 11/03/04 Origin SCH 9.6.4

## **9.13 SINGLE ENTRY TRANSFER REQUESTS**

### **9.13.1 Message to initiate Single Entry Transfer Request**

Subject to Rule 9.13.4, a Participant may initiate a Single Entry Transfer Request of Financial Products by Transmitting to ASX Settlement a Valid Originating Message in accordance with the Procedures.

### **9.13.2 Action by ASX Settlement following Single Entry Transfer Request Message**

If an Originating Message Transmitted to ASX Settlement complies with Rule 9.13.1 and there are sufficient Available Financial Products in the Source Holding:

- (a) ASX Settlement must deduct the number of Financial Products specified in the Message from the Source Holding; and
- (b) ASX Settlement must enter that number of Financial Products into the Target Holding.

### **9.13.3 Effect of Single Entry Transfer Request**

A Single Entry Transfer Request initiated under Rule 9.13.1:

- (a) takes effect when, under Rule 9.13.2, ASX Settlement deducts Financial Products from the Source Holding; and
- (b) is taken to be effected by the Participant whose PID is included in the Valid Originating Message as that of the Participant Transmitting the Message.

### **9.13.4 Restriction on Participant initiating Single Entry Transfer Request**

A Single Entry Transfer Request may only be initiated by a Participant if the Participant is authorised by an Issuer of Financial Products to provide the service as set out in the Procedures.

Introduced 10/05/04

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