



# Procedures for Access Requests by Approved Listing Market Operators

12 October 2020 |

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ASX Settlement provides settlement arrangements for approved listing venues (Approved Listing Market Operators or ALMOs) in respect of CHESSE-eligible financial products listed on the markets of those ALMOs. There are two options for the settlement arrangements:

- A Transfer Facilitation Service where CHESSE-eligible ALMO-listed financial products can be transferred in real-time by ASX Settlement participants through CHESSE. Payment is handled bilaterally by participants outside of CHESSE or
- A DvP Facilitation Service where CHESSE-eligible ALMO-listed financial products can be settled on a delivery versus payment (DvP) basis by ASX Settlement participants through the CHESSE settlement batch.

ASX Settlement has also put in place arrangements for ALMO-listed issuers to use the ASX Primary Market Facility, which enables them to use DvP settlement for certain capital raisings.

## 1. Timeframes for responding to access requests

ASX Settlement will consider requests for settlement services, including requests for enhancements of the Settlement Facilitation Service, in a timely manner. The process and timeframes for ASX Settlement to consider and respond to requests for settlement services are set out below.

Enquiries by new customers seeking access to settlement services and enquiries relating to new services, contractual matters and Quarterly Service Review meetings should be directed to:

Karen Webb, Senior Manager, Equity Post Trade Services:

email: [Karen.webb@asx.com.au](mailto:Karen.webb@asx.com.au)

phone: 02 9227 0445

For operational matters, please contact the Settlement Operations helpdesk: Mon-Fri, 8.00am to 6.00pm (Sydney time)

email: [chesshelp@asx.com.au](mailto:chesshelp@asx.com.au) phone: 1800 814 051

### 1.1 New customer enquiry

| Step | Customer  | ASX Response   | Timeframe (Business Days) | Notes  |
|------|---|--|---------------------------|--|
| 1    | New customer enquiry for standard access to the Settlement Facilitation Service                             | ASX sends the new customer an Application Pack   | 3 days                    |  |
| 2    | Lodgement of complete and valid Application Pack for standard access to the Settlement Facilitation Service | ASX approves application   | 15 days                   | Contingent on market data users who may require 45 calendar days' notice |
|      |   | ASX notifies the market of new Approved Listing Market Operator                                      | 3 days following approval |  |
|      |   | ASX activates Approved Listing Market Operator's connectivity to the Settlement Facilitation Service |                           |  |

An ASX customer manager will be appointed to manage your enquiry and will facilitate the process by liaising with relevant internal and external stakeholders.

### 1.2 New service enquiry

| Step | Customer   | ASX Response  | Timeframe (Business Days) | Notes  |
|------|--|---|---------------------------|--|
| 1    | Enquiry from an existing customer for a new standard service within the Settlement Facilitation Service (for example, change from the Transfer Facilitation Service to the DvP Facilitation Service) | ASX sends the customer an Application Pack  | 3 days                    |  |
| 2    | Lodgement of complete and valid Application Pack   | ASX approves application  | 15 days                   | Contingent on market data users who may require 45 calendar days' notice |
|      |  | ASX notifies the market of change of service by Approved Listing Market Operator                                    | 3 days following approval |  |
|      |  | ASX activates Approved Listing Market Operator's connectivity to service within the Settlement Facilitation Service |                           |  |

An ASX customer manager will be appointed to manage your enquiry and will facilitate the process by liaising with relevant internal and external stakeholders.

### 1.3 Enquiry regarding potential enhancement to the Settlement Facilitation Service

| Step | Customer   | ASX Response   | Timeframe from point of enquiry (Business Days) |
|------|--|--|---|
| 1    | Enquiry from an existing or new customer for enhancement to the Settlement Facilitation Service (for example, beyond the scope of the ASX Settlement Operating Rules and/or the Settlement Facilitation Service Agreement) | ASX sends Change Request document to customer  | 3 days  |
| 2    | Lodgement of complete and valid Change Request   | ASX shall convene a workshop to review the Change Request with the customer  | 20 days   |
|      |  | ASX shall provide a progress update on the Change Request to the customer  | 20 days following the workshop                  |
|      |  | ASX shall either notify the customer of a refusal to enhance or a willingness to extend the Settlement Facilitation Service. In so doing, it will provide the customer with either the reason for refusal or with a potential solution(s), including changes to the ASX Settlement Operating Rules (and/or other rules), agreements, operational procedures and the scope of any technical development together with an indicative priority, timeline and cost of providing the enhancement. | 20 days following the progress update           |

## 2. Operational Matters

ASX Settlement Operations provide a help desk for operational support of ASX Settlement customers including ALMOs. The Settlement Operations help desk also acts as a first point of contact for system development, business analysis and regulatory issues involving CHES. Once raised with the help desk, issues are passed to the appropriate area within ASX for resolution.

During Settlement Operating hours, ASX Settlement will respond as follows:

| Category of technical or operational query | Initial response within... | Update every... | Escalation after... |
|--|----------------------------|-----------------|---------------------|
| Unable to connect to CHES, message errors  | 20 minutes                 | 60 minutes      | 60 minutes          |
| General CHES queries                       | 4 hours                    | 24 hours        | 1 week              |
| CHES Support requests                      | 4 hours                    | 24 hours        | Not applicable      |

Where:

- **Initial response time** means the time taken for operational or technical support to acknowledge receipt of a request;
- **Update** means a verbal or email update to be provided to an ALMO at stated intervals during Equity Settlement Operating hours if the operational or technical matter remains unresolved; and,
- **Escalation** means the time by which Settlement Operations will notify a senior representative of ASX Settlement of an unresolved issue following the initial response.

The document "[Operational Procedures for Approved Market Operators](#)" (the "procedures document") describes the various obligations and procedures for day to day matters that may impact a CHES sub-register.

### 3. Contractual matters

The [Settlement Facilitation Service Agreement](#) includes requirements for notification of certain events by either party, including termination.

### 4. Quarterly service review meetings

ASX Settlement hosts a quarterly service review meeting with each ALMO. Any matters raised at the meeting that require action (by either party) will be documented and actioned as soon as practicable and in any case prior to the next meeting.

### 5. Consultation

ASX Settlement will consult each ALMO on rule changes and functional changes to CHES which impact cash market settlement services provided under the Settlement Facilitation Service prior to those changes being implemented.

### 6. Information handling standard for the protection of competitively sensitive information

If ASX Settlement acquires actual knowledge of competitively sensitive information in the course of providing the Settlement Facilitation Service, it will implement as an operational standard appropriate safeguards to protect that information.

ASX Settlement will put in place an Information Handling Standard for the protection of confidential information (including competitively sensitive information) of ALMOs which the ASX Group may acquire in connection with the provision of the Settlement Facilitation Service.

An ALMO which seeks to share competitively sensitive information (referred to as 'ALMO Conflict Sensitive Information') with any member of the ASX Group in connection with the provision of a Settlement Facilitation Service should provide the information in writing to the General Manager, Enterprise Compliance by emailing [anatoly.kiriesvsky@asx.com.au](mailto:anatoly.kiriesvsky@asx.com.au).

Any ALMO Conflict Sensitive Information which an ALMO provides to the General Manager, Enterprise Compliance should be clearly marked as "ALMO Conflict Sensitive Information" and accompanied by a statement of:

- the purpose for which the information is being provided to the ASX Group; and
- the ASX Group Employees to whom the ALMO wishes the information to be provided.

The General Manager, Enterprise Compliance will screen all information submitted to him or her in accordance with the Information Handling Standard to confirm that the information is ALMO Conflict Sensitive Information. If the General Manager, Enterprise Compliance determines that the information is not ALMO Conflict Sensitive Information, he or she will:

- treat the information as confidential;
- advise the ALMO that it has been determined that the information is not ALMO Conflict Sensitive Information; and
- take no further action in relation to the information other than to return the information to the ALMO in accordance with the instructions from the ALMO.

If the General Manager, Enterprise Compliance determines that the information is ALMO Conflict Sensitive Information, he or she will distribute it as follows<sup>1</sup>:

#### **ASX Group Employees**

ALMO Conflict Sensitive Information will be distributed only to those ASX Group Employees:

- to whom the ALMO has requested the General Manager, Enterprise Compliance to provide the information;
- who require the information in connection with the provision or potential provision of a Settlement Facilitation Service to the ALMO, as determined by the General Manager, Enterprise Compliance in consultation with the ASX Office of General Counsel; or
- who require the information in the ordinary course of performing their role in connection with the discharge of regulatory obligations of the ASX Group (including, without limitation, ASX Group Employees who need access to ALMO Conflict Sensitive Information for the purpose of preparing reports required to be given to the Australian Securities and Investments Commission or the Reserve Bank of Australia).

#### **ASX Group Directors**

Subject to two exceptions, ALMO Conflict Sensitive Information shall not be distributed to ASX Group Directors.

Exception 1 — ALMO Conflict Sensitive Information may be distributed to the directors of ASX Settlement where:

- the information is reasonably required by the directors in order for them to provide oversight of the operations of ASX Settlement; or
- the information is relevant to the risk-control function of ASX Settlement.

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<sup>1</sup> The ALMO Conflict Sensitive Information will be distributed by the General Manager, Enterprise Compliance in accordance with clause 6 (Distribution and use of ALMO Conflict Sensitive Information) of the Information Handling Standard.



Directors of ASX Settlement may sit on other ASX Group Boards. Directors of ASX Settlement may not use the ALMO Conflict Sensitive Information of an ALMO for the purposes of ASXL or ASX Clear without the consent of that ALMO.

No ASX Group Employee who is a member of ASX's Business Development function (other than the Executive General Manager, Equity Post Trade Services) shall be present during any Board consideration of ALMO Conflict Sensitive Information pursuant to this exception.

Exception 2 — ALMO Conflict Sensitive Information may be distributed to the directors of ASX Compliance (including those directors who also sit on other ASX Group Boards) where the information is relevant to the supervision of ASX Settlement.

Board Papers which are to be presented to the Board of ASX Settlement, ASXSC or ASX Compliance in reliance on either of the foregoing exceptions shall:

- be submitted to the General Manager, Enterprise Compliance in draft for review prior to distribution to directors; and
- clearly state on the first page that they contain ALMO Conflict Sensitive Information.