



Procedures for Access Requests by Approved Market Operators

9 October 2020 |

The Trade Acceptance Service (TAS) enables trades in CHESSE eligible financial products executed on the trading platforms of any unaffiliated approved Australian market licensee (Approved Market Operator or AMO) to be accepted by ASX Clear and ASX Settlement for clearing and settlement. The TAS will be provided by ASX Clear and ASX Settlement directly to an AMO.

1. Applying for access to the TAS

If you have an interest in access to the TAS, please contact Karen Webb, Senior Manager, Equity Post Trade Services, on +61 2 9227 0445 or Karen.Webb@asx.com.au.

An ASX Customer Manager will be appointed to manage your application process and will facilitate the access process by liaising with relevant internal and external stakeholders to ensure all obligations satisfied are under the contractual and ASX Operating Rules frameworks.

1.1 Access documentation

The access process is non-discriminatory and will only proceed once all rules and conditions have been satisfied under ASX Operating Rules.

Potential applicants who have enquired about accessing the TAS will receive the following documents to facilitate the application process:

- the Trade Acceptance Service Legal Terms
- the Trade Acceptance Service Operational and Technical Standards
- the Operational Procedures for AMOs using Product Services connected with the Trade Acceptance Service
- Relevant forms required to support the application process
- Business relationship management contact details

Applicants will be granted access and be in a position to commence operations through the TAS in accordance with timeframes for responding to enquiries.

Further information on the TAS including related documentation is available [here](#).

2. TAS service fees

The TAS is made available to unaffiliated AMOs in accordance with a published set of standard Legal Terms.

There is an initial application fee of \$10,000 (excluding GST), and an annual service fee which is calculated in the manner described in the TAS Legal Terms.

3. Clearability Assessment

All proposed new products for clearing by ASX Clear Ltd, irrespective of the market on which they are traded, must be assessed against the clearability criteria set out in the ASX Clearability Policy. This policy, which forms part of the

ASX Clearing Risk Framework, has been designed to assess whether individual new products are suitable for clearing. The results of the clearability assessment must be approved by the board of ASX Clear Ltd or, for conflict sensitive products, a quorum of independent directors (i.e. those who are not ASX Limited directors).

The clearability criteria set out in the policy are available on request. The clearability assessment will include, where relevant, a comparison between the listing rules of the relevant market and those of the ASX market, and an assessment of the impact on clearability of differences identified.

4. TAS service monitoring

4.1 Non-discriminatory access to clearing services

Trades executed through an AMO that are eligible for registration and novation in accordance with the operating rules of ASX Clear will be registered and novated by ASX Clear on the same basis that trades executed on ASX's market are registered and novated.

4.2 TAS service level commitments

As part of the TAS Legal Terms, ASX will agree to the following service levels:

- Trade Acceptance Service levels, operating hours and processing
- CHES help desk and customer support, and operational and technical response times
- Business relationship management, service reviews, reporting and regular meetings.

4.3 Quarterly service review meetings

ASX Clear will host quarterly service review meeting with each AMO. Any matters raised at the meeting requiring action (by either party) will be documented and actioned as soon as practicable and, in any case, prior to the next meeting.

ASX Clear will brief each AMO in quarterly service meetings on major ASX projects involving cash market clearing and settlement services, which impact the TAS and the AMOs clients.

4.4 Consultation

ASX Clear will consult each AMO on functional changes to the TAS messages, clearing and settlement participant messages linked to TAS messages and the TAS software prior to those changes being implemented.

4.5 TAS market communication protocol

In the event that a technical outage results in an extended delay to trade processing, ASX Clear will provide market updates at the time in accordance with the ['Market Communications Protocol – in the event of technical outage'](#).

5. Timeframes for responding to access requests

Standard services provided under the TAS are defined in the TAS Legal Terms. An AMO requesting an expansion or an enhancement of the service should contact Karen Webb, Senior Manager, Equity Post Trade Services, on +61 2 9227 0445 or Karen.Webb@asx.com.au.

5.1 New customer enquiries

The process and timeframes for seeking approval to access the TAS is set out below.

Step	Customer	ASX Response	Timeframe (Business Days)
1	New customer enquiry for access to TAS	ASX provide reference documents and outline next steps	3 days
2	Lodgement of completed application form for access to TAS	ASX provide updated legal agreements (terms) and outline next steps	5 days
3	Provision of sufficient information for clearability assessment	ASX to undertake clearability assessment of the financial products subject to the application and advise outcomes	40 business days from receipt of all requested information
4	Lodgement of complete and valid documentation, and signed agreements by the AMO	ASX confirms all preconditions met, validates information and approves access.	15 days
5	AMO concludes pre-commencement testing	ASX Processes all testing form requests and facilitates testing program	8 days

Once the approval for access to TAS services has been granted, then the Customer Management team will coordinate operational and technical testing for readiness of services.

5.2 Timeframes for the consideration of requests for the enhancement or expansion of the TAS

The time line for review and consideration of requests for enhancements and expansions to the TAS is dependent on the following factors:

- The ability to provide the service enhancement or expansion within the existing regulatory framework
- ASX's consideration of the technical and operational requirements
- ASX's assessment (in line with its Clearability Policy) of the Clearability of the financial product subject to the application
- Industry impact of the requested changes and the need for industry wide or alternate AMO consultation
- Extent of external vendor support requirements
- Commercial considerations

The time frames are dependent on each type of request and dependent on the level of complexity. The timeframes for considering and responding to requests for enhancements or expansions of TAS set out in timeframes for responding to enquiries.

Step	Action	Note	Timeframe (Business Days)
1	Enquiry from a customer relating to a request for the enhancement or expansion of the TAS	ASX will acknowledge the enquiry and provide the AMO with a Change Request Form	3 days
2	Lodgement of complete and valid Change Request Form	ASX will schedule a meeting with the AMO to discuss the request	5 days
3	Following the meeting with the AMO	ASX will provide an initial response to the change request in writing setting out a summary of key considerations and the next steps or a refusal to enhance or expand the TAS and the reason for the refusal.	30 days*

*The remainder of the timetable is dependent on the complexity of the request and reaching agreement on the terms and conditions.

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

The TAS Legal Terms of Service provide that if ASX Clear and ASX Settlement acquire actual knowledge of competitively sensitive information in the course of providing the Trade Acceptance Service, they will implement as an operational standard appropriate safeguards to protect that information.

ASX Clear and ASX Settlement have put in place an Information Handling Standard for the protection of confidential information (including competitively sensitive information) of AMOs which the ASX Group may acquire in connection with the provision of the Trade Acceptance Service. The Information Handling Standard is available on this [page](#). An AMO which seeks to share competitively sensitive information (referred to as 'AMO Conflict Sensitive Information' in the Information Handling Standard¹) with any member of the ASX Group in connection with the provision of a Trade Acceptance Service should provide the information in writing to the General Manager, Enterprise Compliance by emailing anatoly.kiriesvsky@asx.com.au.

Any AMO Conflict Sensitive Information which an AMO provides to the General Manager, Enterprise Compliance should be clearly marked as "AMO 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 AMO wishes the information to be provided.

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

¹ **AMO Conflict Sensitive Information** means AMO Confidential Information which:

- relates to the current or future business plans or potential initiatives, in respect of market services in Australia, of an AMO; and
- is marked by the AMO as "AMO Conflict Sensitive Information".

Information concerning a proposed change in the market operating hours of an AMO is AMO Conflict Sensitive Information.

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

If the General Manager, Enterprise Compliance determines that the information is AMO Conflict Sensitive Information, he or she will distribute it as follows²:

ASX Group Employees

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

- to whom the AMO 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 Trade Acceptance Service to the AMO, 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 AMO 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, AMO Conflict Sensitive Information shall not be distributed to ASX Group Directors.

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

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

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

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

Exception 2 — AMO 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 Clear and ASX Settlement's clearing and settlement facilities.

² The AMO Conflict Sensitive Information will be distributed by the General Manager, Enterprise Compliance in accordance with clause 6 (Distribution and use of AMO Conflict Sensitive Information) of the Information Handling Standard.



Board Papers which are to be presented to the Board of ASX Clear, ASXCC, 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 AMO Conflict Sensitive Information.