ASX 24 Futures Client Clearing

Clearing Participant Briefing Document

This document has been compiled with a view to informing prospective users of the ASX Clear (Futures) Client Clearing Service for ASX 24 Exchange Traded Derivatives (ETDs). Please note this paper does not constitute legal or financial advice.

Document Purpose

The purpose of this document is to inform prospective users of the ASX Clear (Futures) Client Clearing Service for ASX 24 Exchange Traded Derivatives (ETDs) of:

- The main changes to reports and processes, which will occur when taking up the service

- details of availability of an environment to test the impact of these changes to their processes, including details of what was tested by Clearing Participants during the IWT

- The minimum test bed static configuration requirements

- whom to contact at the ASX for further questions

This Clearing Participant Briefing Document should be read in conjunction with the following document:

ASX Clear (Futures) Client Clearing Service **-** ASX 24 Exchange Traded Derivatives - External Reporting Specification

If you have any questions about any of these documents or would like to arrange a follow up meeting, please contact Ben Symonds at ben.symonds@asx.com.au or by phone on +612 9227 0474.

IWT

An Industry Wide Test was successfully conducted with 7 prospective Clearing Participants between 26th May and 4th July 2014. All participating CPs were invited to provide feedback to the changes to the Clearing and Margining processes and reports to help shape the ASX Client Clearing for ETDs service offering. Following the IWT all CPs confirmed they were comfortable that they would be able to incorporate the required changes to the ASX EOD reporting into their daily processes and become operationally ready (i.e. system configuration, risk management processes, operational processes and procedures) to offer the service to their clients.

ETD Client Clearing – Testing requirements

In order to test the ASX 24 ETD Client Clearing Service offering, each Clearing Participant must at the minimum have:

- Contacted the ASX and agreed dates for testing
- Submitted a completed [ASX Test SFTP Admin User Request form](#) and received confirmation from ASX that this has been processed.
- Submitted a completed [ASX Static Data Portal User Request form](#) and reviewed the [ASX Static Data Portal training Webinar](#) and [ASX Static Data Portal External User Guide](#).

- Confirmed access to the Genium CW1 External Test Environment (ETE) through ASX Online

CPs will need to consider the impact that the changes to the EOD reports will have to their back office systems, which in many cases are managed by third party vendors. These systems include but are not limited to, allocation systems such as Seals, Back office books and record systems such as GMI, and close out systems, such as COPPER. For any required changes to the vendor-owned systems, please contact your vendor directly and provide them with details of your requirements.

For further details on the technical requirements, please see the Test Bed Static Data requirements

Client Clearing External Testing Environment

CPs will use their existing Genium External Test Environment (ETE) to perform External Testing for ETD Client Clearing. ASX will seek to confirm CPs are still able to access the Genium ETE environment prior to testing. For any queries regarding access to the Genium ETE please contact the ASX Customer Technical Support team (cts@asx.com.au).

It is expected that CPs will configure their Back Office System Test Environment to include their Allocation and Net-Down systems and thus perform end to end testing of the changes required to support the ASX 24 ETD Client Clearing Service.

Static Data Portal (SDP) Access

The ASX Clear (Futures) Static Data Portal is designed to allow the ASX, Clearing Participants and their Clients to enter, validate and manage static data intended for use in ETD (and OTC) Client Clearing services provided by the ASX via a readily assessable and high availability web data portal.

To access the ASX Clear (Futures) - Static Data Portal, you need to have the following:

- Internet Explorer 7, 8 or 9.
- JavaScript enabled browser
- ActiveX Controls set to "Enabled"
- Onsite MSI package installed for Windows XP Operating System

The key steps to ensuring you can access the ASX Clear (Futures) – Static Data Portal are:

1) Ensuring Participant users have been created (including at least one Participant Administrator user by the ASX)

Once the above has been completed:

1) User credentials (i.e. passwords) can be changed as required
2) Once created, other Participant users (such as Participant Submitter and Participant Approver) can be assigned user permissions by the Participant Administrator user.

To create an ASX Clear (Futures) Static Data Portal Participant Administrator User, you should:

1. Ensure you have an active [1]ASX Online profile: Contact ASX Online Help Desk
2. Complete, scan and email the SDP – ASX Online Request form in the Appendix to: participants.online@asx.com.au
3. Receive Participant Administration User credentials from the ASX Online Help Desk by email
4. Enrol and Download Digital Certificate
5. Confirm login at the following link: https://asxcstaticdata.connect.asxonline.com

ASX Online Helpdesk Support

Phone: 1800 682 484

Email: participants.online@asx.com.au

Helpdesk Support provides primary support for ASX Online users accessing ASX Clear (Futures) Static Data Portal through ASX Online.

Further details on access to the SDP will be provided in a user guide and distributed to CPs in advance of the training sessions.

Static Data Portal (SDP) Training

On 7th May 2014 ASX conducted on-site Static Data Portal training. During the SDP training ASX gave a detailed overview of the functionality of the SDP and demonstrated how to set up Client ICAs in the SDP, which CPs will perform in production.

ETD Client Clearing – Testing Approach

ASX will make best efforts to facilitate the testing requirements of each CP but will not be prescriptive or oversee the testing performed by the Clearing Participant. Furthermore ASX is unable to gauge whether a Clearing Participant's back office systems have been developed correctly to handle the ETD Client Clearing Service. It is therefore the responsibility of the Clearing Participant to ensure they are operationally ready to offer the service to their clients. Prior to the on-boarding of clients to the service, ASX will seek formal attestation from tow authorised signatories at the Client's Clearing Participant that they have performed sufficient testing and are operationally ready to begin using the service.

The first step of testing is to set up the appropriate Individual Client Accounts (ICA) structure through the Static Data Portal and review these account set ups through the EOD Static Data reporting. Once the account has been created **and approved** in the SDP, it will be automatically generated in Genium and can be used from then for testing.

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[1] Users must login to ASX Online and change their password to activate their account

In order to get test trades into the ICA, CPs are expected to execute the trades they require in the test ASX Trade 24 environment. CPs will then be expected to perform standard trade back office functions through Genium involving the ICA accounts and ensure their back office systems are still able to consume the EOD reports that have been amended to include the ICA structure.

The standard back-office functions that ASX recommends CPs test on their ICAs are:

- Account creation in Static Data Portal / Genium
- Trade allocation and position close outs (net downs) and position reinstatements in Genium
- sFTP Report delivery mechanism for all ASX 24 ETD Client Clearing Participants and End Clients.
- External End of Day Reporting – new and existing
- Optional additional trade amendments in ICAs which can be facilitated by ASX upon request: Position transfers, Trade give ups and take ins, Trade Expiries, Option Exercises, Night session trades
- Intraday Margin Call caused by ICA positions

Optional additional Test scenarios

The following are Optional additional Test scenarios as they are not changing in functionality with the introduction of the ICA structure. Please advise ASX in advance of the start of testing if you would like to test these.

- Night session trades
- Strip leg generation in ICA

Issue Resolution / Support

The preferred method of communicating queries to the ASX is via email. This is to ensure that all queries are dealt with as efficiently as possible. Please send all queries to: ASXClientClearing@asx.com.au.

If your query is of an urgent nature please contact Ben Symonds, whose contact details are below.

ASX Reporting Changes

To incorporate the ICA structure, changes to certain Clearing reports were necessary. These changes will only impact CPs once ICAs are created. All new and existing EOD ASX 24 ETD Clearing Participant reports will be distributed via OMNet (Genium Clearing). Certain reporting is also currently via Secure File Transfer Protocol (sFTP), although by Q4 2014 ASX plans to make all EOD ASX 24 ETD Clearing Reports and files available on sFTP. The below table details the reports, their delivery method.

Report Name	Report Description	Impact	Delivery Method
_DRI_MAPA	ETD Margin and Position Listing EOD	Existing, but report is split by Account	OMNet and sFTP
_DRI_DMPA	Data used for Margin Calculation EOD	Existing - No Change	OMNet and sFTP
DCOM_RPT_	Daily GST Commission Statement 4444	Existing - No Change	OMNet*
DCOM_DAT_	Daily GST Commission Statement File 4444	Existing - No Change	OMNet*
DFEE_RPT_	Daily GST Fee Statement 3333	Existing - Fee's will be reported on the grouped Account level	OMNet*
DFEE_DAT_	Daily GST Fee Statement File 3333	Existing - Fee's will be reported on the grouped Account level	OMNet*
MFEE_RPT_	Monthly GST Fee Statement	Existing - Fee's will be reported on the grouped Account level	OMNet*
MFEE_DAT_	Monthly GST Fee Statement File	Existing - Fee's will be reported on the grouped Account level	OMNet*
MCOM_RPT_	Monthly GST Commission Statement	Existing - No Change	OMNet*
MCOM_DAT_	Monthly GST Commission Statement File	Existing - No Change	OMNet*
MCOM_TAX_	Monthly Commission Tax Invoice	Existing - No Change	OMNet*
PSUM_RPT_	Daily Position Summary Statement	Existing, but report will be split by Account	OMNet*
PSUM_DAT_	Daily Position Summary Statement File	Existing, but report will be split by Account	OMNet*
DREG_RPT_	Daily Registration Statement 1111	Existing, but report will be split by Account	OMNet*
DREG_DAT_	Daily Registration Data File 1111	Existing, but report will be split by Account	OMNet*
ALLC_RPT_	Allocations Sent and Received Report 888888	Existing - No Change	OMNet*
ALLC_DAT_	Allocations Sent and Received Data File 888888	Existing - No Change	OMNet*

CLRA_RPT_	Clearing Activity Report	Existing, but report will be split by Account	OMNet*
CLRA_DAT_	Clearing Activity Data File	Existing, but report will be split by Account	OMNet*
DDTO_RPT_	Daily Deal and Turnover Report	Existing - No Change	OMNet*
DDTO_DAT_	Daily Deal and Turnover File	Existing - No Change	OMNet*
_DCFDDB_I	CFD Buyers Detail Invoice	Existing - No Change	OMNet and sFTP
_DCFDDS_I	CFD Sellers Detail Invoice	Existing - No Change	OMNet and sFTP
_DCFDDB_S	CFD Buyers Summary Invoice	Existing - No Change	OMNet and sFTP
_DCFDDS_S	CFD Sellers Summary Invoice	Existing - No Change	OMNet and sFTP
_DCFDDD_R	CFD DPM Adjustment Report	Existing - No Change	OMNet and sFTP
_DCFS_RP_	CFD Cash Flow Statement Summary Report	Existing - No Change	OMNet and sFTP
_DCFD_RP_	CFD Cash Flow Statement Detail Report	Existing - No Change	OMNet and sFTP
_DCFS_FL_	CFD Cash Flow Statement File	Existing - No Change	OMNet and sFTP
_DEEO_BIN	EPDS EO Buyer Invoice	Existing, but report will be split by Account	OMNet and sFTP
_DEEO_SIN	EPDS EO Seller Invoice	Existing, but report will be split by Account	OMNet and sFTP
_DEEO_BSU	EPDS EO Buyer Summary	Existing, but report will be split by Account	OMNet and sFTP
_DEEO_SSU	EPDS EO Seller Summary	Existing, but report will be split by Account	OMNet and sFTP
_DEEO_AUT	EPDS EO Authority to Transfer advice	Existing - No Change	OMNet and sFTP
BABB_INI	Bank Bill Buyers Invoice	Existing, but report will be split by Account	OMNet and sFTP
BABB_SNI	Bank Bill Buyers Summary Invoice	Existing, but report will be split by Account	OMNet and sFTP
BABS_INI	Bank Bill Buyers Invoice	Existing, but report will be split by Account	OMNet and sFTP

BABS_SNI	Bank Bill Buyers Summary Invoice	Existing, but report will be split by Account	OMNet and sFTP
G_BTA	Grain Buyers Tender Advice	Existing, but report will be split by Account	OMNet and sFTP
G_STA	Grain Sellers Tender Advice	Existing, but report will be split by Account	OMNet and sFTP
G_DBTASR	Daily Buyer Tender Advice Summary Report	Existing, but report will be split by Account	OMNet and sFTP
G_DSTASR	Daily Seller Tender Advice Summary Report	Existing, but report will be split by Account	OMNet and sFTP
G_DHLR	Depository Holdings Listing Report	Existing, but report will be split by Account	OMNet and sFTP
G_DHALR	Depository Holdings Activity Listing Report	Existing, but report will be split by Account	OMNet and sFTP
Daily<Ledger Name >FinancialStatusAdviceReport<YYMMDD><CP>	Financial Status Advise	Existing, but report will provide a further breakdown of Initial Margin	Omnet, ASX Online and sFTP
Daily<Ledger Name>NonCashCollateral Statement<YYMMDD><CP>	Non Cash Collateral Statement	Existing - No Change	Omnet, ASX Online and sFTP
Daily<Ledger >InterestEarnedStatementReport<YYMMDD><CP>	Interest Earned Statement	Existing – No Change	Omnet, ASX Online and sFTP

* Will also be available via sFTP from Q4 2014

SFTP Connectivity

A mandatory part of testing the ETD Client Clearing service is the Secure FTP mechanism, which is used for delivering new and existing ETD Clearing Reporting to CPs and CPM Clients. Please review the user guide in the Appendix and return the completed set up form to by 19th May 2014.

As detailed in the ASX Reporting Changes section, the full suite of ASX EOD reports will be available via sFTP from Q4 2014

Note: previous experience has shown that requesting changes to Firewall settings can be a lengthy process. ASX can usually turn around SFTP set up requests within two days, but establishing

connectivity after a user name is provided can take longer so please engage your technology teams with this as soon as possible.

The following Clearing Participant reports have been amended to accommodate the new account structure and should be reviewed prior to performing any testing to assess the impact to CP back office systems.

- Margins and Position Listing – EOD .pdf. Will also be available in .csv format
- FSA (Financial Status Advice)
- FCRS – Daily Reg, Clearing Activity, Position Summary, Daily Fees
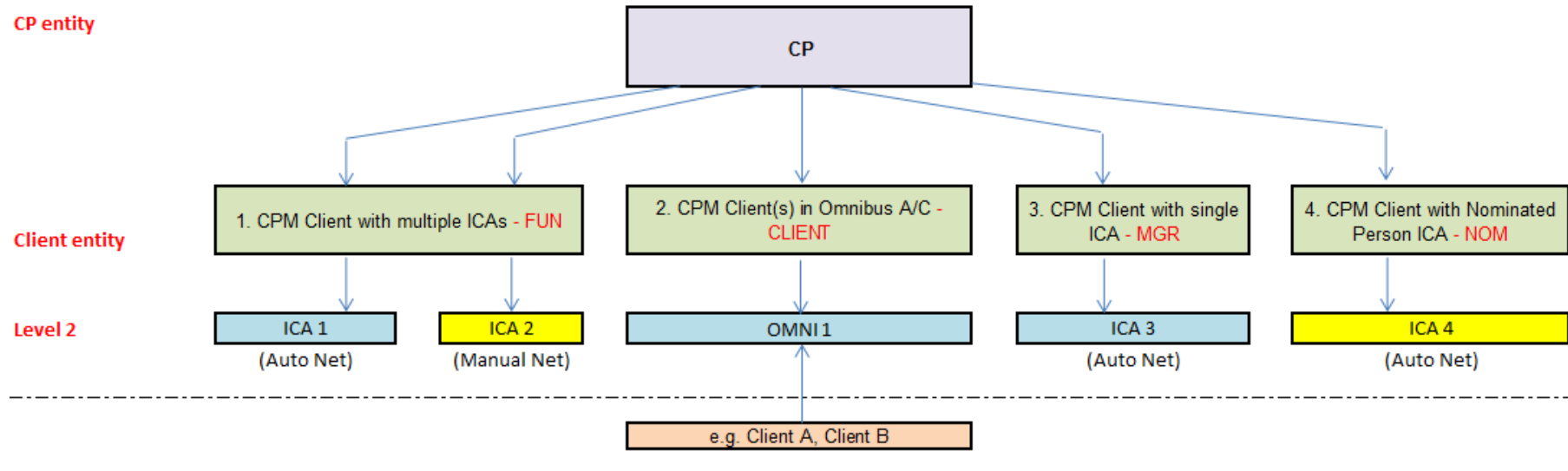- New Clearing Participant Static Data report

In production the following reports will be sent directly to **end clients** via sFTP only.

- Client Positions and Initial Margins Listing Report
- Alternate Clearer report

For more information on the changes to reports including their delivery methods please see ASX Clear (Futures) Client Clearing Service – External Reporting Specifications Document.

Account structure

Below is an overview of an account structure that ASX recommends CPs set up to test in the test environment. However CPs are welcome to set up more or fewer accounts depending on what they will be offering to their end clients. N.B. The below Client entities already exist in the test environment and are free to be used for CP testing, however in production CPs will need to complete and submit the Client Entity Configuration form to set up a Client Entity in the SDP.

CP entity

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                              ┌─────────────────┐
                              │       CP        │
                              └─────────────────┘
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Client entity

| 1. CPM Client with multiple ICAs - FUN | 2. CPM Client(s) in Omnibus A/C - CLIENT | 3. CPM Client with single ICA - MGR | 4. CPM Client with Nominated Person ICA - NOM |

Level 2

| ICA 1 (Auto Net) | ICA 2 (Manual Net) | OMNI 1 | ICA 3 (Auto Net) | ICA 4 (Auto Net) |

e.g. Client A, Client B

Clearing Participant Onboarding

Once a Clearing Participant has completed testing and prior to the onboarding of a client to the ASX 24 Futures Client Clearing service, ASX will request the following forms be completed and submitted:

Readiness Attestation: ASX will request from CPs that a formal attestation be signed by two authorised signatories and returned to the ASX. This attestation will confirm that the CP has completed testing and is operationally and technically ready to offer the ASX Client Clearing Service for ASX 24 ETDs to their clients. This attestation can be found here.

SDP Admin request form: Clearing Participants will also need to gain access to the Static Data Portal in order to begin setting up Individual Client Accounts on behalf of their CPM Clients. To get access please complete and submit the following form to asxclientclearing@asx.com.au.

Once these forms have successfully been processed by the ASX

Contacts

For further questions regarding the available testing or the Client Clearing Service offering for ASX 24 ETDs, please contact:

Primary

Ben Symonds – Manager, Clearing Services

Tel: (02) 9227 0474

Ben.Symonds@asx.com.au

APPENDIX

SFTP User Guide and Set up Request forms

Please note this form is for access to the Test environment only. A separate form will be issued for the production environment prior to the service launch.

ASX SFTP External
User Guide Production

ASX Secure FTP -
Request Form TEST v

http://www.asx.com.au/documents/clearing/sftp-user-request-form-test.pdf