



23 April 2013

Dr Malcolm Edey
Assistant Governor, Financial System
Reserve Bank of Australia
GPO Box 3947
SYDNEY NSW 2001

Ms Belinda Gibson
Deputy Chairman
Australian Securities & Investments Commission
GPO Box 9827
SYDNEY NSW 2001

Dear Malcolm, Belinda

QUALIFYING CENTRAL COUNTERPARTIES - ASX CLEAR AND ASX CLEAR (FUTURES)

I refer to your letter dated 19 April 2013 advising that ASX Clear and ASX Clear (Futures) are both licensed clearing and settlement facilities under the Corporations Act and are subject to domestic rules and regulations consistent with the *CPSS-IOSCO Principles for Financial Market Infrastructures* (PFMIs).

APRA considers that on the basis of the above, both ASX Clear and ASX Clear (Futures) (the CCPs) meet the criteria for a Qualifying CCP (QCCP) as defined under *Prudential Standard APS 112 Capital Adequacy: Standardised Approach to Credit Risk (APS112)*.

I note that as outlined in paragraph 16 of Attachment C to APS 112, APRA may at its discretion require an ADI to hold additional capital against its exposures to a QCCP in certain circumstances.

Yours sincerely

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