



ASIC
Australian Securities &
Investments Commission

**Australian Securities
and Investments Commission**

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By email

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Dear Xiangjing, David and John

We are writing to thank you and your associations' members for your submission to ASIC's Consultation Paper 361 Proposed changes to simplify the ASIC Derivative Transaction Rules (Reporting): Second consultation.

We are continuing to work toward finalising rules text that we can request the Minister's consent to make, and to do so as quickly as possible to provide industry with notice time for implementation.

We wish to inform you of certain key proposed responses to the associations' submission to CP 361 and seek your working group members' further feedback. We would be grateful if this feedback could be provided by 30 August 2022.

These proposed responses are:

1. Consolidate to a single go-live date
2. Switch to T+2 for all reportable transactions
3. Not require renewed LEIs for certain entities
4. Require non-UPI underliers as 'one of' ID types, rather than a waterfall
5. Re-reporting legacy trades excluding ex-system information
6. Reporting packages
7. Loosen the UTI rule

Please note that rules text presented in this document is draft, for the purpose of conveying the intent of proposed responses, and has not been reviewed or finalised by ASIC's legal department.

1. Consolidate to a single go live date

We have decided to respond to industry's concerns about a two-staged implementation approach by not making any changes to the current ASIC rules upon their sunset in 2023.

Our current thinking is to, in 2022 and subject to the Minister's consent, repeal the *ASIC Derivative Transaction Rules (Reporting) 2013* and make the *ASIC Derivative Transaction Rules (Reporting) 2022* ('**ASIC TRRs 2022**') in the very same form and commencing immediately. The associated exemptions and determinations would also carry forward – extended and amended as necessary – to reference the ASIC TRRs 2022.

In effect, upon the making of the ASIC TRRs 2022, the regulatory obligations of the current ASIC rules would continue unchanged, save for a change in title to the *ASIC Derivative Transaction Rules (Reporting) 2022*.

We would, also in 2022 and subject to the Minister's consent, make an amendment to the ASIC TRRs 2022 to implement the change proposals set out in CP 361 as one single set of changes that would commence in 2024 ('**ASIC TRRs 2024**').

It is certain key changes for the ASIC TRRs 2024 that are the subject of the rest of this letter. These are our first-order items with a direct bearing on finalising rules text that we have prioritised for response.

2. Switch to T+2 for all reportable transactions

We are proposing to respond to industry's concerns about challenges to readily sustain T+1 reporting under more rigorous UTI generation and sharing requirements by switching to a T+2 reporting deadline for **all** reportable transactions reports (i.e. rule 2.2.1 reports) and 'change' reports (i.e. rule 2.2.2 reports).

3. Not require renewed LEIs for certain entities

We are proposing to better align ASIC's renewed (i.e. 'current') LEI requirements with other jurisdictions by relaxing requirements that LEIs for certain types of entities be reported as renewed LEIs.

We think this alignment with the CFTC & ESMA requirements would be to only require a renewed LEI to be reported for an entity that is the Reporting Entity, Counterparty 1 or a CCP.

For example, as a mark-up Attachment 2 to CP 361 to show the retention of 'current LEI' for Reporting Entity and removal for Counterparty 2 and Broker:

1. Item	2. Label	3. Derivative Transaction Information	4. Format	5. Allowable Values
3	Reporting Entity	The current LEI of the Reporting Entity.	As specified in ISO 17442.	The value of the current LEI.
5	Counterparty 2	<p>The LEI or another identifier, determined in accordance with subrule S1.3.1(2), of the entity that is:</p> <p>(a) if the counterparty of the OTC Derivative the subject of the Reportable Transaction whose identifier is not reported at item 4 is an RE or Trustee of the managed investment scheme or trust that holds the OTC Derivative the subject of the Reportable Transaction, the managed investment scheme or trust;</p> <p>(b) otherwise, the counterparty of the OTC Derivative the subject of the Reportable Transaction whose identifier is not reported at item 4.</p>	<p>For an LEI, as specified in ISO 17442.</p> <p>For any other kind of identifier, an alphanumeric code of not more than 72 characters.</p>	<p>For an LEI: if Counterparty 2 is an Australian entity or a Reporting Entity, the value of the current LEI; otherwise, the value of the LEI.</p> <p>For a Client Code, the value of the Client Code.</p> <p>For any other kind of identifier, the value of the identifier.</p>
10	Broker	If a broker acted as intermediary for the Reporting Entity in relation to the Reportable Transaction, without becoming a counterparty to the OTC Derivative the subject of the Reportable Transaction, the current LEI of the broker.	As specified in ISO 17442.	The value of the current LEI.

The requirement for a 'Current LEI' (i.e. a renewed LEI) would likewise be removed for Beneficiary 1, Execution agent of the Counterparty 1, Clearing member, Other payment payer, Other payment receiver and Report submitting entity.

4. Require non-UPI underliers as 'one of' ID types

The existing requirement under the current ASIC rules is that a relevant underlier is always reported. The only difference under the proposed future-state ASIC rules is that some of that underlier reporting may occur as embedded within the information referenced by a UPI code.

We do not agree that a non-UPI underlier should only be optional – as with the current reporting requirements, a relevant underlier should be reported in all circumstances.

However, for the allowable values for item 80 'Underlier ID-non UPI' we propose to change from a waterfall of ID types to 'one of' the ID types, noting that 'any alphanumeric value' is one of those types.

We acknowledge, as we did in CP 361 at paragraph 597, that the underlier ID types in item 80 are workably precise but not wholly unambiguous – switching to 'one of' would likely lead to further disparate reporting of ID types for the same underlier by different reporters.

We see this as an interim measure that does not unduly hold up immediate rule-making, with medium-to-longer-term underlier ID conformance solutions in, for example:

- expanding the underlier ID coverage in the UPI system – we encourage ISDA to work on expanding its commodity reference price dataset without delay;
- establishing an alternative industry-supported set of non-UPI underlier ID types for implementation via ASIC guidance and/or rule changes.

We also wonder if some system build complexity stems from a need to introduce logic to test for the presence of a specific UPI underlier and, if not, provide a non-UPI underlier. If so, could this be alleviated if the rule provided that the specific UPI underlier may also be populated as the Underlier ID-non UPI data element? In other words, not require the logic test and report either the same specific underlier as is the UPI code underlier or a non-UPI underlier.

5. Re-reporting legacy trades excluding ex-system information

We are proposing to respond to industry's concerns about challenges to re-reporting, under rule 2.4.1, information about legacy trades that was not captured at the time of the trade, not held in systems or requires creation for the purposes of reporting.

We agree that information that is 'not held in systems' need not be included in the re-reporting of legacy trades, but we disagree that this should extend to any data element not required by the current ASIC rules.

We think that 'problem' data elements that need not be included in re-reporting are of the types, for example:

Counterparty 2 – country	Beneficiary 1 – country
Execution agent of CP1	Platform identifier – MIC
Option – premium payment date	Baskets – code, identifiers, sources
Packages – all data elements	Prior UTI
Event identifier	

However, we think that new data elements that are part of the economic terms of the original trade, ordinarily held in systems and capable of being included in re-reporting are of the types, for example:

Price – for CO and EQ trades	Spread – especially for floating rate spreads on IR trades
Leg 2 information - especially fixed rates, spreads, day counts, reference rate identifiers/periods/multipliers	

We are proposing to add to rule 2.4.1 text of the form:

- (2) A Reporting Entity is not required to include in a change report made under subrule (1) Derivative Transaction Information set out in column 3 of Table S1.1(1) that:
- (a) has not been recorded in electronic form in the systems that are the source of Derivative Transaction Information; or
 - (b) is not able to be created by the systems that create Derivative Transaction Information in the ordinary way that the systems create Derivative Transaction Information for a report made from the commencement of these Rules.

This envisages that there two types of relevant systems:

- (a) those that are the source systems of information that is, or becomes, Derivative Transaction Information; and
- (b) those that create, transform or pass-through source information in the final form of reported Derivative Transaction Information – this would include, for example, systems of outsourced reporting services providers who create, transform or pass-through source information provided by reporting entities.

This intends that any legacy trade information that is held in electronic form in source systems and can be processed for reporting in the same manner as any new trade under the proposed future-state rules, must be reported for re-reporting under rule 2.4.1.

Conversely, information that is not so held in electronic form in source systems need not be reported.

6. Reporting packages

We acknowledge industry concerns about determining what is a package for the purposes of reporting. We have raised this with our peer regulators with a view to taking a common international approach.

In the meantime, we think that the proposed rules text is applicable as it stands. Item 80 Package identifier does not of itself prescribe mandatory decomposition of a transaction for reporting purposes, but rather is a data element required if 'two or more Reportable Transactions that are reported separately' – with the intended exception of this jurisdiction's requirement that an FX swap be reported as its near-dated and far-dated components.

We acknowledge that the discussion in CP 361 of packages included examples of transactions that industry does not wholly agree are packages. At this time, we think that clarifying the treatment of packages and related expectations about counterparties agreeing package elements for reporting purposes are matters to be developed in later guidance.

The proposed rules text does not of itself compel counterparties to agree on package components for reporting purposes. The proposed rules text would not preclude that one counterparty would report a 'package' as a single transaction (possibly with, for example, a UPI instrument type of 'Other') and the other counterparty would report the 'package' as decomposed transactions.

We think we can take this forward as-is to final rule-making.

7. Loosen the UTI rule

We are proposing to modify the UTI rule and related requirements to:

- further loosen the need for Reporting Entities to have knowledge of their counterparties reporting obligations;
- only require a Reporting Entity to be responsible for UTI compliance with its own foreign jurisdictional reporting (if any);
- determine a UTI following a waterfall of items 1-to-5, else by one of items 6, 7 and 8;
- rephrase 'have an agreement' to just 'agree';
- where a TR is the UTI generating entity, allow that the TR may require the counterparties to satisfy 'reasonable requirements' so that the TR may generate a UTI;
- replace the 'give UTI' deadline with 'give as soon as practicable';
- specify a report updating a temporary UTI to a later-received actual UTI as a 2.2.2 'change' report and thus reportable within T+2 of the change occurring – i.e. when the actual UTI is received;
- set T+4 as the reporting deadline for a reportable transaction for which a Package identifier will be reported – i.e. a structured trade;

Please see the draft proposed rules text at Annex 1.

Loosening the need for full knowledge of counterparty's reporting

We think that it is important that item 4 'single jurisdiction' be retained in the waterfall ahead of the other items because:

- entities have previously expressed value in be able to unilaterally determine themselves as the UTI generating entity in cases where it is without doubt that they are the sole Reporting Entity; and
- it retains alignment with the UTI Technical Guidance to have a single-/multi-jurisdictional test after the items 1-to-3 'infrastructures'.

However, the condition for item 4 to apply would be that 'The Reporting Entity knows that the Reportable Transaction is not required to be reported in any foreign jurisdiction'.

If a Reporting Entity does not have full knowledge about all of the reporting requirements of its counterparty and does not know that foreign reporting does not apply (for any reason, including that they simply do not hold information about their counterparty's jurisdictional reporting requirements), item 4 would not apply.

In this case, we think by logic that item 5 'multi-jurisdiction' must apply – 'the Reportable Transaction is required to be reported in this jurisdiction and is, or may be, reportable in a foreign jurisdiction'.

Reporting Entities only responsible for UTI compliance with its own foreign jurisdictional reporting

In item 5, the Reporting Entity may only use a method that complies with the UTI rules of each of the foreign jurisdictions to which the Reporting Entity will report. In CP361, at paragraph 127, we said that 'We think that the other counterparty should have the primary responsibility for compliance with the UTI rules to which it is subject' and we think that our revised proposal narrows this by neither explicitly nor implicitly placing responsibility on the Reporting Entity for foreign jurisdiction UTI compliance (other than its own foreign reporting UTI compliance requirements).

In your submission, at 18(c) on page 8, you comment on different interpretations of what is permitted by item 5, namely:

- any method provided it would not contravene any rules in the other foreign jurisdictions; or
- any method restricted to the direct waterfall or rules in the other jurisdictions.

We think that both interpretations are relevant – the former in theory, the latter perhaps in substantive practice where the other counterparty is more constrained as to the UTI methods available to it.

Our UTI proposals in CP 361 highlighted our design constraints as including that UTI rules had been finalised in other jurisdictions – the flexibilities provided in an ASIC UTI rule will likely be constrained by the operations of those other UTI rules in foreign jurisdictions.

In CP 361, at paragraph 124, we said in relation to an ASIC reporting entity 'It should also know which methods of determining the UTI generating entity are in accordance with the requirements in the foreign jurisdiction(s) for its reporting'. In Table 12 of CP 361, we set out scenarios for a method used – bounce-back, any method, not applicable – and the factors of the circumstances of the UTI rules applicable to other counterparty.

So, item 5 allows an ASIC Reporting Entity to use 'any method' but subject to:

- UTI method constraints on the ASIC Reporting Entity from the foreign UTI rules to which it is subject for the transaction; and
- UTI method constraints on the other counterparty from the foreign UTI rules to which it is subject for the transaction.

These constraints may, or may not, be substantive – for example, where 'Confirmation platform' (including as a UTI service provider) or 'Bilateral agreement' are available methods in the relevant foreign jurisdiction(s), these 'any methods' are available under item 5.

Waterfall of items 1-to-5, else by one of items 6, 7 and 8

We propose to retain a waterfall of items 1-to-5 because:

- Industry supports a waterfall of items 1-to-3;
- We think it important to retain item 4;
- We think it is most flexible if item 5 precedes the remaining items.

Items 6, 7 and 8 are retained:

- As fallbacks to item 5;
- As methods identifiable to foreign non-ASIC reporting entities who need to find a UTI method within the rules of the foreign jurisdiction; and
- To maintain alignment with the UTI Technical Guidance

However, we propose that 'one of' items 6, 7 and 8 may be used as the item 'that the Reporting Entity believes is applicable have regard to own its reporting requirements in foreign jurisdictions and the extent of its knowledge and/or reasonable assumptions about the reporting requirements of the other counterparty'.

'Extent of its knowledge' allows for less than full knowledge and 'reasonable assumptions' (e.g. that the other counterparty is an HK financial institution and HK reporting requirements are assumed to apply) allows for 'assumed knowledge' – together, not requiring full knowledge and not requiring that the 'jurisdiction with the earliest reporting deadline' be determined without doubt.

Rephrase 'have an agreement' to just 'agree';

We propose to respond to concerns that 'have an agreement' requires having a written agreement by rephrasing this as 'agree, or agree a method for determining, which of them is the UTI generating entity'.

Note that in item 8A, the phrasing is 'agree how to determine the UTI generating entity' and not 'which of them is the UTI generating entity'.

As commented in your submission, item 8A – as in the UTI Technical Guidance - does appear to reverse the 'Confirmation platform' 'Bilateral agreement' order of other items, but 'how to determine' can include determining that the confirmation platform is the UTI generating entity.

A TR's 'reasonable requirements' so that the TR may generate a UTI

Notwithstanding that the condition of item 8A(c) 'TR as UTI generator' is not currently, nor foreseeable as, capable of being met, we understand that both DTCC and industry envisages a separate pre-reporting 'apply for UTI' process being required.

In the interests of supporting conformity by all Reporting Entities to a single process – but without prescribing a particular process – we propose to add the condition at 8A(c)(ii) that 'the counterparties have satisfied any reasonable requirements of the operator of the Derivatives Trade Repository for the generation of a UTI by the operator'.

Replace the 'give UTI' deadline with 'give as soon as practicable'

Noting that T+2 reporting alleviates some of the time pressures to give UTIs to the other counterparty in sufficient time for their reporting, we are proposing to replace the deadline with a requirement to give the UTI 'as soon as practicable'.

However, as we noted in the June 2022 stakeholder forum for associations' members, one of the factors that led us to propose a deadline was the buy-side feedback to CP 334 expressing the importance of a deadline to them.

We would appreciate hearing from the associations' if buy-side members of the associations concurred with removing the deadline.

Reporting an updated UTI from a temporary UTI is not late reporting

We propose to add the reporting of an updated UTI from a temporary UTI to valuation and collateral reporting as 'change reports' under rule 2.2.2 – see 'Other related UTI provisions' in Annex 1. This is intended to address comments in your submission in 27(b) at page 12.

Per rule 2.2.3(1)(b) a 'change report' is reportable within T+2 of the change occurring – we think the change occurs when the actual UTI is received.

Set T+4 as the reporting deadline for a structured trade

Responding to concerns about meeting reporting deadlines under more rigorous UTI generation and sharing requirements, we propose to exempt structured trades from the T+2 reporting deadline requirement and substitute a T+4 reporting deadline requirement.

We propose to effectively define a structured trade as one for which a Package identifier will be reported – see 'Other related UTI provisions' in Annex 1.

Please do not hesitate to contact me if you require any clarifications about the points made in this letter that would assist in better informing your response. Whilst we are asking for a relatively short turn-around for your

responses, if a call between ourselves and associations' members would be useful and can be opportunistically organised, we would be pleased to participate.

Yours sincerely,

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Australian Securities and Investments Commission

Annex 1 – proposed draft changes to UTI rules text (not yet reviewed or finalised by ASIC Legal)

2.2.9 Reporting requirement—Unique transaction identifier

(1) This Rule applies if a Reporting Entity is required to report a UTI for a Reportable Transaction referred to in subparagraph 1.2.5(1)(b)(i), (iii) or (iv), in a report made under subrule 2.2.1(1).

Note: This Rule does not apply to a report made under subrule 2.2.1(3) to a Prescribed Repository or where the Reporting Entity does not report the Reportable Transaction in accordance with subparagraph 2.2.1(3)(b)(ii).

(2) In this Rule, other than subrule (8), a reference to a Reporting Entity that is an RE or Trustee includes a person appointed by an RE or Trustee to enter into OTC Derivatives on behalf of the RE or Trustee.

Note: A person appointed by an RE or Trustee may be a fund manager—in which case, the Reporting Entity or the fund manager may determine the UTI generating entity under subrule (3), generate and provide the UTI to the other counterparty under subrule (4), act upon non-receipt of a UTI under subrule (6) and appoint a service provider under subrule (7).

(3) Subject to subrule (6), the Reporting Entity must:

(c) determine the UTI generating entity for a Reportable Transaction specified in column 2 of Table 2 in accordance with column 3 the table; and

~~(d) take all reasonable steps to~~ determine the UTI generating entity using:

~~(i) the first item of items 1, 2, 3, 4 and 5 of Table 2 that applies to the Reportable Transaction; or~~

~~(ii) if items 1, 2, 3, 4 and 5 of Table 2 do not apply to the Reportable Transaction, one of the items of item 6, 7 and 8 that the Reporting Entity believes is applicable have regard to own its reporting requirements in foreign jurisdictions and the extent of its knowledge and/or reasonable assumptions about the reporting requirements of the other counterparty.~~

Table 2: UTI generating entity for specified Reportable Transactions

1. Item	2. Reportable Transaction	3. UTI generating entity
1	The counterparties to the Reportable Transaction are: (a) the operator of an authorised clearing facility; and (b) an entity that is not an operator of an authorised clearing facility.	The operator of the authorised clearing facility

1. Item	2. Reportable Transaction	3. UTI generating entity
2	<p>Both of the following apply:</p> <p>(a) the counterparties to the Reportable Transaction are:</p> <p>(i) a clearing member of an authorised clearing facility; and</p> <p>(ii) an entity that is not the operator of an authorised clearing facility; and</p> <p>(b) the clearing member is acting in its capacity as a clearing member.</p>	The clearing member
3	<p>The Reportable Transaction was entered into through a facility that is:</p> <p>(a) an authorised financial market; or</p> <p>(b) not an authorised financial market and:</p> <p>(i) the operator of the facility generates a UTI; and</p> <p>(ii) the other counterparty will report the Reportable Transaction using that UTI under these Rules or the derivative transaction reporting requirements of another jurisdiction.</p>	The operator of the facility
4	<p>Transaction is only reportable in this jurisdiction</p> <p><u>The Reporting Entity knows that the</u>The Reportable Transaction is not required to be reported in any foreign jurisdiction:</p> <p>(a) where the Reportable Transaction has been, or will be, electronically affirmed or confirmed on an affirmation or confirmation platform and the operator of the affirmation or confirmation platform will generate a UTI;</p> <p>(b) if paragraph (a) does not apply and the other counterparty is not a Reporting Entity or is not required to report the Reportable Transaction;</p> <p>(c) if paragraphs (a) and (b) do not apply and the Reporting Entity and the other counterparty <u>agree, or agree a method for have an agreement for purposes of determining,</u> which of them is the UTI generating entity;</p>	<p>The operator of the affirmation or confirmation platform</p> <p>The Reporting Entity</p> <p>The UTI generating entity determined <u>as agreed by Reporting Entity and the other counterparty</u>according to that <u>agreement</u></p>

1. Item	2. Reportable Transaction	3. UTI generating entity
	(d) otherwise.	The counterparty whose LEI with the characters reversed (reversed LEI) would appear first if the reversed LEIs of the counterparties were sorted in alphanumeric order, or the only counterparty with an LEI.
Transaction <u>is, or may be</u>, also reportable in a foreign jurisdiction		
5	<p>Both of the following apply:</p> <p>(a) the Reportable Transaction is required to be reported in this jurisdiction and one or more foreign jurisdiction(s), or may be, reportable in a foreign jurisdiction; and</p> <p>(b) the Reporting Entity and the other counterparty determine the UTI generating entity in accordance with a method that the Reporting Entity reasonably believes is in accordance with the derivative transaction reporting requirements of each of the foreign jurisdictions, <u>if any</u>, in which the Reportable Transaction will be reported <u>by the Reporting Entity</u>.</p>	The UTI generating entity determined according to that method
6	<p>Both of the following apply:</p> <p>(a) the Reportable Transaction is required to be reported in this jurisdiction and one or more foreign jurisdiction(s); and</p> <p>(b) this jurisdiction is the jurisdiction with the earliest reporting deadline.</p> <p>Note: See subrule (4) for the meaning of the reporting deadline in this jurisdiction</p>	The UTI generating entity determined according to Item 6A
6A	<p>If Item 6 requires the UTI generating entity to be determined in accordance with this item:</p> <p>(a) where the Reportable Transaction has been, or will be, electronically affirmed or confirmed on an affirmation or confirmation platform and the operator of the affirmation or confirmation platform will generate a UTI;</p> <p>(b) if paragraph (a) does not apply and the Reporting Entity and the other counterparty agree, or agree a method for have an agreement for the purposes of determining, which of them is the UTI generating entity;</p>	<p>The operator of the affirmation or confirmation platform</p> <p>The UTI generating entity determined <u>as agreed by Reporting Entity and the other counterparty according to that agreement</u></p>

1. Item	2. Reportable Transaction	3. UTI generating entity
	(c) otherwise.	The counterparty whose reversed LEI would appear first if the reversed LEIs of the counterparties were sorted in alphanumeric order, or the only counterparty with an LEI.
7	<p>Both of the following apply:</p> <p>(a) the Reportable Transaction is required to be reported in this jurisdiction and one or more foreign jurisdiction(s); and</p> <p>(b) a foreign jurisdiction is the jurisdiction with the earliest reporting deadline</p> <p>Note: See subrule (4) for the meaning of the reporting deadline in this jurisdiction</p>	The UTI generating entity determined according to the derivative transaction reporting requirements of that foreign jurisdiction
8	<p>Both of the following apply:</p> <p>(a) the Reportable Transaction is required to be reported in this jurisdiction and one or more foreign jurisdiction(s); and</p> <p>(b) there is no jurisdiction with an earliest reporting deadline</p> <p>Note: See subrule (4) for the meaning of the reporting deadline in this jurisdiction</p>	The UTI generating entity determined according to Item 8A
8A	<p>If Item 8 requires the UTI generating entity to be determined in accordance with this item:</p> <p>(a) if the Reporting Entity and the other counterparty have an agreement for the purposes of agree how to determining determine the UTI generating entity;</p> <p>(b) if paragraph (a) does not apply and the Reportable Transaction has been, or will be, electronically affirmed or confirmed on an affirmation or confirmation platform and the operator of the affirmation or confirmation platform will generate a UTI;</p>	<p>The UTI generating entity determined <u>as agreed by Reporting Entity and the other counterparty according to that agreement</u></p> <p>The operator of the affirmation or confirmation platform</p>

1. Item	2. Reportable Transaction	3. UTI generating entity
	<p>(c) if paragraphs (a) and (b) do not apply and:</p> <p><u>(i) the Reportable Transaction will be reported by both counterparties to a single Derivative Trade Repository which records both reports into the repository records of a single jurisdiction; and</u></p> <p><u>(ii) the counterparties have satisfied any reasonable requirements of the operator of the Derivatives Trade Repository for the generation of a UTI by the operator;</u></p> <p>(d) otherwise.</p>	<p>The operator of the Derivative Trade Repository</p> <p>The counterparty whose reversed LEI would appear first if the reversed LEIs of the counterparties were sorted in alphanumeric order, or the only counterparty with an LEI.</p>

(4) For the purposes of Item 6, 7 and 8 in Table 2, the reporting deadline in this jurisdiction for a Reportable Transaction is the end of the next-second business day in Sydney after the day on which the Reportable Transaction occurs.

(5) If the Reporting Entity is the UTI generating entity for the Reportable Transaction, the Reporting Entity must:

- (a) generate the UTI; and
- (b) provide the UTI to the other counterparty to the OTC Derivative to which the Reportable Transaction relates as soon as practicable, in a timely manner and not later than 10:00 a.m. Sydney time on the next business day in Sydney after the requirement to report the information about the Reportable Transaction arises.

(6) Where the Reporting Entity is not the UTI generating entity for the Reportable Transaction and does not receive a UTI from the UTI generating entity determined under subrule (3) in sufficient time to enable the Reporting Entity to report the UTI for the Reportable Transaction in accordance with rule 2.2.3:

- (a) if the Reporting Entity reasonably believes that it will, at a later time, receive the UTI from the UTI generating entity determined under subrule (3), the Reporting Entity must generate a UTI and report that UTI for the Reportable Transaction in accordance with Part 2.2;
- (b) if the Reporting Entity reasonably believes that it will not receive the UTI from the UTI generating entity determined under subrule (3), the Reporting Entity must use its best endeavours to determine the UTI generating entity (*new UTI*)

generating entity) according to the next applicable item in Table 2 in subrule (3); and

- (c) if the new UTI generating entity:
 - (i) is the Reporting Entity; or
 - (ii) is not the Reporting Entity and does not provide the Reporting Entity with a UTI in sufficient time to enable the Reporting Entity to report the UTI for the Reportable Transaction in accordance with rule 2.2.3,

the Reporting Entity must generate a UTI and report that UTI for the Reportable Transaction in accordance with Part 2.2.

Note: A Reporting Entity may not receive a UTI from another entity in sufficient time to report the Reportable Transaction because, for example, the other entity is not required by the rules of its home jurisdiction to generate a UTI or the UTI generating entity has not promptly provided the UTI to the Reporting Entity.

(7) A Reporting Entity may appoint a person (*Service Provider*) to generate the UTI for a Reportable Transaction for which the Reporting Entity is the UTI generating entity, provided that:

- (a) the terms of the Service Provider's appointment and any related agreements or arrangements require that the Service Provider generate a UTI using the Service Provider's LEI as the LEI component of the UTI; and
- (b) the terms of the Service Provider's appointment and any related agreements or arrangements require that the Service Provider provide that UTI to the other counterparty in accordance with subrule (5)(b).

(8) For the avoidance of doubt, a Reporting Entity:

- (a) that appoints a Service Provider under subrule (7); or
- (b) is an RE or Trustee that appoints a person to enter into OTC Derivative Transactions on behalf of the RE or Trustee and that person acts for the RE or Trustee under this Rule for a Reportable Transaction;

contravenes this Rule if the Service Provider or person appointed does not determine and provide a UTI as required under this Rule 2.2.9.

Other related UTI provisions

In **2.2.2 Reporting Requirement—Changes** insert as (2)(c)

(2) Without limiting subrule (1) and subject to subrule (3), a Reporting Entity must report:

- (a) ...
- (b) ...
- (c) a change to the UTI of the OTC Derivative where a UTI has been generated and reported under subrule 2.2.9(6)(a) or (c)(ii) and, at a later time, the Reporting Entity receives a UTI from the UTI generating entity.

In **2.2.3 Reporting Requirement—Timing (generally, T+2)** insert as (3)

(1) Subject to subrules (2) and (3), a Reporting Entity that is required to report:

- (a) information about a Reportable Transaction in accordance with subrule 2.2.1(1); or
- (b) a change to information about an OTC Derivative in accordance with subrule 2.2.2(1),

must report the information or change by no later than the end of the second Business Day after the day on which the Reportable Transaction or change occurs.

(2) ...

(3) A Reportable Transaction for which a value for item 90 of Table S1.1(1) is required to be reported must be reported by no later than the end of the fourth Business Day after the day on which the Reportable Transaction occurs.